



FS CREDIT REAL ESTATE INCOME TRUST

# North Carolina industrial property

INDUSTRIAL | FAYETTEVILLE, NC

Acquisition of an industrial property in Fayetteville with easy access to major markets, various regional airports and deep-water ports



## Investment details

<b>Total loan size</b>	\$15,100,000
<b>Purpose</b>	Acquisition
<b>LTV</b>	72%
<b>Date of loan</b>	7/26/2018
<b>Year built</b>	1974-1998
<b>Square feet</b>	917,959
<b>Portfolio weight<sup>1</sup></b>	3.8%

## Investment highlights

- This multi-warehouse and office space industrial property is well located 1.5 miles east of I-95 and 6 miles south of the Fayetteville Central Business District.
- The property's location is attractive for logistics and distribution companies, advanced manufacturers, and defense and aerospace industries due to its proximity to regional and international airports, deep-water shipping ports and rail services.
- Fort Bragg, the largest military base in the world, along with Pope Field drive Fayetteville's economy, bringing in \$4.5 billion annually.

This sales and advertising literature does not constitute an offer to sell nor a solicitation of an offer to buy or sell securities. An offering is made only by the prospectus. **This material must be read in conjunction with the FS Credit Real Estate Income Trust, Inc. (FS Credit REIT) prospectus in order to fully understand all of the implications and risks of the offering of securities to which the prospectus relates. A copy of the prospectus must be made available to you in connection with any offering.** No offering is made except by a prospectus filed with the Department of Law of the State of New York. Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of FS Credit REIT's securities or determined if its prospectus is truthful or complete. Neither the Attorney General of the State of New York nor the Securities Division of the Office of the Maryland Attorney General has passed on or endorsed the merits of this offering. Any representation to the contrary is a criminal offense.

## Adviser

### FS Real Estate Advisor, LLC

An affiliate of FS Investments, a leading asset manager dedicated to helping individuals, financial professionals and institutions design better portfolios

## Sub-adviser

### Rialto Capital Management, LLC

Rialto is a real estate investment and asset management company that invests and manages assets throughout the capital structure in real estate loans, properties and securities.<sup>2</sup>

1 As of December 31, 2019. Portfolio weight is based on the amortized cost of the funded portion of the loan.

2 Rialto Capital Management, directly and through certain affiliates, is collectively referred to as Rialto.

FS Credit REIT manages the loans secured by the properties shown. It does not own the properties.

**An investment in FS Credit REIT involves a high degree of risk. You should purchase these securities only if you can afford the complete loss of your investment. The risks include the following:**

- FS Credit REIT has limited prior operating history and there is no assurance that FS Credit REIT will achieve its investment objectives.
- This is a “blind pool” offering and thus you will not have the opportunity to evaluate FS Credit REIT’s future investments before it makes them.
- Since there is no public trading market for shares of FS Credit REIT’s common stock, repurchase of shares by FS Credit REIT will likely be the only way to dispose of your shares. FS Credit REIT’s share repurchase plan will provide stockholders with the opportunity to request that FS Credit REIT repurchase their shares on a daily basis, subject to certain limitation. Further, FS Credit REIT’s board of directors may modify, suspend or terminate our share repurchase plan if it deems such action to be in our best interest and the best interest of stockholders. Finally, FS Credit REIT is not obligated by its charter or otherwise to effect a liquidity event at any time. As a result, shares should be considered as having only limited liquidity and at times may be illiquid.
- The purchase and repurchase price for shares of FS Credit REIT’s common stock will be based on NAV and will not be based on any public trading market. Because the valuation of FS Credit REIT’s investments is inherently subjective, the NAV of FS Credit REIT’s common stock may not accurately reflect the actual price at which assets could be liquidated on any given day.
- Valuations and appraisals of real estate-related debt and investments include estimates of fair value and may not necessarily correspond to realizable value, which could adversely affect the value of an investment.
- FS Credit REIT’s business and operations are currently dependent on the commercial real estate industry. Adverse conditions in the commercial real estate industry can have a significant negative effect on FS Credit REIT’s business and financial condition.
- FS Credit REIT cannot guarantee that it will make distributions, and if it does, such distributions may be funded from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and there are no limits on the amounts that may be paid from such sources.
- FS Credit REIT has no employees and is dependent on its adviser and sub-adviser to conduct operations. FS Credit REIT’s adviser and sub-adviser will face conflicts of interest as a result of, among other things, the obligation to allocate investment opportunities among FS Credit REIT and other investment vehicles, the allocation of time of their investment professionals and the substantial fees and expenses that FS Credit REIT will pay to its adviser and its affiliates.
- This is a “best efforts” offering. If FS Credit REIT is not able to raise a substantial amount of capital in the near term, its ability to achieve its investment objectives could be adversely affected.
- There are limits on the ownership and transferability of FS Credit REIT’s shares.
- FS Credit REIT’s failure to remain qualified to be taxed as a REIT would adversely affect the NAV of its shares and the amount of cash available for distribution to stockholders.

## DEFINITIONS

**LTV (loan-to-value):** Loan-to-value ratio of a mortgage equals the loan amount divided by the property’s value.

**Securities offered through FS Investment Solutions, LLC (member FINRA/SIPC), the dealer manager for FS Credit REIT’s offering. FS Investment Solutions, LLC is an affiliated broker-dealer that serves as the wholesaling distributor of non-traded funds sponsored by FS Investments. An investment in FS Credit REIT involves a high degree of risk and may be considered speculative. Investors are advised to consider the investment objectives, risks, and charges and expenses of FS Credit REIT carefully before investing. FS Credit REIT’s prospectus contains this and other information. Investors may obtain a copy of FS Credit REIT’s prospectus free of charge at [www.fsinvestments.com](http://www.fsinvestments.com) or by contacting FS Investments at 201 Rouse Boulevard, Philadelphia, PA 19112 or by phone at 877-628-8575. Investors should read and carefully consider all information found in FS Credit REIT’s prospectus and other reports filed with the U.S. Securities and Exchange Commission before investing.**