



Third Avenue Value Fund

Third Avenue Small-Cap Value Fund

Third Avenue Real Estate Value Fund

Third Avenue International Value Fund

FIRST QUARTER REPORT

January 31, 2008



THIRD AVENUE FUNDS

Privacy Policy

Third Avenue Funds respects your right to privacy. We also know that you expect us to conduct and process your business in an accurate and efficient manner. To do so, we must collect and maintain certain personal information about you. This is the information we collect from you on applications or other forms and from the transactions you make with us, our affiliates, or third parties. We do not disclose any information about you or any of our former customers to anyone, except to our affiliates (which may include the Funds' affiliated money management entities) and service providers, or as otherwise permitted by law. To protect your personal information, we permit access only by authorized employees. Be assured that we maintain physical, electronic and procedural safeguards that comply with federal standards to guard your personal information.

Proxy Voting Policies and Procedures

The Funds have delegated the voting of proxies relating to their voting securities to the Funds' investment adviser pursuant to the adviser's proxy voting guidelines. A description of these proxy voting guidelines and procedures, as well as information relating to how a Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30, is available by August 31, each year (i) without charge, upon request, by calling (800) 443-1021, (ii) on the website of the Securities and Exchange Commission ("SEC") at <http://www.sec.gov>, and (iii) the Funds website www.thirdavenuefunds.com.

Schedule of Portfolio Holdings—Form N-Q

Third Avenue Funds files their complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Third Avenue Funds Form N-Q will be available on the SEC's website at <http://www.sec.gov>, and may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.



**Third Avenue Trust
Third Avenue Value Fund
Portfolio of Investments
at January 31, 2008
(Unaudited)**

	Principal Amount (\$)	Issues	Value
Corporate Debt Instruments - 2.38%			
Auto Supply - 0.01%	1,000,000	ISE Corp., Convertible Promissory Note, 10.000%, due 2/23/09 (b)	\$ 1,000,000
Automotive - 0.01%	2,005,000	General Motors Corp., step bond, 0.000% until 3/15/16 (7.750% thereafter), due 3/15/36	621,550
Building Products - 0.45%		Standard Pacific Corp.:	
	5,000,000	6.500%, due 8/15/10 (e)	3,612,500
	10,850,000	6.875%, due 5/15/11 (e)	7,595,000
	1,033,000	7.750%, due 3/15/13	707,605
	14,050,000	6.250%, due 4/1/14 (e)	9,694,500
	36,415,000	7.000%, due 8/15/15 (e)	25,308,425
			<u>46,918,030</u>
Consumer Products - 0.14%	14,220,011	Home Products International, Inc., 2nd Lien, Convertible, PIK, 6.000%, due 3/20/17 (b)	14,220,011
Financial Insurance/Credit Enhancement - 1.77%	197,000,000	MBIA Insurance Corp., 14.000%, due 1/15/33 (d)	184,390,818
Retail - 0.00%#	700,736	Sears Holding Corp. Trade Claims (a) (b)	575,186
		Total Corporate Debt Instruments (Cost \$253,636,575)	<u>247,725,595</u>
	Shares		
Preferred Stocks - 0.03%			
Auto Supply - 0.02%	759,866	ISE Corp. Series B (b)	2,499,959
Financial Insurance/Credit Enhancement - 0.00%#	6,045,667	CGA Group, Ltd. Series C (a) (b) (Bermuda)	—

See accompanying notes to the Portfolios of Investments.



**Third Avenue Trust
Third Avenue Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)**

	Shares	Issues	Value
Preferred Stocks (continued)			
Insurance & Reinsurance - 0.01%	4,775	Ecclesiastical Insurance, 8.625% (United Kingdom)	\$ 11,489
	1,022,245	RS Holdings Corp., Convertible, Class A (a) (b)	421,472
			<u>432,961</u>
		Total Preferred Stocks	
		(Cost \$13,040,362)	<u>2,932,920</u>
Common Stocks and Warrants - 88.14%			
Annuities & Mutual Fund Management & Sales - 5.96%	5,500,000	Bank of New York Mellon Corp.	256,465,000
	2,451,598	Legg Mason, Inc.	176,515,056
	5,148,000	Power Corp. of Canada (Canada)	182,529,555
	139,212	Westwood Holdings Group, Inc.	4,772,187
			<u>620,281,798</u>
Auto Supply - 0.00%#	22,624	ISE Corp. Warrants, expires 8/23/12 (a) (b)	—
Automotive - 6.52%	17,376,400	Toyota Industries Corp. (c) (Japan)	<u>678,141,809</u>
Building Products - 1.12%	3,189,400	USG Corp. (a) (e)	<u>116,732,040</u>
Business Services - 0.08%	337,082	Fair Issac Corp. (e)	<u>8,595,591</u>
Commercial Services - 1.18%	2,429,960	Alliance Data Systems Corp. (a) (e)	<u>122,883,077</u>
Computerized Securities Trading - 0.06%	132,800	Investment Technology Group, Inc. (a)	<u>6,237,616</u>
Consumer Products - 0.02%	526,368	Home Products International, Inc. (a) (b) (c)	563,214
	47,250	JAKKS Pacific, Inc. (a)	1,113,210
			<u>1,676,424</u>

See accompanying notes to the Portfolios of Investments.



**Third Avenue Trust
Third Avenue Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)**

	Shares	Issues	Value
Common Stocks and Warrants (continued)			
Depository Institutions - 0.73%	390,800	Berkshire Hills Bancorp, Inc. (e)	\$ 9,289,316
	529,600	Brookline Bancorp, Inc. (e)	5,534,320
	218,500	Carver Bancorp, Inc. (c)	3,327,755
	25,930,450	Chong Hing Bank, Ltd. (c) (Hong Kong)	56,459,167
	41,857	Tompkins Financial Corp. (e)	1,762,180
			<u>76,372,738</u>
Electronics Components - 1.85%	9,046,200	AVX Corp. (c)	117,871,986
	3,500,000	Intel Corp. (e)	74,200,000
			<u>192,071,986</u>
Financial Insurance/Credit Enhancement - 3.44%	3,806,722	ACA Capital Holdings, Inc. (a) (b) (c) (g)	2,569,538
	2,299,959	Ambac Financial Group, Inc.	26,955,520
	12,539,420	MBIA, Inc. (c)	194,361,010
	2,000,000	MGIC Investment Corp.	37,000,000
	10,649,350	Radian Group, Inc. (c)	97,335,059
			<u>358,221,127</u>
Financial Services - 0.60%	2,250,000	CIT Group, Inc.	<u>62,910,000</u>
Holding Companies - 22.33%	1,387,200	Alexander & Baldwin, Inc.	63,311,808
	10,000,000	Brookfield Asset Management, Inc., Class A (e) (Canada)	322,700,000
	83,370	Capital Southwest Corp. (e)	9,783,470
	53,819,000	Cheung Kong Holdings, Ltd. (Hong Kong)	872,658,998
	3,951,800	Guoco Group, Ltd. (Hong Kong) ¹	46,858,961
	12,713,000	Hutchison Whampoa, Ltd. (Hong Kong)	125,157,019
	10,665,000	Investor AB, Class A (Sweden)	208,308,124
	2,200,000	Jardine Matheson Holdings, Ltd. (Hong Kong) ¹	56,056,000
	359,250	Pargesa Holding SA (Switzerland)	35,569,439
	4,628,913	RHJ International (a) (c) (Belgium)	56,331,806
	48,355,822	Wharf (Holdings), Ltd. (The) (Hong Kong)	260,467,417
	90,996,500	Wheelock & Co., Ltd. (Hong Kong)	266,142,003
			<u>2,323,345,045</u>

See accompanying notes to the Portfolios of Investments.



**Third Avenue Trust
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Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)**

	Shares	Issues	Value
Common Stocks and Warrants (continued)			
Housing Development - 0.44%	1,000,000	MDC Holdings, Inc. (e)	\$ 46,270,000
Industrial & Agricultural Equipment - 0.29%	594,300	Alamo Group, Inc. (c)	11,279,814
	360,100	Mestek, Inc. (a)	4,681,300
	360,100	Omega Flex, Inc. (e)	5,581,550
	480,500	Standex International Corp.	8,740,295
			<u>30,282,959</u>
Insurance & Reinsurance - 0.65%	432,300	Arch Capital Group, Ltd. (a) (Bermuda)	30,459,858
	480,000	Montpelier Re Holdings, Ltd. (Bermuda)	8,227,200
	127,500	Olympus Re Holdings, Ltd. (a) (b) (Bermuda)	903,975
	32,089	RS Holdings Corp., Class A (a) (b)	13,230
	58,300	White Mountains Insurance Group, Ltd. ¹	28,275,500
			<u>67,879,763</u>
Life Insurance - 0.18%	1,769,878	Phoenix Cos., Inc. (The) (e)	19,167,779
Medical Supplies & Services - 0.64%	342,300	Datascope Corp.	11,097,366
	1,275,000	Pharmaceutical Product Development, Inc.	55,284,000
			<u>66,381,366</u>
Mutual Holding Companies - 0.19%	637,122	Brooklyn Federal Bancorp, Inc.	8,282,586
	50,920	Colonial Bankshares, Inc. (a)	509,200
	490,036	FedFirst Financial Corp. (a) (c)	4,363,771
	205,511	Gouverneur Bancorp, Inc. (c)	1,839,323
	274,157	Home Federal Bancorp, Inc. (c)	2,571,593
	242,800	SFSB, Inc. (a) (c)	1,912,050
			<u>19,478,523</u>

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**Third Avenue Trust
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Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)**

	Shares	Issues	Value
Common Stocks and Warrants (continued)			
Non-Life			
Insurance-Japan - 3.79%	9,049,100	Aioi Insurance Co., Ltd. (Japan)	\$ 44,172,724
	5,260,500	Millea Holdings, Inc., ADR (e) (Japan)	199,241,438
	10,728,140	Mitsui Sumitomo Insurance Co., Ltd. (Japan)	111,183,474
	4,310,560	Sompo Japan Insurance, Inc. (Japan)	39,313,436
			<u>393,911,072</u>
Oil & Gas			
Production & Services - 4.73%	2,000,630	Cimarex Energy Co.	81,645,710
	626,800	EnCana Corp. (e) (Canada)	41,500,428
	10,090,000	Nabors Industries, Ltd. (a) (Bermuda)	274,649,800
	1,000,000	Suncor Energy, Inc. (e) (Canada)	93,980,000
			<u>491,775,938</u>
Pharmaceuticals - 0.29%	1,000,000	Daiichi Sankyo Co., Ltd. (Japan)	<u>30,013,915</u>
Real Estate - 23.20%			
	89,259	Alico, Inc. (e)	3,815,822
	19,737	Consolidated-Tomoka Land Co. (e)	1,024,350
	18,975,821	FNC Realty Corp. (a) (b)	14,231,866
	7,101,178	Forest City Enterprises, Inc., Class A (c) (e)	282,981,943
	1,579,907	Forest City Enterprises, Inc., Class A (c) (d) (e)	62,959,294
	22,500	Forest City Enterprises, Inc., Class B	895,500
	23,919,000	Hang Lung Group, Ltd. (Hong Kong)	111,009,906
	30,534,000	Hang Lung Properties, Ltd. (Hong Kong)	120,883,238
	69,071,738	Henderson Land Development Co., Ltd. (c) (Hong Kong)	596,563,276
	50,000,000	Henderson Land Development Co., Ltd. (c) (d) (Hong Kong)	431,843,250
	47,348	Homefed Corp. (a) (e)	2,840,880
	8,151,000	Mitsubishi Estate Co., Ltd. (Japan)	219,414,042
	6,970,000	Mitsui Fudosan Co., Ltd. (Japan)	161,686,881
	7,072,168	St. Joe Co. (The) (c) (e)	274,541,562
	3,420,106	Tejon Ranch Co. (a) (c)	129,348,409
			<u>2,414,040,219</u>

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Third Avenue Trust
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Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

	Shares	Issues	Value
Common Stocks and Warrants (continued)			
Real Estate Investment Trust - 0.39%	676,607	ProLogis	\$ 40,156,625
	846	Public Storage, Inc.	66,200
			<u>40,222,825</u>
Security Brokers, Dealers & Flotation Companies - 0.83%	894,400	Jefferies Group, Inc. (e)	18,084,768
	2,444,062	Raymond James Financial, Inc.	68,653,702
			<u>86,738,470</u>
Semiconductor Equipment Manufacturers - 0.12%	700,000	Applied Materials, Inc.	12,544,000
Software - 0.63%	2,000,000	Microsoft Corp.	65,200,000
Steel & Specialty Steel - 4.53%	399,285	Haynes International, Inc. (a) (e)	17,640,411
	3,350,000	POSCO, ADR (e) (South Korea)	454,126,000
			<u>471,766,411</u>
Telecommunications - 0.33%	5,008,450	Tellabs, Inc. (a) (e)	34,157,629
Title Insurance - 0.55%	1,000,000	First American Corp. (e)	43,550,000
	412,030	Stewart Information Services Corp. (e)	14,103,787
			<u>57,653,787</u>
Transportation Infrastructure - 0.01%	27,482,000	Henderson Investment, Ltd. (Hong Kong)	1,470,324
Utilities, Utility Service Companies & Waste Management - 2.46%	8,816,889	Covanta Holding Corp. (a) (c)	223,860,812
	861,208	Mirant Corp. (a)	31,726,903
			<u>255,587,715</u>

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Third Avenue Trust
Third Avenue Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

		Issues	Value
Total Common Stocks and Warrants			
		(Cost \$6,821,985,990)	<u>\$9,172,011,946</u>
Investment Amount (\$) or Partnership Units			
Limited Partnerships - 0.08%			
Infrastructure - 0.07%	340,000	Brookfield Infrastructure Partners LP ¹ (a)	<u>7,140,000</u>
Insurance & Reinsurance - 0.01%	\$1,805,000	Insurance Partners II Equity Fund, LP (a) (b)	<u>742,286</u>
Total Limited Partnerships			
(Cost \$7,416,158)			<u>7,882,286</u>
Principal Amount (†)			
Short Term Investments - 9.18%			
Foreign Government			
Obligations - 6.74%	68,000,000	GBP United Kingdom Treasury Bills, 5.35%‡, due 2/18/08	134,936,864
	65,000,000	GBP United Kingdom Treasury Bills, 5.36%‡, due 3/3/08 (i)	128,675,571
	220,000,000	GBP United Kingdom Treasury Bond, 5.00%, due 3/7/08	<u>437,382,556</u>
			<u>700,994,991</u>
Repurchase Agreement - 2.44%	254,264,178	Bear Stearns, 1.75%, dated 1/31/08, due 2/1/08 (f)	<u>254,264,178</u>
Total Short Term Investments			
(Cost \$951,064,090)			<u>955,259,169</u>
Investment of Cash Collateral for Securities Loaned - 6.12%			
Repurchase Agreements - 6.12%	637,241,709	Bear Stearns, 1.56%-3.13%, dated 1/31/08, due 2/1/08 (h)	<u>637,241,709</u>
Total Investments of Cash Collateral for Securities Loaned			
(Cost \$637,241,709)			<u>637,241,709</u>

See accompanying notes to the Portfolios of Investments.



**Third Avenue Trust
Third Avenue Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)**

	<u>Value</u>
Total Investment Portfolio - 105.93% (Cost \$8,684,384,884)	<u>\$11,023,053,625</u>
Liabilities in excess of Other Assets - (5.93%)	<u>(617,328,217)</u>
NET ASSETS - 100.00% (Applicable to 182,418,451 shares outstanding)	<u>\$10,405,725,408</u>
 NET ASSET VALUE PER SHARE	 <u>\$57.04</u>

Notes:

ADR: American Depository Receipt.

GBP: Great British Pound.

PIK: Payment-in kind.

STRIPS: Separate trading of registered interest and principal securities.

(a) Non-income producing securities.

(b) Fair-valued securities:

<u>Security</u>	<u>Carrying Value Per Unit</u>	<u>Acquisition Date</u>	<u>Acquisition Cost</u>
ACA Capital Holdings, Inc.	\$ 0.68	9/24/1997 to 11/10/2006	\$43,774,056
CGA Group, Ltd., Series C Pfd.	—	3/2/1999	7,039,179
FNC Realty Corp.	0.75	7/14/2000 to 1/30/2007	20,988,717
Home Products International, Inc.	1.07	5/30/2007	54,667,471
Home Products International, Inc., 2nd Lien, Convertible, PIK, 6.000%, due 3/20/17	100%	3/16/2007 to 9/20/2007	14,220,011
Insurance Partners II Equity Fund, LP	0.41	12/15/1998 to 7/26/2004	276,158
ISE Corp. Series B Pfd.	3.29	3/8/2006	4,999,994
ISE Corp., Convertible Promissory Note, 10.000%, due 2/23/09	100%	8/23/2007	1,000,000
ISE Corp. Warrants, expires 8/23/12	—	8/23/2007	—
Olympus Re Holdings, Ltd.	7.09	12/20/2001	12,750,008
RS Holdings Corp., Class A	0.41	5/9/2003 to 4/20/2004	30,853
RS Holdings Corp., Convertible, Class A Pfd.	0.41	3/18/2002 to 4/20/2004	991,392
Sears Holding Corp. Trade Claims	0.82	1/22/2002 to 4/30/2003	—

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- (c) Affiliated issuers—as defined under the Investment Company Act of 1940 (ownership of 5% or more of the outstanding voting securities of these issuers).
- (d) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers.
- (e) Securities in whole or in part on loan.
- (f) Repurchase agreement collateralized by U.S. Treasury Strips Principal (STRIPS), par value \$478,458,000, due 11/15/15-2/15/29, value \$261,639,150.
- (g) Security is subject to restrictions on resale.
- (h) Repurchase agreements collateralized by:
- Fannie Mae Notes and Bonds, par value \$2,410,394,131, due 3/25/16-9/25/37, value \$53,061,784.
 - Freddie Mac Notes and Bonds, par value \$1,284,498,353, due 11/15/16-8/15/35, value \$41,352,938.
 - Freddie Mac Strips Principal (STRIPS), par value \$30,300,000, due 11/15/36-12/15/36, value \$1,224,096.
 - Ginnie Mae Notes and Bonds, par value \$682,645,754, due 2/20/29-5/20/37, value \$17,298,485.
 - U.S. Treasury Strips Principal (STRIPS), par value \$824,131,000, due 2/15/09-2/15/23, value \$542,795,914.
- (i) A portion of this security is segregated for future fund commitments.
- # Amount represents less than 0.01% of total net assets.
- † Denominated in U.S. Dollars unless otherwise noted.
- ‡ Annualized yield at date of purchase.
- ‡ Incorporated in Bermuda.

Country Concentration	% of Net Assets
United States	40.21%
Hong Kong	28.31
Japan	14.25
United Kingdom	6.74
Canada	6.16
South Korea	4.36
Bermuda	3.02
Sweden	2.00
Belgium	0.54
Switzerland	0.34
Total	<u>105.93%</u>

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Third Avenue Small-Cap Value Fund
Portfolio of Investments
at January 31, 2008
(Unaudited)**

	Principal Amount (\$)	Issues	Value
Corporate Bonds - 0.91%			
Financial Insurance/Credit Enhancement - 0.91%	18,500,000	MBIA Insurance Corp., 14.000%, due 1/15/33 (f)	\$ 17,315,889
		Total Corporate Bonds (Cost \$18,500,000)	<u>17,315,889</u>
	Shares		
Common Stocks - 91.58%			
Aerospace & Defense - 0.92%	1,400,537	Herley Industries, Inc. (a) (c)	<u>17,338,648</u>
Agriculture - 2.34%	3,799,687	Saskatchewan Wheat Pool (a) (e) (Canada)	<u>44,201,329</u>
Auto Parts - 0.62%	642,200	Superior Industries International, Inc.	<u>11,700,884</u>
Banking - 0.82%	1,259,961	NewAlliance Bancshares, Inc.	<u>15,497,520</u>
Cable Television Equipment - 1.90%	809,400	CommScope, Inc. (a)	<u>35,896,890</u>
Chemicals & Allied Products - 5.01%	1,047,848	Lanxess AG (Germany)	36,474,992
	2,901,166	Westlake Chemical Corp.	<u>58,313,437</u>
			<u>94,788,429</u>
Computer Peripherals - 3.72%	900,965	Imation Corp.	23,344,003
	1,301,781	Lexmark International, Inc., Class A (a)	<u>47,137,490</u>
			<u>70,481,493</u>
Consumer Products - 4.24%	1,212,189	JAKKS Pacific, Inc. (a)	28,559,173
	2,132,601	K-Swiss, Inc., Class A (c)	38,728,034
	901,300	Russ Berrie & Co., Inc. (a)	13,005,759
			<u>80,292,966</u>

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Third Avenue Trust
Third Avenue Small-Cap Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

	Shares	Issues	Value
Common Stocks (continued)			
Diversified Media - 0.66%	1,515,751	Journal Communications, Inc., Class A	\$ 12,504,946
Electronics Components - 2.88%	766,242	Bel Fuse, Inc., Class B (c)	20,749,833
	986,869	Electronics for Imaging, Inc. (a)	14,566,186
	291,450	Ingram Micro, Inc., Class A (a)	5,181,981
	593,100	Park Electrochemical Corp.	14,044,608
			<u>54,542,608</u>
Energy/Coal - 2.50%	1,055,000	Fording Canadian Coal Trust (Canada)	47,358,950
Energy/Services - 6.90%	571,432	Bristow Group, Inc. (a)	28,771,601
	2,189,832	Bronco Drilling Co., Inc. (a) (c)	34,292,769
	2,441,748	Pioneer Drilling Co. (a)	25,418,597
	437,400	Precision Drilling Trust (Canada)	7,527,654
	652,900	Tidewater, Inc.	34,577,584
			<u>130,588,205</u>
Financial Insurance/Credit Enhancement - 0.03%	802,697	ACA Capital Holdings, Inc. (a) (b) (e)	541,821
Forest Products & Paper - 9.01%	4,165,700	Canfor Corp. (a) (Canada)	40,783,657
	41,759	Canfor Pulp Income Fund (Canada)	433,374
	12,107,879	Catalyst Paper Corp. (a) (b) (c) (e) (Canada)	18,554,039
	680,367	Deltic Timber Corp. (c)	36,304,383
	2,196,177	Glatfelter	31,756,719
	3,390,400	TimberWest Forest Corp. (Canada)	42,614,260
			<u>170,446,432</u>
Healthcare Services - 2.12%	2,063,905	Cross Country Healthcare, Inc. (a) (c)	26,067,120
	323,230	Pharmaceutical Product Development, Inc.	14,015,253
			<u>40,082,373</u>

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Third Avenue Trust
Third Avenue Small-Cap Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

	Shares	Issues	Value
Common Stocks (continued)			
Holding Companies - 6.36%	2,102,287	Brookfield Asset Management, Inc., Class A (Canada)	\$ 67,840,802
	449,743	IDT Corp.	2,923,330
	1,706,400	IDT Corp., Class B	11,842,416
	3,111,000	JZ Equity Partners PLC (United Kingdom)	7,626,058
	495,300	Leucadia National Corp.	21,877,401
	24,185,370	PYI Corp., Ltd. (Hong Kong) ¹	8,228,230
			<u>120,338,237</u>
Home Furnishings - 0.79%	1,116,324	Stanley Furniture Co., Inc. (c)	<u>15,025,721</u>
Industrial Equipment - 1.82%	279,371	Alamo Group, Inc.	5,302,462
	465,214	A.S.V., Inc. (a)	8,322,678
	738,800	Trinity Industries, Inc.	20,922,816
			<u>34,547,956</u>
Insurance & Reinsurance - 2.91%	322,900	Arch Capital Group, Ltd. (a) (Bermuda)	22,751,534
	59,974	E-L Financial Corp., Ltd. (Canada)	32,255,326
			<u>55,006,860</u>
Life Insurance - 2.86%	178,500	FBL Financial Group, Inc., Class A	5,881,575
	222,544	National Western Life Insurance Co., Class A (c)	41,791,538
	589,400	Phoenix Cos., Inc. (The)	6,383,202
			<u>54,056,315</u>
Metals Manufacturing - 1.91%	2,164,031	Encore Wire Corp. (c)	<u>36,096,037</u>
Oil & Gas - 7.06%	1,225,363	Cimarex Energy Co.	50,007,064
	1,638,500	St. Mary Land & Exploration Co.	57,724,355
	480,440	Whiting Petroleum Corp. (a)	25,818,846
			<u>133,550,265</u>

See accompanying notes to the Portfolios of Investments.



Third Avenue Trust
Third Avenue Small-Cap Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

	Shares	Issues	Value
Common Stocks (continued)			
Real Estate - 15.74%	951,943	Alexander & Baldwin, Inc.	\$ 43,446,679
	279,531	Alico, Inc.	11,949,950
	749,200	Forest City Enterprises, Inc., Class A	29,855,620
	4,517,300	Parco Co., Ltd. (c) (Japan)	57,673,228
	10,148,000	Sapporo Holdings, Ltd. (Japan)	81,582,731
	718,150	St. Joe Co. (The)	27,878,583
	322,646	Tejon Ranch Co. (a)	12,202,472
	703,170	Vail Resorts, Inc. (a)	33,288,068
			<u>297,877,331</u>
Retail - 1.02%	1,891,945	Haverty Furniture Cos., Inc. (c)	<u>19,354,597</u>
Semiconductor Equipment Manufacturers & Related - 1.62%	280,700	Coherent, Inc. (a)	7,298,200
	1,139,062	Electro Scientific Industries, Inc. (a)	18,726,179
	496,475	GSI Group, Inc. (a) (Canada)	4,562,605
			<u>30,586,984</u>
Software - 2.57%	4,552,252	Borland Software Corp. (a) (c)	11,380,630
	408,646	Sybase, Inc. (a)	11,531,990
	1,167,736	Synopsys, Inc. (a)	25,713,547
			<u>48,626,167</u>
Telecommunications Equipment - 2.27%	3,858,740	Sycamore Networks, Inc. (a)	13,042,541
	4,388,623	Tellabs, Inc. (a)	29,930,409
			<u>42,972,950</u>
Transportation - 0.98%	677,911	Genesee & Wyoming, Inc., Class A (a)	<u>18,513,749</u>
		Total Common Stocks	
		(Cost \$1,495,230,139)	<u>1,732,816,663</u>

See accompanying notes to the Portfolios of Investments.



**Third Avenue Trust
Third Avenue Small-Cap Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)**

	Investment Amount (\$) or Partnership Units	Issues	Value
Limited Partnerships - 0.81%			
Holding Companies - 0.81%	\$1,000,000	AP Alternative Assets LP (a) (b) (Guernsey)	\$ 13,775,000
	71,478	Brookfield Infrastructure Partners LP ¹ (a)	<u>1,501,033</u>
			<u>15,276,033</u>
		Total Limited Partnerships	
		(Cost \$21,501,033)	<u>15,276,033</u>
	Principal Amount (\$)		
Short Term Investments - 5.48%			
Repurchase Agreement - 5.48%	103,629,125	Bear Stearns, 1.75%, dated 1/31/08, due 2/1/08 (d)	<u>103,629,125</u>
		Total Short Term Investments	
		(Cost \$103,629,125)	<u>103,629,125</u>
		Total Investment Portfolio - 98.78%	
		(Cost \$1,638,860,297)	<u>1,869,037,710</u>
		Other Assets less Liabilities - 1.22%	<u>23,118,522</u>
		NET ASSETS - 100.00%	
		(Applicable to 83,447,670 shares outstanding)	<u>\$1,892,156,232</u>
		NET ASSET VALUE PER SHARE	<u>\$22.67</u>

Notes:

- (a) Non-income producing securities.
(b) Fair-valued securities:

Security	Carrying Value Per Unit	Acquisition Date	Acquisition Cost
ACA Capital Holdings, Inc.	\$ 0.68	11/10/2006	\$ 8,333,333
AP Alternative Assets LP	13.78	6/8/2006	20,000,000
Catalyst Paper Corp.	1.53	10/23/2006	36,007,695

See accompanying notes to the Portfolios of Investments.



**Third Avenue Trust
Third Avenue Small-Cap Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)**

- (c) Affiliated issuers—as defined under the Investment Company Act of 1940 (ownership of 5% or more of the outstanding voting securities of these issuers).
 - (d) Repurchase agreement collateralized by U.S. Treasury Inflation Indexed Notes, par value \$83,845,000, due 4/15/11-7/15/12, value \$106,631,256.
 - (e) Security is subject to restrictions on resale.
 - (f) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers.
- ¹ Incorporated in Bermuda.

Country Concentration	% of Net Assets
United States	70.54%
Canada	16.18
Japan	7.36
Germany	1.93
Bermuda	1.20
Guernsey	0.73
Hong Kong	0.44
United Kingdom	0.40
Total	<u>98.78%</u>

See accompanying notes to the Portfolios of Investments.



**Third Avenue Trust
Third Avenue Real Estate Value Fund
Portfolio of Investments
at January 31, 2008
(Unaudited)**

	Shares	Issues	Value
Preferred Stocks - 0.61%			
U.S. Real Estate Investment Trusts - 0.23%	225,000	RAIT Financial Trust, 7.750% Series A	\$ 1,747,500
	250,000	RAIT Financial Trust, 8.375% Series B	3,685,000
			<u>5,432,500</u>
U.S. Real Estate Operating Companies - 0.38%	400,000	Forest City Enterprises, Inc., \$25 par, 7.375%, due 2/1/34	<u>8,964,000</u>
		Total Preferred Stocks (Cost \$19,375,000)	<u>14,396,500</u>
Common Stocks - 93.57%			
Homebuilders - 0.74%	408,775	Avatar Holdings, Inc. (a)	<u>17,536,447</u>
Non-U.S. Real Estate Investment Trusts - 10.47%	3,830,622	British Land Co. PLC (United Kingdom)	77,539,466
	2,720,168	Derwent London PLC (United Kingdom)	74,452,785
	2,434,216	Hammerson PLC (United Kingdom)	55,310,549
	1,904,066	Liberty International PLC (United Kingdom)	40,734,889
			<u>248,037,689</u>
Non-U.S. Real Estate Operating Companies - 37.53%	7,072,229	Brookfield Asset Management, Inc., Class A (Canada)	228,220,830
	3,215,850	Brookfield Properties Corp. (Canada)	65,313,913
	3,362,300	Daibiru Corp. (Japan)	34,510,351
	21,894,000	Hang Lung Properties, Ltd. (Hong Kong)	86,677,724
	8,890,000	Henderson Land Development Co., Ltd. (Hong Kong)	76,781,730
	1,845,100	Killam Properties, Inc. (c) (Canada)	14,848,272
	2,679,000	Mitsubishi Estate Co., Ltd. (Japan)	72,115,105
	2,650,000	Mitsui Fudosan Co., Ltd. (Japan)	61,473,491
	3,959,400	Parco Co., Ltd. (Japan)	50,550,413

See accompanying notes to the Portfolios of Investments.



Third Avenue Trust
Third Avenue Real Estate Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

	Shares	Issues	Value
Common Stocks (continued)			
Non-U.S. Real Estate Operating Companies (continued)	4,886,904	Quintain Estates & Development PLC (United Kingdom)	\$ 48,705,499
	5,179,700	Sapporo Holdings, Ltd. (Japan)	41,641,119
	1,617,365	Unite Group PLC (United Kingdom)	10,741,558
	25	Wharf (Holdings), Ltd. (The) (Hong Kong)	135
	32,049,500	Wheelock & Co., Ltd. (Hong Kong)	93,736,771
	4,240,000	Wheelock Properties, Ltd. (Hong Kong)	3,956,416
			<u>889,273,327</u>
U.S. Real Estate Investment Trusts - 23.74%	2,436,810	Acadia Realty Trust (c)	61,042,090
	1,348,100	Associated Estates Realty Corp. (c)	13,278,785
	1,878,851	Cousins Properties, Inc.	49,977,437
	1,561,738	Crystal River Capital, Inc. (c)	21,895,567
	1,006,821	EastGroup Properties, Inc.	41,672,321
	1,471,286	First Potomac Realty Trust (c)	25,585,664
	2,251,800	JER Investors Trust, Inc. (c)	23,080,950
	640,304	One Liberty Properties, Inc. (c)	11,077,259
	1,766,792	ProLogis	104,859,105
	900,400	PS Business Parks, Inc.	45,245,100
	2,235,800	Quadra Realty Trust, Inc. (c)	24,146,640
	3,000,000	RAIT Financial Trust	27,780,000
	1,248,200	Vornado Realty Trust	112,837,280
			<u>562,478,198</u>
U.S. Real Estate Operating Companies - 21.09%	500,500	Consolidated-Tomoka Land Co. (c)	25,975,950
	12,982,327	FNC Realty Corp. (a) (b)	9,736,745
	5,497,933	Forest City Enterprises, Inc., Class A (c)	219,092,630
	1,017,031	Forest City Enterprises, Inc., Class A (c) (d)	40,528,685
	4,108,851	St. Joe Co. (The) (c)	159,505,596
	485,584	Tejon Ranch Co. (a)	18,364,787
	2,411,373	Thomas Properties Group, Inc. (c)	26,645,672
			<u>499,850,065</u>
		Total Common Stocks	
		(Cost \$1,675,025,124)	<u>2,217,175,726</u>

See accompanying notes to the Portfolios of Investments.



**Third Avenue Trust
Third Avenue Real Estate Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)**

	Partnership Units	Issues	Value
Limited Partnerships - 0.21%			
Infrastructure - 0.21%	240,456	Brookfield Infrastructure Partners LP ¹ (a)	\$ 5,049,572
		Total Limited Partnerships (Cost \$5,049,572)	<u>5,049,572</u>
	Principal Amount (\$)		
Short Term Investments - 5.56%			
Repurchase Agreement - 5.56%	131,682,470	Bear Stearns, 1.75%, dated 1/31/08, due 2/1/08 (e)	131,682,470
		Total Short Term Investments (Cost \$131,682,470)	<u>131,682,470</u>
		Total Investment Portfolio - 99.95% (Cost \$1,831,132,166)	<u>2,368,304,268</u>
		Other Assets less Liabilities - 0.05%	<u>1,239,043</u>
		NET ASSETS - 100.00% (Applicable to 86,005,439 shares outstanding)	<u>\$2,369,543,311</u>
		NET ASSET VALUE PER SHARE	<u>\$27.55</u>

Notes:

(a) Non-income producing securities.

(b) Fair-valued securities:

<u>Security</u>	<u>Carrying Value Per Unit</u>	<u>Acquisition Date</u>	<u>Acquisition Cost</u>
FNC Realty Corp.	\$0.75	5/22/2002 to 1/30/2007	\$10,726,689

(c) Affiliated issuers—as defined under the Investment Company Act of 1940 (ownership of 5% or more of the outstanding voting securities of these issuers).

(d) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers.

See accompanying notes to the Portfolios of Investments.



**Third Avenue Trust
Third Avenue Real Estate Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)**

(e) Repurchase agreement collateralized by:

U.S. Treasury Bills, par value \$100,207,000, due 2/28/08-4/17/08, value \$99,977,995.

U.S. Treasury Note, par value \$17,700,000, due 8/15/08, value \$18,068,799.

U.S. Treasury Inflation Indexed Bond, par value \$14,225,000, due 1/15/25, value \$17,456,310.

¹ Incorporated in Bermuda.

Country Concentration	% of Net Assets
United States	51.95%
Canada	13.01
United Kingdom	12.98
Hong Kong	11.02
Japan	10.99
Total	<u>99.95%</u>

See accompanying notes to the Portfolios of Investments.



Third Avenue Trust
Third Avenue International Value Fund
Portfolio of Investments
at January 31, 2008
(Unaudited)

	Shares	Issues	Value
Common Stocks and Warrants - 83.93%			
Advertising - 2.17%	1,312,400	Asatsu-DK, Inc. (Japan)	\$ 39,948,910
Agriculture - 11.07%	10,141,623	ABB Grain, Ltd. (c) (Australia)	79,458,256
	7,852,964	Saskatchewan Wheat Pool (a) (e) (Canada)	91,352,641
	331,536	United International Enterprises, Ltd. (c) (Denmark) ¹	33,205,333
			<u>204,016,230</u>
Building & Construction Products/Services - 4.21%	216,342	Imerys SA (France)	16,786,748
	13,146,300	Nippon Sheet Glass Co., Ltd. (Japan)	60,691,662
			<u>77,478,410</u>
Corporate Services - 0.43%	22,522,784	Boardroom, Ltd. (c) (Singapore)	7,947,348
Diversified Operations - 8.19%	2,292,006	Antarchile S.A. (Chile)	53,308,205
	12,296,610	CSR, Ltd. (Australia)	34,818,017
	5,058,200	Hutchison Whampoa, Ltd. (Hong Kong)	49,796,998
	2,806,000	Straits Trading Co., Ltd. (Singapore)	13,019,230
			<u>150,942,450</u>
Electronics - 1.77%	1,015,400	Futaba Corp. (Japan)	17,763,586
	1,886,500	Nichicon Corp. (Japan)	14,865,005
			<u>32,628,591</u>
Electronics Components - 3.09%	19,359,300	WBL Corp., Ltd. (c) (Singapore)	56,998,383
Energy/Coal - 1.58%	647,300	Fording Canadian Coal Trust (Canada)	29,057,297
Energy/Services - 0.07%	56,550	Farstad Shipping A/S (Norway)	1,352,595

See accompanying notes to the Portfolios of Investments.



Third Avenue Trust
Third Avenue International Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

	Shares	Issues	Value
Common Stocks and Warrants (continued)			
Engineering/Construction - 0.63%	684,200	Chudenko Corp. (Japan)	\$ 10,648,813
	179,000	Tokyo Energy & Systems, Inc. (Japan)	931,751
			<u>11,580,564</u>
Food & Beverage - 0.74%	33,186,000	Vitasoy International Holdings, Ltd. (Hong Kong)	<u>13,679,048</u>
Forest Products & Paper - 7.79%	5,090,000	Canfor Corp. (a) (Canada)	49,832,877
	24,754	Canfor Pulp Income Fund (Canada)	256,896
	40,080,245	Catalyst Paper Corp. (a) (b) (c) (e) (Canada)	61,418,719
	44,893,185	Rubicon, Ltd. (a) (c) (New Zealand)	32,091,341
			<u>143,599,833</u>
Holding Companies - 8.12%	792,580	Compagnie Nationale a Portefeuille (Belgium)	51,908,457
	4,906,400	Guoco Group, Ltd. (Hong Kong) ²	58,178,250
	680,000	LG Corp. (South Korea)	39,434,166
			<u>149,520,873</u>
Insurance - 5.95%	124,876	Blue Ocean Reinsurance, Ltd. (a) (b) (c) (Bermuda)	5,163,020
	8,981,415	BRIT Insurance Holdings PLC (United Kingdom)	40,668,997
	70,000	Millea Holdings, Inc. (Japan)	2,667,189
	1,648,724	Montpelier Re Holdings, Ltd. (Bermuda)	28,259,129
	7,828	Norton Holdings, Ltd. (a) (b) (Bermuda)	9,920,738
	2,520,050	Sompo Japan Insurance, Inc. (Japan)	22,983,516
			<u>109,662,589</u>
Metals & Mining - 4.16%	3,792,832	Dundee Precious Metals, Inc. (a) (c) (Canada)	23,420,705
	1,025,000	Dundee Precious Metals, Inc. (a) (c) (f) (Canada)	6,329,366
	512,500	Dundee Precious Metals, Inc. Warrants, expires 6/29/12 (a) (e) (Canada)	556,372
	853,742	Newmont Mining Corp.	46,392,340
			<u>76,698,783</u>
Other Financial - 3.79%	91,231,000	Yuanta Financial Holding Co., Ltd. (a) (Taiwan)	<u>69,904,445</u>

See accompanying notes to the Portfolios of Investments.



Third Avenue Trust
Third Avenue International Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

	Shares	Issues	Value
Common Stocks and Warrants (continued)			
Real Estate - 5.89%	2,261,800	Daibiru Corp. (Japan)	\$ 23,214,916
	102,920,023	GuocoLeisure, Ltd. (a) (c) (Singapore) ²	63,157,377
	17,450,000	Liu Chong Hing Investment, Ltd. (Hong Kong)	22,052,727
			<u>108,425,020</u>
Securities Brokerage - 3.98%	97,017,800	Asia Plus Securities Public Co., Ltd. (Thailand)	9,285,968
	2,192,600	Capital Nomura Securities Public Co., Ltd., NVDR (Thailand)	2,093,755
	46,957,605	Capital Securities Corp. (Taiwan)	26,683,289
	38,126,960	Hotung Investment Holdings, Ltd. (Taiwan) ²	5,528,409
	652,300	Ichiyoshi Securities Co., Ltd. (Japan)	6,344,507
	39,319,600	KGI Securities Public Co., Ltd., NVDR (Thailand)	2,595,865
	34,068,790	President Securities Corp. (Taiwan)	20,734,775
			<u>73,266,568</u>
Technology-Hardware - 2.55%	30,128,000	Gigabyte Technology Co., Ltd. (Taiwan)	16,432,703
	56,450,000	United Microelectronics Corp. (Taiwan)	30,452,793
			<u>46,885,496</u>
Telecommunications - 2.77%	30,050,529	Netia S.A. (a) (c) (Poland)	51,010,911
Transportation - 4.98%	4,578,800	BW Gas ASA (Norway)	45,521,230
	221,300	Golar LNG, Ltd. (Norway) ²	4,663,447
	6,117,000	Seino Holdings Co., Ltd. (Japan)	41,643,353
			<u>91,828,030</u>
		Total Common Stocks and Warrants	
		(Cost \$1,451,147,701)	<u>1,546,432,374</u>

See accompanying notes to the Portfolios of Investments.



Third Avenue Trust
Third Avenue International Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

	Principal Amount (\$)	Issues	Value
Short Term Investments - 14.49%			
Repurchase Agreement - 5.30%	97,700,230	Bear Stearns, 1.75%, dated 1/31/08, due 2/1/08 (d)	\$ 97,700,230
U.S. Government Obligations - 9.19%	170,000,000	U.S. Treasury Bills, 2.98%-3.11%†, due 3/6/08-4/17/08	169,379,723
		Total Short Term Investments (Cost \$267,005,230)	<u>267,079,953</u>
		Total Investment Portfolio - 98.42% (Cost \$1,718,152,931)	<u>1,813,512,327</u>
		Other Assets less Liabilities - 1.58%	<u>29,032,919</u>
		NET ASSETS - 100.00% (Applicable to 101,161,737 shares outstanding)	<u>\$1,842,545,246</u>
		NET ASSET VALUE PER SHARE	<u>\$18.21</u>

Notes:

NVDR: Non-Voting Depository Receipt.

STRIPS: Separate trading of registered interest and principal securities.

- (a) Non-income producing securities.
- (b) Fair valued securities:

Security	Carrying Value Per Unit	Acquisition Date	Acquisition Cost
Blue Ocean Reinsurance, Ltd.	\$ 41.35	12/30/2005 to 2/9/2006	\$ 4,568,674
Catalyst Paper Corp.	1.53	1/3/2006 to 10/23/2006	114,161,857
Norton Holdings, Ltd.	1,267.34	12/14/2006	7,828,000

- (c) Affiliated issuers—as defined under the Investment Company Act of 1940 (ownership of 5% or more of the outstanding voting securities of these issuers).
- (d) Repurchase agreement collateralized by:
 - U.S. Treasury Inflation Indexed Note, par value \$3,660,000, due 4/15/11, value \$4,133,508.
 - U.S. Treasury Notes, par value \$41,015,000, due 4/30/09-11/30/11, value \$43,741,535.
 - U.S. Treasury Strips Principal (STRIPS), par value \$124,375,000, due 11/15/26, value \$52,660,375.
- (e) Security is subject to restrictions on resale.

See accompanying notes to the Portfolios of Investments.



Third Avenue Trust
Third Avenue International Value Fund
Portfolio of Investments (continued)
at January 31, 2008
(Unaudited)

(f) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers.

† Annualized yield at date of purchase.

¹ Incorporated in Bahamas.

² Incorporated in Bermuda.

Country Concentration

	% of Net Assets
United States *	17.01%
Canada	14.23
Japan	13.12
Taiwan	9.21
Hong Kong	7.80
Singapore	7.66
Australia	6.20
Chile	2.89
Belgium	2.82
Norway	2.80
Poland	2.77
Bermuda	2.35
United Kingdom	2.21
South Korea	2.14
Denmark	1.80
New Zealand	1.74
France	0.91
Thailand	0.76
Total	<u>98.42%</u>

* Includes cash equivalents.

See accompanying notes to the Portfolios of Investments.



Third Avenue Trust
Notes to Portfolios of Investments
January 31, 2008
(Unaudited)

1. SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization:

Third Avenue Trust (the "Trust") is an open-end, non-diversified management investment company organized as a Delaware business trust pursuant to a Trust Instrument dated October 31, 1996. The Trust currently consists of four, non-diversified (within the meaning of Section 5(b)(2) of the Investment Company Act), separate investment series: Third Avenue Value Fund, Third Avenue Small-Cap Value Fund, Third Avenue Real Estate Value Fund and Third Avenue International Value Fund (each a "Fund" and, collectively, the "Funds").

Accounting policies:

The policies described below are followed consistently by the Funds and are in conformity with accounting principles generally accepted in the United States of America.

Security valuation:

Generally, the Funds' investments are valued at market value. Securities traded on a principal stock exchange or the National Association of Securities Dealers' Automated Quotation System ("NASDAQ") are valued at the last quoted sales price, the NASDAQ official close price or, in the absence of closing sales prices on that day, securities are valued at the mean between the closing bid and asked price. In accordance with procedures approved by the Trust's Board of Trustees, the Funds may adjust the prices of securities traded in foreign markets, as appropriate, to reflect the fair value as of the time the Funds' net asset values are calculated. Temporary cash investments are valued at cost, plus accrued interest, which approximates market. Short-term debt securities with original or remaining maturities in excess of 60 days are valued at the mean of their quoted bid and asked prices. Short-term debt securities with 60 days or less to maturity are amortized to maturity based on their cost.

The Funds may invest up to 15% of their total net assets in securities which are not readily marketable, including those which are restricted as to disposition under applicable securities laws ("restricted securities"). Restricted securities and other securities and assets for which market quotations are not readily available are valued at "fair value", as determined in good faith by the Funds' Valuation Committee as authorized by the Board of Trustees of the Funds, under procedures established by the Board of Trustees. At January 31, 2008, such securities had a total fair value of \$37,740,737 or 0.36% of net assets of Third Avenue Value Fund, \$32,870,860 or 1.74% of net assets of Third Avenue Small-Cap Value Fund, \$9,736,745 or 0.41% of net assets of Third Avenue Real Estate Value Fund and \$76,502,477 or 4.15% of net assets of Third Avenue International Value Fund. Among the factors considered by the Valuation Committee in determining fair value are the type of security, trading in unrestricted securities of the same issuer, the financial condition of the issuer, the Fund's cost at the date of purchase, the percentage of the Fund's beneficial ownership of the issuer's common stock and debt securities, the operating results of the issuer, the discount from market value of any similar unrestricted securities of the issuer at the time of purchase and liquidation values of the issuer. The fair values determined in accordance with these procedures may differ significantly from the amounts which would be realized



Third Avenue Trust
Notes to Portfolios of Investments (continued)
January 31, 2008
(Unaudited)

upon disposition of the securities. Restricted securities often have costs associated with subsequent registration. The restricted securities currently held by the Funds are not expected to incur any material future registration costs.

Loans of portfolio securities:

The Funds may loan securities to certain brokers, with the Funds' custodian acting as the leading agent. Upon such loans, the Funds receive collateral which is maintained by the custodian. The Funds earn interest on such collateral and earn income in the form of negotiated lenders' fees. Securities loaned are required to be secured at all times by collateral at least equal to the market value of the securities loaned. Risks may arise upon entering into securities lending to the extent that the value of the collateral is less than the value of the securities loaned due to changes in the value of collateral or the loaned securities. Dividends or other distributions on loaned securities may also receive different tax treatment than would otherwise be the case. The Funds may receive collateral in the form of cash or other eligible securities, such as a letter of credit issued by a U.S. bank, or securities issued or guaranteed by the U.S. government having a value at all times not less than 100% of the value of securities loaned.

Repurchase agreements:

The Funds may invest excess cash in repurchase agreements whereby the Funds purchase securities, which serve as collateral, with an agreement to resell such collateral at the maturity date of the repurchase agreement. Securities pledged as collateral for repurchase agreements are held by the Funds' custodian bank until maturity of the repurchase agreement. Provisions in the agreements require that the market value of the collateral is at least equal to the repurchase value in the event of default. In the event of default, the Funds have the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. Under certain circumstances, in the event of default or bankruptcy by the other party to the agreement, realization and/or retention of the collateral may be subject to legal proceedings.

Foreign currency translation and foreign investments:

The books and records of the Funds are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars as follows:

- *Investments and assets and liabilities denominated in foreign currencies:* At the prevailing rates of exchange on the valuation date.
- *Investment transactions and investment income:* At the prevailing rates of exchange on the date of such transactions.

Security transactions:

Security transactions are accounted for on a trade date basis.



Third Avenue Trust
Notes to Portfolios of Investments (continued)
January 31, 2008
(Unaudited)

2. INVESTMENTS

The following information is based upon the book basis of investment securities as of January 31, 2008:

	<u>Value Fund</u>	<u>Small-Cap Value Fund</u>	<u>Real Estate Value Fund</u>	<u>International Value Fund</u>
Gross unrealized appreciation	\$3,139,648,650	\$ 385,063,398	\$ 620,465,355	\$ 252,273,136
Gross unrealized depreciation	(800,979,909)	(154,885,985)	(83,293,253)	(156,913,740)
Net unrealized appreciation	<u>\$2,338,668,741</u>	<u>\$ 230,177,413</u>	<u>\$ 537,172,102</u>	<u>\$ 95,359,396</u>
Aggregate book cost	<u>\$8,684,384,884</u>	<u>\$1,638,860,297</u>	<u>\$1,831,132,166</u>	<u>\$1,718,152,931</u>

3. COMMITMENTS AND CONTINGENCIES

Third Avenue Value Fund has committed a \$1,755,000 capital investment to RS Holdings of which \$1,022,245 has been funded as of January 31, 2008. Under certain circumstances this commitment may be payable to RS Holdings, although the Adviser believes that this commitment is no longer enforceable. Accordingly, Third Avenue Value Fund has segregated securities valued at \$3,959,248 to meet this contingency.

For additional information regarding the accounting policies of the Funds, refer to the most recent financial statements in the N-CSR filing at www.sec.gov.

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