

Fidelis Private Fund, LP – 2nd Quarter 2024 Performance Report

Message from John Lloyd, Co-Founder, President & CEO

On behalf of the General Partner of Fidelis Private Fund, LP, I would like to thank the Limited Partners for their investment in and commitment to Fidelis.

I am delighted to inform you that Fidelis Private Fund continues to experience ongoing success, as demonstrated by the following significant performance indicators:

- 9.49% annualized average investor yield for the 2nd quarter of 2024.
- Increased Limited Partner capital balances by \$7,428,758 in the 2nd quarter of 2024
- Fidelis Funded \$20,079,250 in loan commitments and additional advances in the 2nd quarter of 2024
- We achieved a loan/loss reserve of \$2,222,968 or 2.30% of total loan commitments.

We are excited to deliver an average annualized 2nd quarter yield to our Limited Partners of 9.49%.

Fidelis Private Fund – Q2 2024 – Financial Performance

In this quarterly report, we provide a comprehensive summary of our financial performance, a glimpse into our future prospects, and additional details about our Fund and strategic approach. We have also included a financial performance dashboard for your reference.

Q1 2024 Investor Annualized Return & Loan/Loss Reserve

- Fidelis Private Fund generated for the 1st quarter an average annualized return of **9.49%** for those Limited Partners invested in the Fund before the last month of the quarter.
- The annualized yield includes a Loan/Loss Reserve of \$2,222,968 or 2.30% of total loan commitments. This reserve protects our partnership against unforeseen future pitfalls in the economy.

Limited Partner Capital

- For the 2nd quarter, as of 6/30/24, the Limited Partner's ending capital balance was \$69,031,907. This increase in capital was due to a combination of earnings and new capital net of redemptions, a 12.06% increase over the last quarter.

Loan Commitments/Performance/LTV

- We closed \$20,079,250 in new loan commitments and additional advances in the 2nd quarter for a total gross notes receivable of \$96,515,294, with existing loan balances outstanding of \$80,023,511, resulting in \$16,491,783 in undisbursed loan commitments. We had \$10,758,640 in loan principal paydowns in the 2nd quarter of 2024. Out of 118 loans in the portfolio, we have one delinquent loan, \$100,000. The average loan portfolio LTV ratio was approximately 59%.

Community Impact

- Since its inception, Fidelis Private Fund has worked with investors who see value and potential in the commercial and residential real estate investment sectors. We have been privileged to help investors from diverse backgrounds while doing business primarily in San Diego County. The results are an overall improvement in the quality of individual properties with net gains in terms of economic development and the increase of residential housing units. We feel that in addition to striving to be a valuable financial partner to entrepreneurs and developers, Fidelis Private Fund is contributing to strengthening neighborhoods, serving diverse urban communities, and improving property values and related tax bases for the city and regional government.

2nd Qtr. 2024 Highlights

- The median home sale price in San Diego reached \$980,000 as of April 2024, reflecting a 7.7% year-over-year increase. This sustained price appreciation underscores the market's strength and desirability.
- San Diego's luxury coastal market experienced a rebound in May 2024 after a quieter April, driven by wealth accumulation among affluent buyers.
- Foreclosure rates remained low, accounting for just 0.3% of all home sales, indicating a healthy market with minimal distressed sales.
- Investors show increased interest in multi-family properties and value-added opportunities, driven by the strong rental market and potential for higher returns.

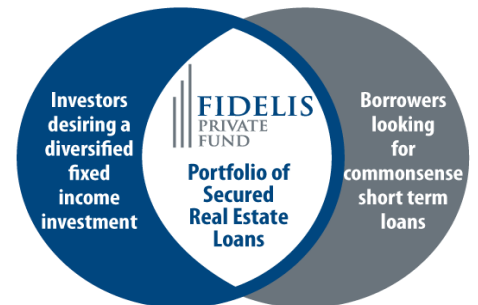
2nd Qtr. 2024 Outlook

- **Residential Market:** The overall residential market is expected to remain a competitive seller's market, with continued price appreciation, albeit at a potentially slower pace compared to previous years
- **Office:** San Diego's office inventory increased slightly to 63.3 million square feet from last year. Concurrently, the vacancy rate rose to 21.7%.
- **Retail Sector:** Leasing activity is forecasted to remain robust, especially for smaller spaces under 5,000 sq ft suitable for restaurants, fast-food chains, and retailers. Vacancy rates are projected to stay below 5% in San Diego's retail market.
- **Industrial and Warehouse Demand:** Limited available land for new industrial development in San Diego could constrain supply and support occupancy and rent growth, assuming demand remains healthy.
-

Our Model: Growing Value with Purpose

- The Fidelis business model is simple: We operate as a direct portfolio lender, focusing on providing commercial and residential investment real estate loans. Through our platform, accredited investors can invest in a pool of real estate-secured loans that offer an attractive rate of return, along with a moderate level of risk and reasonable liquidity. [Click to see an Overview of our Business Model](#) to share with prospective Fidelis investors you may know.

"We Provide Real Estate Financing Solutions for Timely Execution."



Investor Insights



If you know of an accredited investor who would benefit from an investment in Fidelis, please pass along this information. Potential investors may contact John Lloyd at 760-258-4486. Visit our website at FidelisPF.com for more information about Fidelis Private Fund. Thank you for the opportunity to help make Fidelis a successful investment vehicle for fixed-income investors.



John P. Lloyd
President & CEO

FIDELIS PRIVATE FUND
Growing Value with Purpose

12481 High Bluff Drive, Ste 160 San Diego, CA 92130
760-258-4486 | www.FidelisPF.com