



# Davis Real Estate Portfolio

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May 1, 2023

## PROSPECTUS

A Portfolio of Davis Variable Account Fund, Inc.

Ticker: QDRPAX

The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

*Over 50 Years of Reliable Investing<sup>SM</sup>*

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This prospectus contains important information. Please read it carefully before investing and keep it for future reference.

No financial adviser, dealer, salesperson or any other person has been authorized to give any information or to make any representations, other than those contained in this prospectus, in connection with the offer contained in this prospectus and, if given or made, such other information or representations must not be relied on as having been authorized by the Fund, the Fund's investment adviser or the Fund's distributor.

This prospectus does not constitute an offer by the Fund or by the Fund's distributor to sell, or a solicitation of an offer to buy, any of the securities offered hereby in any jurisdiction to any person to whom it is unlawful for the Fund to make such an offer.

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# DAVIS REAL ESTATE PORTFOLIO SUMMARY

## Investment Objective

The Fund seeks total return through a combination of growth and income.

## Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

OWNERS OF VARIABLE INSURANCE CONTRACTS THAT INVEST IN THE SHARES SHOULD REFER TO THE VARIABLE INSURANCE CONTRACT PROSPECTUS FOR A DESCRIPTION OF FEES AND EXPENSES, AS THE TABLE AND EXAMPLES DO NOT REFLECT DEDUCTIONS AT THE SEPARATE ACCOUNT LEVEL OR CONTRACT LEVEL. INCLUSION OF THESE CHARGES WOULD INCREASE THE FEES AND EXPENSES DESCRIBED BELOW.

<b>Annual Fund Operating Expenses</b> <i>(Expenses that you pay each year as a percentage of the value of your investment)</i>	
Management Fees	0.55%
Distribution and/or Service (12b-1) Fees	0.00%
Other Expenses	0.52%
Total Annual Operating Expenses	1.07%
Less Fee Waiver or Expense Reimbursement <sup>(1)</sup>	-0.07%
Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements	1.00%

<sup>(1)</sup> Davis Selected Advisers, L.P. has contractually agreed to waive fees and/or reimburse the Fund's expenses to the extent necessary to cap total annual fund operating expenses at 1.00% until May 1, 2024. After that date, there is no assurance that Davis Selected Advisers, L.P. will continue to waive fees and/or reimburse expenses. The agreement cannot be terminated prior to that date, without the consent of the Board of Directors.

**Example.** This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
<b>Davis Real Estate Portfolio</b>	\$102	\$333	\$583	\$1,299

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 22% of the average value of its portfolio.

## Principal Investment Strategies

Davis Selected Advisers, L.P. ("Davis Advisors" or the "Adviser"), the Fund's investment adviser, uses the Davis Investment Discipline to invest, under normal market conditions, at least 80% of the Fund's net assets, plus any borrowing for investment purposes, in securities issued by companies principally engaged in the real estate industry. The Fund invests principally in common stocks of domestic companies and may invest in foreign companies (including indirect holdings of a foreign issuer's common stock through depositary receipts).

A company is principally engaged in the real estate industry if it owns real estate or real estate-related assets that constitute at least 50% of the value of all of its assets, or if it derives at least 50% of its revenues or net profits from owning, financing, developing, managing or selling real estate, or from offering products or services that are related to real estate. Issuers of real estate securities include real estate investment trusts ("REITs"), brokers, developers, lenders, and companies with substantial real estate holdings such as paper, lumber, hotel, and entertainment companies. Most of Davis Real Estate Portfolio's real estate securities are, and will likely continue to be, interests in publicly traded REITs. REITs pool investors' funds to make real estate-related investments, such as buying interests in income-producing property or making loans to real estate developers.

**Davis Investment Discipline.** Davis Advisors manages equity funds using the Davis Investment Discipline. Davis Advisors conducts extensive research to try to identify businesses that possess characteristics that Davis Advisors believes foster the creation of long-term value, such as proven management, a durable franchise and business model, and sustainable competitive advantages. Davis Advisors aims to invest in such businesses when they are trading at discounts to their intrinsic worth. Davis Advisors emphasizes individual stock selection and believes that the ability to evaluate management is critical. Davis Advisors routinely visits managers at their places of business in order to gain insight into the relative value of different businesses. Such research, however rigorous, involves predictions and forecasts that are inherently uncertain. After determining which companies Davis Advisors believes the Fund should own, Davis Advisors then turns its analysis to determining the intrinsic

value of those companies' equity securities. Davis Advisors seeks companies whose equity securities can be purchased at a discount from Davis Advisors' estimate of the company's intrinsic value based upon fundamental analysis of cash flows, assets and liabilities, and other criteria that Davis Advisors deems to be material on a company-by-company basis. Davis Advisors' goal is to invest in companies for the long term (ideally, five years or longer, although this goal may not be met). Davis Advisors considers selling a company's equity securities if the securities' market price exceeds Davis Advisors' estimates of intrinsic value, if the ratio of the risks and rewards of continuing to own the company's equity securities is no longer attractive, to raise cash to purchase a more attractive investment opportunity, to satisfy net redemptions or for other purposes.

### **Principal Risks of Investing in Davis Real Estate Portfolio**

*You may lose money by investing in the Fund. Investors in the Fund should have a long-term perspective and be able to tolerate potentially sharp declines in value.*

The principal risks of investing in the Fund are:

**Stock Market Risk.** Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices, including the possibility of sharp declines.

**Common Stock Risk.** Common stock represents an ownership position in a company. An adverse event may have a negative impact on a company and could result in a decline in the price of its common stock. Common stock is generally subordinate to an issuer's other securities, including preferred, convertible and debt securities.

**Real Estate Risk.** Real estate securities are susceptible to the many risks associated with the direct ownership of real estate, including declines in property values, increases in property taxes, operating expenses, interest rates or competition, overbuilding, changes in zoning laws, or losses from casualty or condemnation.

**Headline Risk.** The Fund may invest in a company when the company becomes the center of controversy after receiving adverse media attention concerning its operations, long-term prospects, management or for other reasons. While Davis Advisors researches companies subject to such contingencies, it cannot be correct every time and the company's stock may never recover or may become worthless.

**Large-Capitalization Companies Risk.** The Adviser considers companies with \$10 billion or more in market capitalization to be large-capitalization companies. Large-capitalization companies generally experience slower rates of growth in earnings per share than do mid- and small-capitalization companies.

**Manager Risk.** Poor security selection or focus on securities in a particular sector, category, or group of companies may cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective. Even if the Adviser implements the intended investment strategies, the implementation of the strategies may be unsuccessful in achieving the Fund's investment objective.

**Fees and Expenses Risk.** The Fund may not earn enough through income and capital appreciation to offset the operating expenses of the Fund. All mutual funds incur operating fees and expenses. Fees and expenses reduce the return that a shareholder may earn by investing in a fund, even when a fund has favorable performance. A low-return environment, or a bear market, increases the risk that a shareholder may lose money.

**Mid- and Small-Capitalization Companies Risk.** The Adviser considers companies with less than \$10 billion in market capitalization to be mid- or small-capitalization companies. Mid- and small-capitalization companies typically have more limited product lines, markets and financial resources than larger companies, and their securities may trade less frequently and in more limited volume than those of larger, more mature companies.

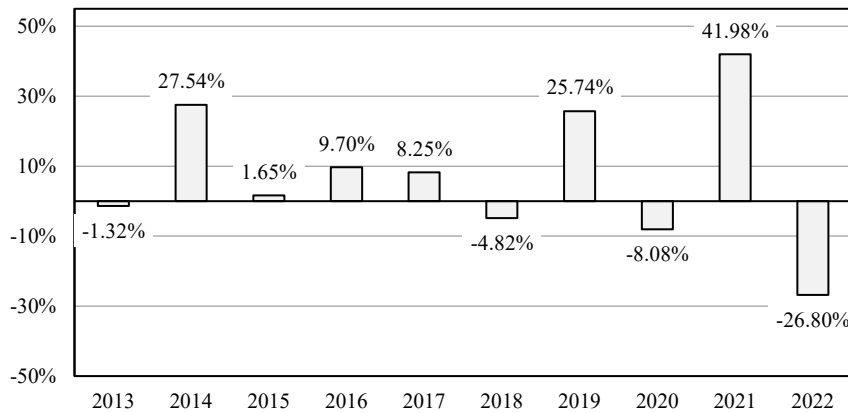
**Variable Current Income Risk.** The income that the Fund pays to investors is not stable.

**Your investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, entity or person.**

### **Performance Results**

The bar chart below provides some indication of the risks of investing in Davis Real Estate Portfolio by showing how the Fund's investment results have varied from year to year. The bar chart depicts the change in performance from year to year during the periods indicated, but does not include charges or expenses attributable to any insurance product, which would lower the performance illustrated. The following table shows how the Fund's average annual total returns for the periods indicated compare with those of the S&P 500 Index, a broad-based securities market index, and of the Wilshire U.S. Real Estate Securities Index. The Wilshire U.S. Real Estate Securities Index is a measure of the performance of publicly traded real estate securities. The Fund's past performance is not necessarily an indication of how the Fund will perform in the future. Updated information on the Fund's results can be obtained by visiting [www.davisfunds.com](http://www.davisfunds.com) or by calling 1-800-279-0279.

## Calendar Year Total Returns



**Highest/Lowest quarterly results during the time period were:**

**Highest** 16.90% (quarter ended March 31, 2019)

**Lowest** -25.75% (quarter ended March 31, 2020)

Total return for the three months ended March 31, 2023 (non-annualized) was 1.37%

Average Annual Total Returns (For the periods ended December 31, 2022)	Past 1 Year	Past 5 Years	Past 10 Years
Davis Real Estate Portfolio	-26.80%	2.71%	5.67%
S&P 500 Index	-18.11%	9.42%	12.56%
Wilshire U.S. Real Estate Securities Index	-26.75%	3.36%	6.48%

### Davis Real Estate Portfolio Yield (For the period ended December 31, 2022)

30-Day SEC Yield: 1.72%

## Management

**Investment Adviser.** Davis Selected Advisers, L.P. serves as the Fund's investment adviser.

**Sub-Adviser.** Davis Selected Advisers–NY, Inc., a wholly owned subsidiary of the Adviser, serves as the Fund's sub-adviser.

**Portfolio Managers.** As of the date of this prospectus, the Portfolio Managers listed below are jointly and primarily responsible for the day-to-day management of the Fund's portfolio.

Portfolio Managers	Experience with this Fund	Primary Title with Investment Adviser or Sub-Adviser
Andrew Davis	Since July 1999	President, Davis Selected Advisers, L.P.
Chandler Spears	Since May 2003	Vice President, Davis Selected Advisers–NY, Inc.

## Purchase and Sale of Fund Shares

Insurance companies offer variable annuity and variable life insurance products through separate accounts. Separate accounts, not variable product owners, are the shareholders of the Fund. Variable product owners hold interests in separate accounts. The terms of the offering of interests in separate accounts are included in the variable annuity or variable life insurance product prospectus. Only separate accounts of insurance companies that have signed the appropriate agreements with the Fund can buy or sell shares of the Fund. Redemptions, like purchases, may be effected only through the separate accounts of participating insurance companies or through qualified plans. Requests are duly processed at the net asset value next calculated after your order is received in good order by the Fund or its agents. Refer to the appropriate separate account prospectus or plan documents for details.

## Tax Information

Because an investment in Davis Real Estate Portfolio may only be made through variable insurance contracts and qualified plans, it is anticipated that any income dividends or net capital gains distributions made by the Fund will be exempt from current federal income taxation if left to accumulate within the variable insurance contract or qualified plan. The federal income tax status of your investment depends on the features of your qualified plan or variable insurance contract. Investors should look to the Contract Prospectus for additional tax information.

## Payments to Broker-Dealers and Other Financial Intermediaries

Davis Real Estate Portfolio and its distributor or its affiliates may make payments to the insurer and/or its related companies for distribution and/or other services; some of the payments may go to broker-dealers and other financial intermediaries. These payments may create a conflict of interest for an intermediary, or be a factor in the insurer's decision to include the Fund as an underlying investment option in a variable contract. Ask your financial advisor for more information.

# ADDITIONAL INFORMATION ABOUT INVESTMENT OBJECTIVES, PRINCIPAL STRATEGIES AND PRINCIPAL RISKS

## Investment Objective

The investment objective of Davis Real Estate Portfolio is total return through a combination of growth and income. The Fund's investment objective is not a fundamental policy and may be changed by the Board of Directors without a vote of shareholders. The Fund's prospectus would be amended prior to any change in investment objective and shareholders would be provided at least 30 days' notice before the change in investment objective was implemented.

## Principal Investment Strategies

The principal investment strategies and risks for the Fund are described below. The prospectus and statement of additional information ("SAI") contain a number of investment strategies and risks that are not principal investment strategies or principal risks for the Fund. The prospectus also contains disclosure that describes Davis Advisors' process for determining when the Fund may pursue a non-principal investment strategy.

Davis Advisors uses the Davis Investment Discipline to invest at least 80% of the Fund's net assets, plus any borrowing for investment purposes, in securities issued by companies principally engaged in the real estate industry. The Fund invests principally in common stocks (including indirect holdings of a foreign issuer's common stock through depositary receipts). A company is principally engaged in the real estate industry if it owns real estate or real estate-related assets that constitute at least 50% of the value of all of its assets, or if it derives at least 50% of its revenues or net profits from owning, financing, developing, managing or selling real estate, or from offering products or services that are related to real estate. Issuers of real estate securities include real estate investment trusts ("REITs"), brokers, developers, lenders, and companies with substantial real estate holdings, such as paper, lumber, hotel, and entertainment companies. Most of Davis Real Estate Portfolio's real estate securities are, and will likely continue to be, interests in publicly traded REITs. REITs pool investors' funds to make real estate-related investments, such as buying interests in income-producing property or making loans to real estate developers.

## Principal Risks of Investing in Davis Real Estate Portfolio

If you buy shares of the Fund, you may lose some or all of the money that you invest. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The likelihood of loss may be greater if you invest for a shorter period of time. This section describes the principal risks (but not the only risks) that could cause the value of your investment in the Fund to decline and could prevent the Fund from achieving its stated investment objective.

**Common Stock Risk.** Common stock represents ownership positions in companies. The prices of common stock fluctuate based on changes in the financial condition of their issuers and on market and economic conditions. Events that have a negative impact on a business probably will be reflected in a decline in the price of its common stock. Furthermore, when the total value of the stock market declines, most common stocks, even those issued by strong companies, will likely decline in value. Common stock is generally subordinate to an issuer's other securities, including preferred, convertible and debt securities.

**Fees and Expenses Risk.** The Fund may not earn enough through income and capital appreciation to offset the operating expenses of the Fund. All mutual funds incur operating fees and expenses. Fees and expenses reduce the return that a shareholder may earn by investing in a fund even when a fund has favorable performance. A low-return environment, or a bear market, increases the risk that a shareholder may lose money.

**Headline Risk.** Davis Advisors seeks to acquire companies with durable business models that can be purchased at attractive valuations relative to what Davis Advisors believes to be the companies' intrinsic values. Davis Advisors may make such investments when a company becomes the center of controversy after receiving adverse media attention. The company may be involved in litigation, the company's financial reports or corporate governance may be challenged, the company's public filings may disclose a weakness in internal controls, greater government regulation may be contemplated, or other adverse events may threaten the company's future. While Davis Advisors researches companies subject to such contingencies, Davis Advisors cannot be correct every time, and the company's stock may never recover or may become worthless.

**Large-Capitalization Companies Risk.** The Adviser considers companies with \$10 billion or more in market capitalization to be large-capitalization companies. Large-capitalization companies generally experience slower rates of growth in earnings per share than do mid- and small-capitalization companies.

**Manager Risk.** Poor security selection or focus on securities in a particular sector, category or group of companies may cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective. Even if the Adviser implements the intended investment strategies, the implementation of the strategies may be unsuccessful in achieving the Fund's investment objective.

**Mid- and Small-Capitalization Companies Risk.** The Adviser considers companies with less than \$10 billion in market capitalization to be mid- or small-capitalization companies. Investing in mid- and small-capitalization companies may be more

risky than investing in large-capitalization companies. Smaller companies typically have more limited product lines, markets, and financial resources than larger companies. Their securities may also trade less frequently and in more limited volume than those of larger, more mature companies. Securities of these companies may be subject to volatility in their prices. They may have a limited trading market, which may adversely affect the Fund's ability to dispose of them and can reduce the price the Fund might be able to obtain for them. Other investors that own a security issued by a mid- or small-capitalization company for whom there is limited liquidity might trade the security when the Fund is attempting to dispose of its holdings in that security. In that case, the Fund might receive a lower price for its holdings than otherwise might be obtained. Mid- and small-capitalization companies also may be unseasoned. These include companies that have been in operation for less than three years, including the operations of any predecessors.

**Real Estate Risk.** Real estate securities are issued by companies that have at least 50% of the value of their assets, gross income, or net profits attributable to ownership, financing, construction, management or sale of real estate, or to products or services that are related to real estate or the real estate industry. The Fund does not invest directly in real estate. Real estate companies include real estate investment trusts ("REITs") or other securitized real estate investments, brokers, developers, lenders, and companies with substantial real estate holdings, such as paper, lumber, hotel, and entertainment companies. REITs pool investors' funds for investment primarily in income-producing real estate or real estate-related loans or interests. A REIT is not taxed on income distributed to shareholders if it complies with various requirements relating to its organization, ownership, assets and income, and with the requirement that it distribute to its shareholders at least 90% of its taxable income (other than net capital gains) each taxable year. REITs generally can be classified as equity REITs, mortgage REITs, and hybrid REITs. Equity REITs invest the majority of their assets directly in real property and derive their income primarily from rents. Equity REITs also can realize capital gains by selling property that has appreciated in value. Mortgage REITs invest the majority of their assets in real estate mortgages and derive their income primarily from interest payments. Hybrid REITs combine the characteristics of both equity REITs and mortgage REITs. To the extent that the management fees paid to a REIT are for the same or similar services as the management fees paid by the Fund, there will be a layering of fees, which would increase expenses and decrease returns. Securities issued by REITs may trade less frequently and be less liquid than common stock issued by other companies.

Real estate securities, including REITs, are subject to risks associated with the direct ownership of real estate including: (i) declines in property values because of changes in the economy or the surrounding area, or because a particular region has become less appealing to tenants; (ii) increases in property taxes, operating expenses, interest rates, or competition; (iii) overbuilding; (iv) changes in zoning laws; (v) losses from casualty or condemnation; (vi) declines in the value of real estate and risks related to general and local economic conditions; (vii) uninsured casualties or condemnation losses; (viii) fluctuations in rental income; (ix) changes in neighborhood values; (x) the appeal of properties to tenants; (xi) increases in interest rates; and (xii) access to the credit markets. The Fund also could be subject to such risks by reason of direct ownership as a result of a default on a debt security it may own.

Equity REITs may be affected by changes in the value of the underlying property owned by the trusts, while mortgage REITs may be affected by the quality of credit extended. Equity and mortgage REITs are dependent on management skill, may not be diversified and are subject to project financing risks. REITs also are subject to heavy cash flow dependency, defaults by borrowers, self-liquidation, the possibility of failing to qualify for the favorable federal income tax treatment generally available to REITs under the Internal Revenue Code, and failure to maintain exemption from registration under the Investment Company Act of 1940. Changes in interest rates also may affect the value of the debt securities in the Fund's portfolio. By investing in REITs indirectly through the Fund, a shareholder will bear not only his or her proportionate share of the expense of the Fund, but also similar indirect expenses of the REITs, including compensation of management. Some real estate securities may be rated less than investment grade by rating services. Such securities may be subject to the risks of high-yield, high-risk securities discussed below.

**Stock Market Risk.** Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices, including the possibility of sharp declines. As an example, U.S. and international markets have experienced volatility in recent months and years due to a number of economic, political and global macro factors including the impact of the coronavirus (COVID-19) as a global pandemic, uncertainties regarding interest rates, rising inflation, trade tensions and the threat of tariffs imposed by the U.S. and other countries. The recovery from COVID-19 is proceeding at slower than expected rates and may last for a prolonged period of time. In addition, as a result of continuing political tensions and armed conflicts, including the war between Ukraine and Russia, the U.S. and the European Union imposed sanctions on certain Russian individuals and companies, including certain financial institutions, and have limited certain exports and imports to and from Russia. The war has contributed to recent market volatility and may continue to do so. These developments as well as other events could result in further market volatility and negatively affect financial asset prices, the liquidity of certain securities and the normal operations of securities exchanges and other markets. Continuing market volatility as a result of recent market conditions or other events may have an adverse effect on the performance of the Fund.

**Variable Current Income Risk.** The income that the Fund pays to investors is not stable. When interest rates increase, the Fund's income distributions are likely to increase. When interest rates decrease, the Fund's income distributions are likely to decrease.

*The Fund's shares are not deposits or obligations of any bank, are not guaranteed by any bank, are not insured by the FDIC or any other agency, and involve investment risks, including possible loss of the principal amount invested.*

## NON-PRINCIPAL INVESTMENT STRATEGIES AND RISKS

Davis Funds may implement investment strategies that are not principal investment strategies if, in the Adviser's professional judgment, the strategies are appropriate. A strategy includes any policy, practice or technique used by the Fund to achieve its investment objectives. Whether a particular strategy, including a strategy to invest in a particular type of security, is a principal investment strategy depends on the strategy's anticipated importance in achieving the Fund's investment objectives and how the strategy affects the Fund's potential risks and returns. In determining what a principal investment strategy is, the Adviser considers, among other things, the amount of the Fund's assets expected to be committed to the strategy, the amount of the Fund's assets expected to be placed at risk by the strategy and the likelihood of the Fund losing some or all of those assets from implementing the strategy. Non-principal investment strategies are generally those investments that constitute less than 5% to 10% of the Fund's assets, depending upon their potential impact on the investment performance of the Fund. There are exceptions to the 5% to 10% of assets test, including, but not limited to, the percentage of a Fund's assets invested in a single industry or in a single country.

While the Adviser expects to pursue the Fund's investment objective by implementing the principal investment strategies described in the Fund's prospectus, the Fund may employ non-principal investment strategies or securities if, in Davis Advisors' professional judgment, the securities, trading or investment strategies are appropriate. Factors that Davis Advisors considers in pursuing these other strategies include whether the strategy (i) is likely to be consistent with shareholders' reasonable expectations; (ii) is likely to assist the Adviser in pursuing the Fund's investment objective; (iii) is consistent with the Fund's investment objective; (iv) will not cause the Fund to violate any of its fundamental or non-fundamental investment restrictions; and (v) will not materially change the Fund's risk profile from the risk profile that results from following the principal investment strategies as described in the Fund's prospectus and further explained in the SAI, as amended from time to time.

**Concentrated Shareholder Base.** Only separate accounts of insurance companies that have signed the appropriate agreements with the Fund can buy or sell shares. Ownership of Fund shares may be concentrated in only a few insurance companies. A redemption by an insurance company could result in a large outflow that may negatively impact the performance and expenses of the Fund. Please see the statement of additional information for a table listing the name and holdings of each account known by the Davis Variable Account Fund, Inc., to be a record owner of more than 5% of the outstanding shares of the Fund.

**Short-Term Investments.** The Fund uses short-term investments, such as treasury bills and repurchase agreements, to maintain flexibility while evaluating long-term opportunities.

**Temporary Defensive Investments.** The Fund may, but is not required to, use short-term investments for temporary defensive purposes. In the event that Davis Advisors' Portfolio Managers anticipate a decline in the market values of the companies in which the Fund invests (due to economic, political or other factors), the Fund may reduce its risk by investing in short-term securities until market conditions improve. While the Fund is invested in short-term investments, it will not be pursuing its stated investment objective. Unlike equity securities, these investments will not appreciate in value when the market advances and will not contribute to long-term growth of capital.

**Repurchase Agreements.** The Fund may enter into repurchase agreements. A repurchase agreement is an agreement to purchase a security and to sell that security back to the original owner at an agreed-on price. The resale price reflects the purchase price plus an agreed-on incremental amount that is unrelated to the coupon rate or maturity of the purchased security. The repurchase obligation of the seller is, in effect, secured by the underlying securities. In the event of a bankruptcy or other default of a seller of a repurchase agreement, the Fund could experience both delays in liquidating the underlying securities and losses, including: (i) possible decline in the value of the collateral during the period while the Fund seeks to enforce its rights thereto; (ii) possible loss of all or a part of the income during this period; and (iii) expenses of enforcing its rights.

The Fund will enter into repurchase agreements only when the seller agrees that the value of the underlying securities, including accrued interest (if any), will at all times be equal to or exceed the value of the repurchase agreement. The Fund may enter into tri-party repurchase agreements in which a third-party custodian bank ensures the timely and accurate exchange of cash and collateral. The majority of these transactions run from day to day, and delivery pursuant to the resale typically occurs within one to seven days of the purchase. The Fund normally will not enter into repurchase agreements maturing in more than seven days.

**Foreign Securities.** In the past, the Fund invested a significant amount in foreign companies. The Fund retains the flexibility to invest in foreign companies. The Fund's SAI contains more information regarding the additional risks (e.g., currency risk, depositary receipts risk) presented by investments in foreign securities.

For more details concerning current investments and market outlook, please see the Fund's most recent shareholder report.



## MANAGEMENT AND ORGANIZATION

Davis Selected Advisers, L.P. (“Davis Advisors”) serves as the investment adviser for each of the Davis Funds. Davis Advisors’ offices are located at 2949 East Elvira Road, Suite 101, Tucson, Arizona 85756. Davis Advisors provides investment advice for the Davis Funds, manages their business affairs, and provides day-to-day administrative services. Davis Advisors also serves as investment adviser for other mutual funds, exchange traded funds, and institutional and individual clients. For the fiscal year-ended December 31, 2022, Davis Advisors’ net management fee paid by the Fund for its services (based on average net assets) was 0.48%. A discussion regarding the basis for the approval of the Fund’s investment advisory and service agreement by the Fund’s Board of Directors is contained in the Fund’s most recent semi-annual report to shareholders.

Davis Selected Advisers–NY, Inc. serves as the sub-adviser for each of the Davis Funds. Davis Selected Advisers–NY, Inc.’s offices are located at 620 Fifth Avenue, 3<sup>rd</sup> Floor, New York, New York 10020. Davis Selected Advisers–NY, Inc. provides investment management and research services for Davis Funds and other institutional clients, and is a wholly owned subsidiary of Davis Advisors. Davis Selected Advisers–NY, Inc.’s fee is paid by Davis Advisors, not Davis Funds.

**Execution of Portfolio Transactions.** Davis Advisors places orders with broker-dealers for Davis Funds’ portfolio transactions. Davis Advisors seeks to place portfolio transactions with brokers or dealers who will execute transactions as efficiently as possible and at the most favorable net price. In placing executions and paying brokerage commissions or dealer markups, Davis Advisors considers price, commission, timing, competent block trading coverage, capital strength and stability, research resources and other factors. Subject to best price and execution, Davis Advisors may place orders for Davis Funds’ portfolio transactions with broker-dealers who have sold shares of Davis Funds. However, when Davis Advisors places orders for Davis Funds’ portfolio transactions, it does not consider whether a broker-dealer has sold shares of Davis Funds. In placing orders for Davis Funds’ portfolio transactions, the Adviser does not commit to any specific amount of business with any particular broker-dealer.

Over the last three fiscal years, the Fund paid the following brokerage commissions:

Fiscal Year-Ended December 31,	2022	2021	2020
Brokerage Commissions Paid	\$3,695	\$3,710	\$4,259
Brokerage as a Percentage of Average Net Assets	0.03%	0.03%	0.04%

### Portfolio Managers

**Andrew A. Davis** has served as Portfolio Manager of Davis Real Estate Portfolio since its inception on July 1, 1999; he also manages other Davis equity funds. Mr. Davis has served as portfolio manager of various equity funds managed by Davis Advisors since 1993.

**Chandler Spears** has served as Portfolio Manager of Davis Real Estate Portfolio since May 1, 2003; he also manages other Davis equity funds. Mr. Spears joined Davis Advisors in November 2000 as a real estate analyst.

The Portfolio Managers listed above are jointly and primarily responsible for the day -to -day management of the Fund’s portfolio. In addition, a limited portion of the Fund’s assets may be managed by Davis Advisors’ research analysts, subject to review by the Fund’s Portfolio Managers.

The SAI provides additional information about the Portfolio Managers’ compensation, other accounts managed by the Portfolio Managers and the Portfolio Managers’ investments in the Fund.

## SHAREHOLDER INFORMATION

### Procedures and Shareholder Rights Are Described by Current Prospectus and Other Disclosure Documents

Investors should look to the most recent prospectus and SAI, as amended or supplemented from time to time, for information concerning the Fund, including information on how to purchase and redeem Fund shares and how to contact the Fund. The most recent prospectus and SAI, including any supplements or amendments thereto, will be on file with the Securities and Exchange Commission as part of the Fund’s registration statement. Please also see the back cover of this prospectus for information on other ways to obtain information about the Fund.

### HOW YOUR SHARES ARE VALUED

Once you open your account, you may buy or sell shares on any day that the New York Stock Exchange (the “NYSE”) is open for trading. The price of your shares is based upon the total value of the Fund’s investments. Your account balance may change daily because the share price may change daily.

The value of one share of the Fund, also known as the net asset value, or NAV, is calculated at 4 p.m. Eastern time, on each day the NYSE is open or as of the time it closes, if earlier.

## Valuation of Portfolio Securities

The Board of Directors of the Davis Funds has delegated the determination of fair value of securities to Davis Selected Advisers, L.P. The Adviser has implemented policies and procedures that govern the pricing of securities for the Davis Funds, as discussed below:

The Davis Funds value securities for which market quotations are readily available at current market value. Short-term securities are valued at amortized cost. Securities listed on the NYSE, NASDAQ and other national exchanges are valued at the last reported sales price on the day of valuation. Listed securities for which no sale was reported on that date are valued at the last quoted bid price. Securities traded on foreign exchanges are valued based upon the last sales price on the principal exchange on which the security is traded prior to the time when the Fund's assets are valued.

Securities, including restricted securities, for which market quotations are not readily available are valued at their fair value. Securities whose values have been materially affected by a significant event occurring before the Fund's assets are valued but after the close of their respective exchanges will be fair valued. Fair value is determined in good faith using consistently applied procedures. Fair valuation is based on subjective factors and, as a result, the fair value price of a security may differ from the security's market price and may not be the price at which the security may be sold. Fair valuation could result in a different NAV than an NAV determined by using market quotations. The Board of Directors reviews and discusses with management a summary of fair valued securities in quarterly board meetings.

In general, foreign securities are more likely to require a fair value determination than domestic securities because circumstances may arise between the close of the market on which the securities trade and the time when the Fund values its portfolio securities, which may affect the value of such securities. Securities denominated in foreign currencies and traded in foreign markets will have their values converted into U.S. dollar equivalents at the prevailing exchange rates as computed by State Street Bank and Trust Company. Fluctuation in the values of foreign currencies in relation to the U.S. dollar may affect the net asset value of the Fund's shares even if there has not been any change in the foreign currency prices of the Fund's investments.

Securities of smaller companies are also generally more likely to require a fair value determination because they may be thinly traded and less liquid than traditional securities of larger companies.

The Fund may occasionally be entitled to receive award proceeds from litigation relating to an investment security. The Fund generally does not recognize a gain on contingencies until such payment is certain, which in most cases is when the Fund receives payment.

To the extent that the Fund's portfolio investments trade in markets on days when the Fund is not open for business, the Fund's NAV may vary on those days. In addition, trading in certain portfolio investments may not occur on days the Fund is open for business because markets or exchanges other than the NYSE may be closed. If the exchange or market on which the Fund's underlying investments are primarily traded closes early, the NAV may be calculated prior to its normal market calculation time. For example, the primary trading markets for the Fund may close early on the day before certain holidays and the day after Thanksgiving.

Fixed income securities may be valued at prices supplied by Davis Funds' pricing agent based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics, such as rating, interest rate and maturity. Government bonds, corporate bonds, asset-backed bonds, convertible securities, and high-yield or junk bonds, are normally valued on the basis of prices provided by independent pricing services. Prices provided by the pricing services may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institutional trading in similar groups of securities, developments related to special securities, dividend rate, maturity and other market data. Prices for fixed income securities received from pricing services sometimes represent best estimates. In addition, if the prices provided by the pricing service and independent quoted prices are unreliable, The Adviser will arrive at its own fair valuation using its fair value procedures.

## PORTFOLIO HOLDINGS

A description of Davis Funds' policies and procedures with respect to the disclosure of the Fund's portfolio holdings is available in the SAI.

The Fund files its complete schedule of investments with the SEC on Form N-CSR (as of the end of the second and fourth quarters) and on Form N-PORT Part F (as of the end of the first and third quarters). The Fund's Forms N-CSR (Annual and Semi-Annual Reports) and N-PORT Part F are available without charge, upon request, by calling 1-800-279-0279, on the Fund's website at [www.davisfunds.com](http://www.davisfunds.com), and on the SEC's website at [www.sec.gov](http://www.sec.gov). A list of the Fund's quarter-end holdings is also available at [www.davisfunds.com](http://www.davisfunds.com) on or about the 15th day following each quarter end and remains available on the website until the list is updated for the subsequent quarter.

## **Dividends and Distributions**

The Fund generally declares and pays dividends quarterly and short- and long-term capital gains, if any, annually. All dividends and capital gains are paid to separate accounts of participating insurance companies. At the election of these companies, dividends and distributions are automatically reinvested at net asset value in shares of the Fund.

## **Mixed and Shared Funding**

Shares of the Fund are offered in connection with mixed and shared funding, i.e., to separate accounts of insurance companies funding variable annuity and variable life insurance policies. Due to differences in tax treatment and other considerations the interests of various contract holders investing in separate accounts investing in the Fund may conflict. Mixed and shared funding may present certain conflicts of interest. For example, violation of the federal tax laws by one separate account investing in a Fund could cause owners of contracts and policies funded through another separate account to lose their tax-deferred status, unless remedial action were taken. The Board of Directors of the Fund will monitor for the existence of any material conflicts and determine what action, if any, should be taken. A fund's net asset value could decrease if it had to sell investment securities to pay redemption proceeds to a separate account withdrawing because of a conflict.

## **FEDERAL INCOME TAXES**

Because Shares of the Fund may be purchased only through variable insurance contracts and qualified plans, it is anticipated that any income dividends or net capital gains distributions made by the Fund will be exempt from current federal income taxation if left to accumulate within the variable insurance contract or qualified plan. Generally, withdrawals from such contracts or plans may be subject to federal income tax at ordinary income rates and, if made before age 59 1/2, a 10% penalty tax may be imposed. The federal income tax status of your investment depends on the features of your qualified plan or variable insurance contract. Further information may be found in your plan documents or in the prospectus of the separate account offering such contract. Variable product owners seeking to understand the tax consequences of their investment should consult with their tax advisers, the insurance company that issued their variable product, or refer to their variable annuity or variable life insurance product prospectus.

The Fund does not expect to pay any federal income or excise taxes because it intends to meet certain requirements of the Internal Revenue Code, including the distributions each year of all their net investment income and net capital gains. In addition, because the Shares of the Fund are sold in connection with variable insurance contracts, the Fund intends to satisfy the diversification requirements applicable to insurance company separate accounts under the Internal Revenue Code.

## **FEES AND EXPENSES OF THE FUND**

The Fund must pay operating fees and expenses.

### **Management Fee**

The management fee covers the normal expenses of managing the Fund, including compensation, research costs, corporate overhead expenses and related expenses.

### **Distribution Plans**

The Fund has adopted a plan under Rule 12b-1 allowing the payment of up to 0.25% for distribution expenses. Currently the Fund does not make, and does not intend to make, any payments under this plan. If, in the future, the Fund begins making payments under the plan, then these fees would be paid out of the Fund's assets on an ongoing basis. Over time, these fees would increase the cost of your investment and may cost you more than paying other types of sales charges.

### **Other Expenses**

Other expenses include miscellaneous fees from affiliated and outside service providers. These fees may include legal, audit, custodial fees, the costs of printing and mailing of reports and statements, automatic reinvestment of distributions and other conveniences, and payments to third parties that provide recordkeeping services or administrative services for investors in the Fund.

### **Total Fund Operating Expenses**

The total cost of operating a mutual fund is reflected in its expense ratio. A shareholder does not pay operating costs directly. Instead, operating costs are deducted before the Fund's NAV is calculated and are expressed as a percentage of the Fund's average daily net assets. The effect of these fees is reflected in the performance results for the Fund. Investors should examine total operating expenses closely in the prospectus, especially when comparing one fund with another fund in the same investment category.

## **FEES PAID TO DEALERS AND OTHER FINANCIAL INTERMEDIARIES**

In 2022, Davis Advisors and its affiliates were charged additional fees by the insurance companies listed below. The amount of the fee is negotiated with each insurance company. Such payments were for administrative services and investor support services, and do not constitute payment for investment advisory, distribution or other services. Payment of such fees by Davis

Advisors or its affiliates does not increase the fees paid by the Fund or their respective shareholders. Insurance companies may be added or deleted at any time.

Allianz Life Insurance Company of New York; Allianz Life Insurance Company of North America; and Guardian Insurance & Annuity Company, Inc.

Investors should consult their financial intermediary regarding the details of the payments they may receive in connection with the sale of fund shares.

## PURCHASE AND REDEMPTION OF SHARES

Insurance companies offer variable annuity and variable life insurance products through separate accounts. Separate accounts, not variable product owners, are the shareholders of the Fund. Variable product owners hold interests in separate accounts. The terms of the offering of interests in separate accounts are included in the variable annuity or variable life insurance product prospectus. Only separate accounts of insurance companies that have signed the appropriate agreements with the Fund can buy or sell shares of the Fund.

REFER TO THE PROSPECTUS FOR THE PARTICIPATING INSURANCE COMPANY'S SEPARATE ACCOUNT OR YOUR PLAN DOCUMENTS FOR INSTRUCTIONS ON PURCHASING OR SELLING VARIABLE INSURANCE CONTRACTS AND ON HOW TO SELECT SPECIFIC PORTFOLIOS AS INVESTMENT OPTIONS FOR A CONTRACT OR A QUALIFIED PLAN.

The Fund typically expects to pay redemption proceeds one business day following receipt and acceptance of a proper redemption request. However, in some cases, payment from the Fund may take longer than one business day and may take up to seven days as is generally permitted by the Investment Company Act of 1940, as amended. The Fund may, under limited circumstances, be permitted to pay redemption proceeds beyond seven days following receipt and acceptance of a proper redemption request.

Under normal conditions, the Fund typically expects to meet shareholder redemption requests by using available cash (or cash equivalents) or by selling portfolio securities. The Fund may use additional methods to meet shareholder redemption requests, if they become necessary. These methods may be used during both normal and stressed market conditions. These methods may include, but are not limited to, the use of overdraft protection afforded by the Fund's custodian bank or borrowing from a line of credit.

In addition to paying redemption proceeds in cash, the Fund reserves the right to pay part or all of your redemption proceeds with Fund securities or other Fund assets instead of cash (in-kind redemption). On the same redemption date, some shareholders may be paid in whole or in part in securities (which may differ among those shareholders), while other shareholders may be paid entirely in cash. The disposal of the securities received in-kind may be subject to brokerage costs and, until sold, such securities remain at market risk and liquidity risk, including the risk that such securities are or become difficult to sell. If the Fund pays your redemption with illiquid or less liquid securities, you will bear the risk of not being able to sell such securities.

### **Right to Reject or Restrict Any Purchases or Exchange Orders**

Purchases and exchanges should be made primarily for investment purposes. The Fund may reject, restrict, or cancel, without any prior notice, any purchase orders for any reason. For example, the Fund does not allow market timing because short-term trading or other excessive trading into and out of the Fund may harm performance by disrupting portfolio management strategies and by increasing expenses. As described below, almost all of the Fund's shareholders invest in the Fund through omnibus accounts maintained by insurance companies. We request that the insurance companies offering variable annuity and variable life insurance products discourage frequent trading by contract owners. Although we do not allow market timing there can be no guarantee that the Fund will be successful in curbing abusive short-term transactions.

### **FREQUENT PURCHASES AND REDEMPTIONS OF FUND SHARES**

The Davis Funds discourage short-term or excessive trading, do not accommodate short-term or excessive trading, and, if detected, intend to restrict or reject such trading or take other action if in the judgment of Davis Advisors such trading may be detrimental to the interest of a Fund. Such strategies may dilute the value of fund shares held by long-term shareholders, interfere with the efficient management of the Fund's portfolio, and increase brokerage and administrative costs.

The Davis Funds' Board of Directors has adopted a 30-day restriction policy with respect to the frequent purchase and redemption of fund shares. Under the 30-day restriction, any shareholder redeeming shares from a fund will be precluded from investing in the same fund for 30 calendar days after the redemption transaction. This policy also applies to redemptions and purchases that are part of an exchange transaction. Certain financial intermediaries, such as 401(k) plan administrators, may apply purchase and exchange limitations that are different from the limitations discussed above. These limitations may be more or less restrictive than the limitations imposed by the Davis Funds and are designed to detect and prevent excessive trading. Shareholders should consult their financial intermediaries to determine what purchase and exchange limitations may be applicable to their transactions in the Davis Funds through those financial intermediaries. To the extent reasonably feasible, the

Fund's market timing procedures apply to all shareholder accounts and neither Davis Funds, nor Davis Advisors, have entered into agreements to exempt any shareholder from application of either the Davis Funds', or a financial intermediary's, market-timing procedures, as applicable.

Davis Funds receives purchase, exchange and redemption orders from many financial intermediaries that maintain omnibus accounts with the Fund. Omnibus account arrangements permit financial intermediaries to aggregate their clients' transactions and ownership positions. If Davis Funds, or the Distributor, discovers evidence of material excessive trading in an omnibus account, they may seek the assistance of the financial intermediary to prevent further excessive trading in the omnibus account. Shareholders seeking to engage in excessive trading practices may employ a variety of strategies to avoid detection and there can be no assurance that Davis Funds will successfully prevent all instances of market timing.

If the Davis Funds, at its discretion, identifies any activity that may constitute frequent trading, it reserves the right to restrict further trading activity regardless of whether the activity exceeds Davis Fund's written guidelines. In applying this policy, Davis Funds reserves the right to consider the trading of multiple accounts under common ownership, control, or influence to be trading out of a single account.

## FINANCIAL HIGHLIGHTS

The following table is designed to show you the financial performance of Davis Real Estate Portfolio for the five years ended December 31, 2022. Some of the information reflects financial results for a single fund share. The total return represents the rate at which an investor would have earned (or lost) money on an investment in the Fund, assuming that all dividends and capital gains have been reinvested.

This information has been audited by KPMG LLP, whose report, along with the Fund's financial statements, are included in the annual report, which is available upon request.

The following financial information represents selected data for each share of capital stock outstanding throughout each period:

	Year ended December 31,				
	2022	2021	2020	2019	2018
Net Asset Value, Beginning of Period	\$ 19.72	\$ 14.05	\$ 15.69	\$ 13.02	\$ 14.85
<b>Income (Loss) from Investment Operations:</b>					
Net Investment Income <sup>a</sup>	0.26	0.14	0.17	0.28	0.30
Net Realized and Unrealized Gains(Losses)	(5.55)	5.73	(1.48)	3.06	(1.01)
<b>Total from Investment Operations</b>	<b>(5.29)</b>	<b>5.87</b>	<b>(1.31)</b>	<b>3.34</b>	<b>(0.71)</b>
<b>Dividends and Distributions:</b>					
Dividends from Net Investment Income	(0.28)	(0.20)	(0.27)	(0.15)	(0.41)
Distributions from Realized Gains	(0.89)	–	(0.06)	(0.52)	(0.71)
<b>Total Dividends and Distributions</b>	<b>(1.17)</b>	<b>(0.20)</b>	<b>(0.33)</b>	<b>(0.67)</b>	<b>(1.12)</b>
<b>Net Asset Value, End of Period</b>	<b>\$ 13.26</b>	<b>\$ 19.72</b>	<b>\$ 14.05</b>	<b>\$ 15.69</b>	<b>\$ 13.02</b>
Total Return <sup>b</sup>	(26.80)%	41.98%	(8.08)%	25.74%	(4.82)%
<b>Ratios/Supplemental Data:</b>					
Net Assets, End of Period (in thousands)	\$ 10,011	\$ 16,656	\$ 11,626	\$ 14,414	\$ 12,564
Ratio of Expenses to Average Net Assets:					
Gross	1.07%	0.97%	1.04%	0.97%	1.00%
Net <sup>c</sup>	1.00%	0.97%	1.00%	0.97%	1.00%
Ratio of Net Investment Income to Average Net Assets	1.58%	0.83%	1.28%	1.83%	2.07%
Portfolio Turnover Rate <sup>d</sup>	22%	28%	24%	15%	40%

a Per share calculations were based on average shares outstanding for the period.

b Assumes hypothetical initial investment on the business day before the first day of the fiscal period, with all dividends and distributions reinvested in additional shares on the reinvestment date, and redemption at the net asset value calculated on the last business day of the fiscal period. Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.

c The Net Ratio of Expenses to Average Net Assets reflects the impact, if any, of certain reimbursements.

d The lesser of purchases or sales of portfolio securities for a period, divided by the monthly average of the market value of portfolio securities owned during the period. Securities with a maturity or expiration date at the time of acquisition of one year or less are excluded from the calculation.

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## Obtaining Additional Information

Additional information about the Fund's investments is available in the Fund's **Annual and Semi-Annual Reports** to shareholders. In the Fund's Annual Report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year. The

**Statement of Additional Information** provides more detailed information about Davis Funds and their management and operations. The Statement of Additional Information and the Fund's Annual and Semi-Annual Reports are available, without charge, upon request or from the Fund's website.

The Fund's Statement of Additional Information has been filed with the Securities and Exchange Commission, is incorporated into this prospectus by reference, and is legally a part of this prospectus.

### How to Get More Information

(Including Annual Report, Semi-Annual Report and Statement of Additional Information)

- **From Your Insurance Company or Your Account Representative.** Your insurance company or account representative can provide you with a copy of these documents.
- **By Telephone.** Call Davis Funds toll-free at **1-800-279-0279**, Monday through Friday, from 9 a.m. to 6 p.m. Eastern time. You may also call this number for account inquiries.
- **By Mail.** Write to Davis Funds, P.O. Box 219197, Kansas City, MO 64121-9197.
- **On the Internet.** [www.davisfunds.com](http://www.davisfunds.com).

- Additional copies of the registration statement can be obtained, for a duplicating fee by sending an electronic request to [publicinfo@sec.gov](mailto:publicinfo@sec.gov). Reports and other information about the Funds are also available on the EDGAR database on the SEC website ([www.sec.gov](http://www.sec.gov)). The Current SAI and shareholder reports are also available, free of charge, on our website, [davisfunds.com](http://davisfunds.com).

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