ATHENAINVEST™
Strategy Based Research

Athena Fund Rating Report
Data as of Jan 31, 2010

Fairholme Fund

Ticker: FAIRX

Strategy Rating

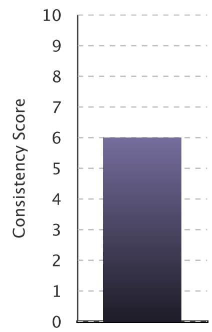
5 **Strong Buy**
Highest Rating

Fund Strategy

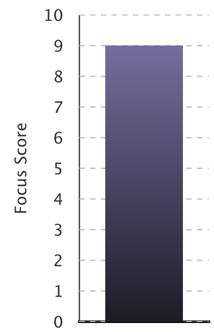
Primary Strategy
Valuation

Secondary Strategy
Competitive Position

Strategy Consistency



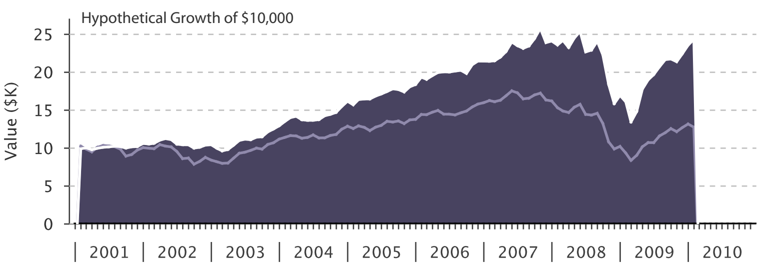
Strategy Focus



Trailing Twelve Month Rating

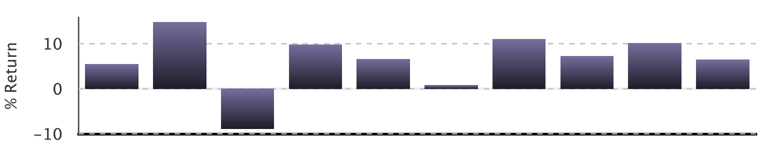
Feb 2009	Mar 2009	Apr 2009	May 2009	Jun 2009	Jul 2009	Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010
4	3	4	4	4	4	4	5	4	4	5	5
Buy	Hold	Buy	Buy	Buy	Buy	Buy	Strong Buy	Buy	Buy	Strong Buy	Strong Buy

Trailing Ten Year Performance



$ 24,347
Fairholme Fund

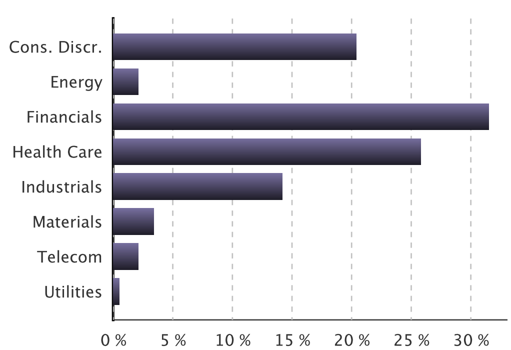
$ 12,767
SBI USE Valuation Index



Annual Fund Return Versus Primary Strategy Index

Returns	Fund	Index
YTD	3.3	-3.1
1 Year	51.3	36.5
3 Year	4.3	-7.8
5 Year	9.2	0.3
10 Year	13.9	3.9

Sector Allocation



Top Ten Holdings

Holding	Val ($M)	Percent
1 Pfizer Incorporated	1,391.	13.9
2 Sears Holdings Corporation	1,133.	11.4
3 St Joe Company	643.2	6.4
4 Americredit Corporation	605.8	6.1
5 Hertz Global Holdings Inc	556.7	5.6
6 Humana Incorporated	482.7	4.8
7 Spirit Aerosystems Hldgs Inc	441.3	4.4
8 Forest Laboratories Inc	427.0	4.3
9 Berkshire Hathaway Inc De	405.8	4.1
10 WellPoint Incorporated	313.6	3.1

Fund Overview

Inception	12/29/1999
Net Assets ($ mil)	11,928
Total Positions	23
Annual Turnover	81 %

Key Metrics (Trailing 3 Yr)

RISK	Fund	PS Avg
Std Dev	25.3	21.9
R Squared	0.80	0.89
Beta	1.1	1.0
Dn Risk	32.3	25.5

RATIOS	Fund	PS Avg
Sharpe	0.10	-0.39
Treynor	0.19	-0.73
Sortino	0.08	-0.33
Up Capture	1.45	1.06
Dn Capture	0.92	1.04
ActiveShare	100 %	86 %

EQUITY	Fund	PS Avg
Mkt Cap ($ bil)		18.8
Avg P/E	38.8	15.1
Avg P/B	23.0	2.5
Yield 1 yr	0.86	0.84

Fees & Expenses

Expense Ratio	1.01
Management Fee	1.00
12b-1 Fee	0.00
Other Expense	0.01
Avg Front End	
Avg Back End Load	
Redemption Fee	2.00
Waived After (mos)	2.00

Purchasing Info

Closed to New?	No
Min Init Inv	$ 10,000
Min Init Inv IRA	$ 10,000

Fund Report Disclosures

This report is for informational purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of any securities. For a current prospectus of any mutual fund mentioned in this report, which contains more complete information, please contact your financial advisor. Before investing, consider the investment objectives, risks, charges, and expenses of the funds. This and other information may be found in each fund's prospectus. Read the prospectus carefully before you invest. Except as otherwise required by law, AthenaInvest shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. AthenaInvest gathers information from sources that are believed to be reliable and does not guarantee the accuracy of this third party information.

Fund Strategies

Competitive Position: The manager focuses on business principles, including quality of management, market power, product reputation, and competitive advantage. Important considerations are the sustainability of the business model and a history of adapting to market changes.

Economic Conditions: The manager follows a top down approach based on economic fundamentals. These may include employment, productivity, inflation, and industrial output. The manager gauges the overall health of the economy, trying to ascertain where it is in the business cycle, the resulting supply and demand situation in various industries, and, ultimately, the best stocks to purchase.

Future Growth: The manager focuses on companies poised to grow rapidly relative to others. The Future Growth and Valuation strategies are not mutually exclusive and it is plausible for a manager to deem both important in the investment process.

Market Conditions: The manager considers the stock's recent price and volume history relative to the market and similar stocks. The manager may consider overall stock market as well.

Opportunity: The manager focuses on unique opportunities that may exist for a small number of stocks or at different points in time. May involve combining stocks and derivatives and may also involve use of considerable leverage. Many hedge fund managers are characterized as following an opportunity strategy, but a mutual fund manager may also be so classified.

Profitability: The manager focuses on company profitability, as measured in a variety of ways, such as gross margin, operating margin, net margin and return on equity.

Quantitative: The manager focuses on mathematical and statistical inefficiencies in the market and individual stock pricing. Typically involves mathematical and statistical modeling with little or no regard to company and market fundamentals.

Risk: The manager focuses on controlling overall risk, with increasing returns a secondary consideration. A wide range of risk measures may be considered including beta and other measures of volatility, company financials, industry and sector exposures, country exposures, and economic and market risk factors.

Social Considerations: The manager focuses on social considerations, including the company's ethical, environmental, and business practices as well as an evaluation of the company's business lines in light of the current social and political climate.

Valuation: The manager focuses on stocks selling cheaply compared to peer stocks based on accounting ratios and valuation techniques. The Valuation and Future Growth strategies are not mutually exclusive and it is plausible for a manager to deem both important in the investment process.

Not Strategy Identified (NSI) Reasons: Index Funds (IDX), Exchange Traded Funds (ETF), Mixed Assets (MA), Fund of Funds (FOF), or not enough information provided (NSI).

Primary Strategy peer group: The strategy that is the primary focus of the fund. The fund strategy information is gathered from public sources, organized using a proprietary algorithm, cross checked based on the manager and fund complex and then used to identify the fund's primary and secondary strategies. Secondary Strategy peer group: The strategy that is the secondary focus of the fund.

Fund Ratings

Strategy Rating: The Diamond Rating (DR) is based on the fund's primary strategy ranks with respect to Strategy Consistency and Strategy Focus. A DR1 (Strong Sell), DR2 (Sell), DR3 (Hold), DR4 (Buy), and DR5 (Strong Buy) are assigned to a fund based on these rankings. DR is not based on past fund performance and there is not a forced distribution for the number of funds in each DR.

Strategy Consistency: Measures the extent to which a fund holds own strategy stocks and ranges from a low of 0 to a high of 10. Stocks are strategy categorized based on the strategies that hold them. For example, those stocks favored by Competitive Position managers, as measured by their collective holdings, are categorized Competitive Position stocks.

Strategy Focus: Measures the extent to which a fund holds a portfolio focused on the manager's best stock ideas and ranges from a low of 0 to a high of 10.

Fund Performance

Fund returns are net of automatically deducted management and 12B-1 fees, and other expenses, but do not reflect the deduction of all investment advisory fees. Client investment returns will be reduced if additional advisory fees are incurred such as sales charges, deferred loads, redemption fees, wrap fees, or other account charges. The charges used in the return calculation were obtained from Thomson Financial. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Changes in markets and in economic and/or political conditions may influence the future performance of a mutual funds. Further, a mutual fund may from time to time tactically change its investment strategies and objectives and allocate its assets differently than in prior periods. There is no guarantee that any investment will increase over time and mutual funds are not insured against loss of principal. Current performance may be lower or higher than the performance data quoted.

Fund Performance versus Primary Strategy Index compares fund performance to the fund's Primary Strategy Index. A positive value indicates that the fund outperformed the Strategy Index while a negative value indicates underperformance.

Key Metrics

The S&P 500 index is used as the benchmark for US equity funds while the MSCI EAFE is used for international equity funds when calculating the following trailing 36-month performance statistics.

Standard Deviation: statistical measure of the volatility of a portfolio's returns around its mean.

R-squared: percentage of a portfolio's movements that are explained by movements in its benchmark index.

Beta: measure of the degree of change in value one can expect in a portfolio given a change in value in a benchmark index. A portfolio with a beta greater than one is generally more volatile than its benchmark index, and a portfolio with a beta of less than one is generally less volatile than its benchmark index.

Downside Risk: statistical measure of volatility that includes only the negative deviations from its mean.

Sharpe Ratio: uses a portfolio's standard deviation and total return to determine reward per unit of risk.

Treynor Ratio: uses a portfolio's beta and total return to determine reward per unit of risk.

Sortino Ratio: uses a portfolio's downside risk and total return to determined reward per unit of downside risk.

Upside Capture: average ratio of the return on the fund to the return on the market for those periods in which the market return was positive.

Downside Capture: average ratio of the return on the fund to the return on the market for those periods in which the market return was negative.

ActiveShare: a measure of how different are the fund holdings versus the index, with a higher value indicating larger differences.

PAST PERFORMANCE DOES NOT GUARANTEE FUTURE PERFORMANCE.

Data provided by Thomson Financial and AthenaInvest.