Fidelis Private Fund, LP – 1st Quarter 2026 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:

- 9.31% annualized average investor yield for the 1st quarter of 2026.
- Increased Limited Partner capital balances by $10,767,192 in the 1st quarter of 2026
- Fidelis Funded $27,717,250 in loan commitments and additional advances in the 1st quarter of 2026
- We achieved a loan/loss reserve of $3,656,716 or 2.30% of total loan commitments.

We are excited to deliver an average annualized 1st quarter yield to our Limited Partners of 9.31%.

Fidelis Private Fund – Q1 2026 – 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 2026 Investor Annualized Return & Loan/Loss Reserve

- Fidelis Private Fund generated for the 1st quarter an average annualized return of **9.31%** for those Limited Partners invested in the Fund before the last month of the quarter.
- The annualized yield includes a Loan/Loss Reserve of $3,656,716 or 2.30% of total loan commitments. This reserve protects our partnership against unforeseen future pitfalls in the economy.

Limited Partner Capital

- For the 1st quarter, as of 03/31/26, the Limited Partners' ending capital balance was $117,479,261. This increase in capital was due to a combination of earnings and new capital net of redemptions, a 10.09% increase over the last quarter.

Loan Commitments/Performance/LTV

- We closed $27,717,250 in new loan commitments and additional advances in the 1st quarter for a total gross notes receivable of $159,236,859, with existing loan balances outstanding of $131,708,227, resulting in $27,528,632 in undisbursed loan commitments. We had $14,493,789 in loan principal paydowns in the 1st quarter of 2026. Out of 153 loans in the portfolio, we had less than 1% loan delinquencies. 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.

1st Qtr. 2026 Real Estate Market Highlights

- **Interest Rates:** The Fed held the U.S. prime rate steady at 6.75%, with 30-year fixed mortgage rates ranging between 5.5% and 6.25% — a meaningful improvement from 2025 peaks.
- **Home Prices:** San Diego's median detached home price reached approximately $1,070,000 in early 2026, reflecting a modest 2.0% year-over-year gain supported by limited housing supply.
- **Housing Inventory:** Inventory remains tight at approximately 2.2 months of supply, as many homeowners continue holding onto lower-rate mortgages and resist listing their properties.
- **Market Activity:** Transaction volume softened and homes are taking longer to sell, though well-priced properties continue to move as buyer interest gradually returns.
- **Rental Market Stability:** San Diego's rental market remains strong, with low vacancy rates and elevated rents sustained by the region's military, university, and biotech employment base.

2nd Qtr. 2026 Real Estate Market Outlook

- **Interest Rates:** The Fed is expected to hold steady near-term, with mortgage rates projected to gradually ease toward the low-6% range — and potentially high 5s — if inflation continues cooling.
- **Home Prices:** Countywide appreciation of 2%–4% is forecasted, with coastal and high-demand submarkets expected to lead as San Diego's supply constraints continue supporting values.
- **Housing Inventory:** Listings may rise modestly as lower rates unlock rate-locked sellers, but strong pent-up demand is expected to absorb new supply and keep the market seller-leaning.
- **Market Activity:** Spring's peak selling season, combined with stabilizing rates, should spark improved buyer engagement and create opportunities for well-capitalized investors ahead of increased competition.
- **Rental Trends:** Limited new construction and strong regional employment should keep occupancy high and rents flat to modestly higher across core San Diego neighborhoods.
- **Overall:** Q2 2026 is expected to reflect gradual recovery — stable prices, improving buyer activity, and resilient rental fundamentals — as San Diego's structural supply constraints continue supporting long-term investment value.

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.

"With over 30 years in the real estate financing business, including 18 years managing two private mortgage funds, no investor has lost a penny of capital under my management even through the 2008-2010 financial crisis."

John P. Lloyd
President & CEO

FIDELIS PRIVATE FUND

Growing Value with Purpose

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