

# THE FAIRHOLME FUND

## SCHEDULE OF INVESTMENTS February 29, 2024 (Unaudited)

Shares	Value	Principal	Value
<b>DOMESTIC EQUITY SECURITIES — 88.5%</b>		<b>U.S. GOVERNMENT OBLIGATIONS — 8.1%</b>	
<b>DIVERSIFIED HOLDING COMPANY — 1.2%</b>		U.S. Treasury Bills	
		\$ 25,000,000	5.266%, 03/05/2024 <sup>(d)</sup> \$ 24,985,360
		20,000,000	5.260%, 03/07/2024 <sup>(d)</sup> 19,982,454
38,700	Berkshire Hathaway Inc., Class B <sup>(a)</sup> \$ 15,843,780	10,000,000	5.297%, 03/19/2024 <sup>(d)</sup> 9,973,475
		10,000,000	5.289%, 03/21/2024 <sup>(d)</sup> 9,970,611
		20,000,000	5.307%, 03/26/2024 <sup>(d)</sup> 19,926,528
		20,000,000	5.297%, 03/28/2024 <sup>(d)</sup> 19,920,800
2,953,100	<b>OIL &amp; GAS STORAGE &amp; TRANSPORTATION — 6.3%</b> Enterprise Products Partners LP 81,062,595	<b>TOTAL U.S. GOVERNMENT OBLIGATIONS (COST \$104,759,726)</b> 104,759,228	
	<b>REAL ESTATE MANAGEMENT &amp; DEVELOPMENT — 81.0%</b>	<b>Shares</b>	
19,324,724	The St. Joe Co. <sup>(b)</sup> 1,041,022,882	<b>MONEY MARKET FUNDS — 2.1%</b>	
<b>TOTAL DOMESTIC EQUITY SECURITIES (COST \$567,533,294)</b> 1,137,929,257		26,644,791	Fidelity Investments Money Market Treasury Portfolio - Class I, 5.20% <sup>(e)</sup> 26,644,791
<b>FOREIGN EQUITY SECURITIES — 0.9%</b>		<b>TOTAL MONEY MARKET FUNDS (COST \$26,644,791)</b> 26,644,791	
<b>CANADA — 0.9%</b>		<b>TOTAL INVESTMENTS — 100.0%</b>	
	<b>METALS &amp; MINING — 0.9%</b>	<b>(COST \$763,096,337)</b> 1,285,980,540	
6,901,613	Imperial Metals Corp. <sup>(a)</sup> 11,060,684	<b>LIABILITIES IN EXCESS OF OTHER ASSETS — (0.0)%</b> (565,171)	
<b>TOTAL FOREIGN EQUITY SECURITIES (COST \$58,522,747)</b> 11,060,684		<b>NET ASSETS — 100.0%</b> \$ 1,285,415,369	
<b>DOMESTIC PREFERRED EQUITY SECURITIES — 0.4%</b>			
<b>MORTGAGE FINANCE — 0.4%</b>			
1,340,513	Federal Home Loan Mortgage Corp. 7.875%, Series Z <sup>(a)(c)</sup> 4,651,580		
170,000	Federal National Mortgage Association 5.100%, Series E <sup>(a)</sup> 935,000		
<b>TOTAL DOMESTIC PREFERRED EQUITY SECURITIES (COST \$5,635,779)</b> 5,586,580			

<sup>(a)</sup> Non-income producing security.

<sup>(b)</sup> Affiliated Company. See Note 2.

<sup>(c)</sup> Variable rate security. Rates shown are the effective rates as of February 29, 2024.

<sup>(d)</sup> Rates shown are the effective yields based on the purchase price. The calculation assumes the security is held to maturity.

<sup>(e)</sup> Annualized based on the 1-day yield as of February 29, 2024.

The accompanying notes are an integral part of the schedule of investments.

## Note 1. Significant Accounting Policies

As an investment company, The Fairholme Fund (the “Fund”) follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles (“U.S. GAAP”). The Fund’s investments are reported at fair value as defined by U.S. GAAP. The Fund calculates its net asset value as soon as practicable following the close of regular trading on the New York Stock Exchange (currently 4:00 p.m. Eastern Time) on each day the New York Stock Exchange is open.

A description of the valuation techniques applied to the Fund’s securities follows:

### *Security Valuation:*

Securities for which market quotations are readily available are valued at market value, and other securities are valued at “fair value” as determined in accordance with policies and procedures approved by the Board of Directors of Fairholme Funds, Inc. (the “Board”). Pursuant to Rule 2a-5 under the 1940 Act, the Board has designated Fairholme Capital Management, L.L.C. (the “Manager”) as valuation designee to perform fair value determinations relating to the Fund’s portfolio investments, subject to the Board’s oversight.

The Manager may determine the fair valuation of a security when market quotations are not readily available, when securities are determined to be illiquid or restricted, or when in the judgment of the Manager the prices or values available do not represent the fair value of the investment. Factors which may cause the Manager to make such a judgment include the following: (a) only a bid price or an asked price is available; (b) the spread between bid and ask prices is substantial; (c) the liquidity of the securities; (d) the frequency of sales; (e) the thinness of the market; (f) the size of reported trades; (g) actions of the investment’s markets, such as the suspension or limitation of trading; and (h) local market closures. The circumstances of fair valued securities are frequently monitored to determine if fair valuation measures continue to apply.

Equity securities (common and preferred stocks): Securities traded on a national securities exchange or reported on the NASDAQ national market are generally valued at the official closing price, or at the last reported sale price on the exchange or market on which the securities are traded, as of the close of business on the day the securities are being valued or, lacking any sales, at the last available bid price.

Fixed-income securities (U.S. government obligations, corporate bonds, convertible bonds, and asset backed securities): Fixed-income securities are valued at prices supplied by an independent pricing source or by pricing service providers based on broker or dealer supplied valuations or matrix pricing.

Open-end mutual fund: Investments in open-end mutual funds, including money market funds, are valued at their closing net asset value each business day.

Short-term securities: Investments in securities with remaining maturities of less than sixty days are valued at prices supplied by an independent pricing source or by one of the Fund’s pricing agents based on broker or dealer supplied valuations or matrix pricing.

The Fund uses third-party pricing services, which are approved by the Manager, to provide prices for some of the Fund’s securities. The Fund also uses other independent market trade data sources, as well as broker quotes provided by market makers.

U.S. GAAP defines fair value as the price that the Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. U.S. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

# THE FAIRHOLME FUND

NOTES TO FINANCIAL STATEMENTS (continued)  
February 29, 2024 (Unaudited)

- Level 1 — quoted prices in active markets for identical securities;
- Level 2 — other significant observable inputs (including quoted prices for similar securities, quoted prices in inactive markets for identical securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 — significant unobservable inputs (including the Manager’s assumptions in determining the fair value of investments).

The inputs or methodology used for valuing investments are not necessarily an indication of the level of risk associated with investing in those investments. The summary of the Fund’s investments by inputs used to value the Fund’s investments as of February 29, 2024, is as follows:

	Valuation Inputs			Total Fair Value at 02/29/24
	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	
<b>ASSETS:</b>				
<b>INVESTMENTS (Fair Value):</b>				
Domestic Equity Securities*	\$ 1,137,929,257	\$ —	\$ —	\$ 1,137,929,257
Foreign Equity Securities*	11,060,684	—	—	11,060,684
Domestic Preferred Equity Securities*	5,586,580	—	—	5,586,580
U.S. Government Obligations	—	104,759,228	—	104,759,228
Money Market Funds	26,644,791	—	—	26,644,791
<b>TOTAL INVESTMENTS</b>	<u>\$ 1,181,221,312</u>	<u>\$ 104,759,228</u>	<u>\$ —</u>	<u>\$ 1,285,980,540</u>

\* Industry classification for these categories are detailed in the Schedule of Investments.

There were no Level 3 investments for the Fund at February 29, 2024.

## Note 2. Transactions in Shares of Affiliates

Portfolio companies in which the Fund owns 5% or more of the outstanding voting securities of the issuer are considered affiliates of the Fund. The aggregate fair value of all securities of affiliates held by the Fund as of February 29, 2024 amounted to \$1,041,022,882, representing approximately 80.99% of the Fund’s net assets.

Transactions in the Fund during the period ended February 29, 2024, in which the issuer of the security was an affiliate are as follows:

	November 30, 2023		February 29, 2024		Realized Gain (Loss)	Investment Income	Change in Unrealized Appreciation/ Depreciation
	Shares/ Par Value	Gross Additions Shares/ Par Value	Gross Deductions Shares/ Par Value	Shares/ Par Value Fair Value			
The St. Joe Co.	19,394,724	—	70,000	19,324,724	\$ 1,041,022,882	\$ 1,411,010	\$ —
Total					<u>\$ 1,041,022,882</u>	<u>\$ 1,411,010</u>	<u>\$ 45,932,232</u>

For additional information regarding the accounting policies of the Fund and the most recent federal income tax information, refer to the most recent financial statements in the N-CSR filing at [www.sec.gov](http://www.sec.gov).

# THE FAIRHOLME FOCUSED INCOME FUND

SCHEDULE OF INVESTMENTS  
February 29, 2024 (unaudited)

<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
<b>DOMESTIC EQUITY SECURITIES — 41.3%</b>		<b>MONEY MARKET FUNDS — 8.3%</b>	
<b>DIVERSIFIED HOLDING COMPANY — 6.8%</b>		17,453,507	Fidelity Investments Money Market Treasury Portfolio - Class I, 5.20% <sup>(c)</sup>
35,200	Berkshire Hathaway Inc., Class B <sup>(a)</sup>		\$ 17,453,507
	\$ 14,410,880	<b>TOTAL MONEY MARKET FUNDS (COST \$17,453,507)</b>	
			17,453,507
<b>OIL &amp; GAS STORAGE &amp; TRANSPORTATION — 26.6%</b>		<b>TOTAL INVESTMENTS — 100.0%</b>	
2,038,000	Enterprise Products Partners LP	<b>(COST \$192,984,547)</b>	
	55,943,100		210,692,085
<b>PROPERTY &amp; CASUALTY INSURANCE — 3.7%</b>		<b>OTHER ASSETS IN EXCESS OF LIABILITIES — 0.0%</b>	
93,300	W. R. Berkley Corp.		4,515
	7,799,880	<b>NET ASSETS — 100.0%</b>	
			\$ 210,696,600
<b>REGIONAL BANKS — 4.2%</b>			
200,400	Bank OZK		
	8,777,520		
<b>TOTAL DOMESTIC EQUITY SECURITIES (COST \$68,766,134)</b>			
	86,931,380		
<b>DOMESTIC PREFERRED EQUITY SECURITIES — 0.7%</b>			
<b>MORTGAGE FINANCE — 0.7%</b>			
298,800	Federal Home Loan Mortgage Corp.		
	5.100%, Series H <sup>(a)</sup>		1,559,736
	1,559,736		
<b>TOTAL DOMESTIC PREFERRED EQUITY SECURITIES (COST \$2,016,900)</b>			
	1,559,736		
<b>Principal</b>			
<b>U.S. GOVERNMENT OBLIGATIONS — 49.7%</b>			
U.S. Treasury Bills			
\$ 20,000,000	5.266%, 03/05/2024 <sup>(b)</sup>		19,988,288
20,000,000	5.260%, 03/07/2024 <sup>(b)</sup>		19,982,454
10,000,000	5.297%, 03/19/2024 <sup>(b)</sup>		9,973,475
15,000,000	5.289%, 03/21/2024 <sup>(b)</sup>		14,955,917
20,000,000	5.307%, 03/26/2024 <sup>(b)</sup>		19,926,528
20,000,000	5.297%, 03/28/2024 <sup>(b)</sup>		19,920,800
<b>TOTAL U.S. GOVERNMENT OBLIGATIONS (COST \$104,748,006)</b>			
	104,747,462		

The accompanying notes are an integral part of the schedule of investments.

# THE FAIRHOLME FOCUSED INCOME FUND

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SCHEDULE OF INVESTMENTS (continued)  
February 29, 2024 (unaudited)

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<sup>(a)</sup> Non-income producing security.

<sup>(b)</sup> Rates shown are the effective yields based on the purchase price. The calculation assumes the security is held to maturity.

<sup>(c)</sup> Annualized based on the 1-day yield as of February 29, 2024.

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# THE FAIRHOLME FOCUSED INCOME FUND

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NOTES TO SCHEDULE OF INVESTMENTS  
February 29, 2024 (unaudited)

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## Note 1. Significant Accounting Policies

As an investment company, The Fairholme Focused Income Fund (the “Fund”) follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles (“U.S. GAAP”). The Fund’s investments are reported at fair value as defined by U.S. GAAP. The Fund calculates its net asset value as soon as practicable following the close of regular trading on the New York Stock Exchange (currently 4:00 p.m. Eastern Time) on each day the New York Stock Exchange is open.

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The Manager may determine the fair valuation of a security when market quotations are not readily available, when securities are determined to be illiquid or restricted, or when in the judgment of the Manager the prices or values available do not represent the fair value of the investment. Factors which may cause the Manager to make such a judgment include the following: (a) only a bid price or an asked price is available; (b) the spread between bid and ask prices is substantial; (c) the liquidity of the securities; (d) the frequency of sales; (e) the thinness of the market; (f) the size of reported trades; (g) actions of the investment’s markets, such as the suspension or limitation of trading; and (h) local market closures. The circumstances of fair valued securities are frequently monitored to determine if fair valuation measures continue to apply.

Equity securities (common and preferred stocks): Securities traded on a national securities exchange or reported on the NASDAQ national market are generally valued at the official closing price, or at the last reported sale price on the exchange or market on which the securities are traded, as of the close of business on the day the securities are being valued or, lacking any sales, at the last available bid price.

Fixed-income securities (U.S. government obligations, corporate bonds, convertible bonds, and asset backed securities): Fixed-income securities are valued at prices supplied by an independent pricing source or by pricing service providers based on broker or dealer supplied valuations or matrix pricing.

Open-end mutual funds: Investments in open-end mutual funds, including money market funds, are valued at their closing net asset value each business day.

Short-term securities: Investments in securities with remaining maturities of less than sixty days are valued at prices supplied by an independent pricing source or by one of the Fund’s pricing agents based on broker or dealer supplied valuations or matrix pricing.

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- Level 3 — significant unobservable inputs (including the Manager’s determination as to the fair value of investments).

## THE FAIRHOLME FOCUSED INCOME FUND

NOTES TO SCHEDULE OF INVESTMENTS (continued)  
February 29, 2024 (unaudited)

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	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	
<b>ASSETS:</b>				
<b>INVESTMENTS (Fair Value):</b>				
Domestic Equity Securities*	\$ 86,931,380	\$ —	\$ —	\$ 86,931,380
Domestic Preferred Equity Securities*	1,559,736	—	—	1,559,736
U.S. Government Obligations	—	104,747,462	—	104,747,462
Money Market Funds	17,453,507	—	—	17,453,507
<b>TOTAL INVESTMENTS</b>	<u>\$ 105,944,623</u>	<u>\$ 104,747,462</u>	<u>\$ —</u>	<u>\$ 210,692,085</u>

\* Industry classification for these categories are detailed in the Schedule of Investments.

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