

# Fidelis Private Fund, LP – 1st Quarter 2022 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 happy to share with you that Fidelis Private Fund continues to thrive and grow, evidenced by these key performance indicators:

- 8%+ annualized investor yield each quarter since inception
- Increased Limited Partner capital balances by \$4,824,588 in the 1st quarter of 2022
- Zero loan delinquencies
- Fidelis Funded \$15,329,250 in loan commitments in the 1st quarter of 2022
- We achieved a loan/loss reserve of \$1,114,411 or 2.50% of total loan commitments.

**We are excited to deliver an average annualized 1st quarter yield to our Limited Partners of 8.23 %.**

### Fidelis Private Fund – Q1 2022 – Financial Performance

This quarterly report includes an overview of financial performance, outlook for the future, and further information regarding our Fund and our strategy. Included is a financial performance dashboard.

#### Q1 2022 Investor Annualized Return

- Fidelis Private Fund generated for the 1st quarter an average annualized return of **8.23%** for those Limited Partners invested in the Fund before the last month of the quarter.
- The annualized yield achieved includes a Loan/Loss Reserve currently at 2.50% of total loan commitments. This reserve protects our partnership against unforeseen future pitfalls in the economy (note the reserve expense in any one quarter only applies to new loan commitments that exceed the previous quarter's total of loan commitments).

#### Limited Partner Capital

- Fidelis' Limited Partner capital as of 12/31/2021 was \$29,889,741. For the 1st quarter, as of 3/31/22, the Limited Partner ending capital balance was \$34,714,329. This increase in capital was due to a combination of earnings and new capital, a 16% increase over the last quarter. *(Beginning and ending capital balances include capital invested in the prior month not included in the yield calculation).*

#### Loan Commitments/Performance/LTV/Loan-Loss Reserve

- We closed \$15,329,250 in new loan commitments in the 1st quarter for total gross notes receivable of \$44,700,981, with existing loan balances outstanding of \$38,886,033, resulting in \$5,814,948 in undisbursed loan commitments. We had \$7,290,196 in loan principal pay downs in the 1st quarter 2022. Out of 68 loans in the portfolio, we have zero delinquencies. The average loan portfolio LTV ratio was 60%. As of 3/31/2022, the Loan/Loss Reserve was \$1,114,411 or 2.50% of total loan commitments.

#### Q1 2022 – Referral Fee Income

- Unique to most mortgage funds, Fidelis Private Fund is a one-stop solution for commercial real estate financing needs. Not every borrower needs a short-term bridge loan from Fidelis, nor do we have the capacity to fund all the loan requests we receive directly. Therefore, we generate referral fee income on loans we could not otherwise directly fund as a service to our clients through the broker Cornerstone Commercial Mortgage, wholly owned by John Lloyd. Fidelis shares in the fees. It's a win/win for our clients and our investors. Fidelis generated \$12,681 in referral fee income for the 1st quarter of 2022.

Further performance detail is provided in the ensuing pages, along with our Fidelis Financial Performance Dashboard documents.

### 1st Qtr. 2022 Highlights

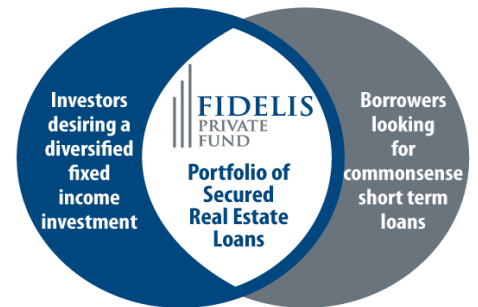
- We hosted another successful Fidelis Limited Partner get-together Thursday, March 31, 2022. - [Click the link for 1-minute video highlights](#)
- Our 2021 Fidelis Private Fund Audit was completed. [Click the link to access a copy or see it in your online Fidelis Portal.](#)
- We had \$7,290,196 in loans paid off in the 1<sup>st</sup> quarter.
- We continue to see “added value” type loan requests, i.e., single-family investment properties purchased to add ADU’s (additional dwelling units).

### 2nd Qtr. 2022 Outlook

- With the pandemic in the rearview mirror, we expect loan demand to remain strong into the first half of 2022.
- I expect the short-term conventional interest rates to increase again in the 2<sup>nd</sup> quarter, however, private money rates will lag behind the secondary market, as there is still more private money available than demand keeping private money rates relatively flat for the near term.
- As loan demand remains steady, we are accepting new limited partner capital. This benefits existing Fidelis Limited Partners and our client borrowers. With more capital, we improve our efficiencies and absorb our fixed costs through economies of scale, resulting in better investor yield, product diversification, and satisfied clients.

### Our Model: Growing Value with Purpose

- The Fidelis business model is simple. We are a direct portfolio lender specializing in commercial and residential investment real estate loans offering accredited investors the opportunity to invest in a pool of real estate secured loans generating a competitive rate of return with moderate 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](http://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*

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