



Class I

FS Credit Real Estate Income Trust

Seeks to deliver an alternative source of income through investing in commercial real estate debt

Shareholder returns ¹	Annualized distribution rate ²	Net asset value ³	QTD	YTD	1 year	3 year	Since inception (annualized)	Since inception (cumulative)
Class I (inception 1/5/2018)	7.10%	\$24.51	1.59%	3.14%	7.02%	6.66%	6.23%	23.45%

Shareholders will not pay selling commissions or dealer manager fees on Class I shares or when purchasing shares of any class pursuant to our distribution reinvestment plan. Class I shares are not subject to shareholder servicing fees. See the prospectus for additional information.

Performance quoted is past performance and cannot guarantee future results. Current performance may be higher or lower. Certain performance figures above do not include applicable sales charges, which would have reduced the performance. Returns less than one year are cumulative; all others are annualized. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For performance data current to the most recent month-end, please call 877-628-8575 or visit our website at www.fscreit.com.

Quarterly commentary

FS Credit Real Estate Income Trust ("FS Credit REIT") returned 1.59% during Q2 2021, demonstrating its continued ability to provide above-market income to investors. NAV performance was generally stable across share classes during the second quarter. Based on the Class I shares, FS Credit REIT has returned 7.02% over the past year and 6.23% annualized since inception.

Commercial real estate (CRE) activity continued to accelerate during the second quarter as the economic backdrop brightened. U.S. employers added 1.7 million jobs during the quarter as the unemployment rate fell below 6% for the first time since March 2020. Consumer spending remained robust as economies reopened, feeding higher inflation, although much of the uptick in price levels can be attributed to factors that are more likely to be transient, such as used cars and hotel prices. Despite strong growth and a rise in inflation, the 10-year Treasury yield declined 27 bps as investors contemplated peaking economic growth and central bank policy. CRE transaction volume rose to \$144.7 billion, a record for Q2 that was driven by the multifamily and industrial sectors, which accounted for 57% of the activity. Property price growth remained strong, rising 9.8% y/y through June as low interest rates and rebounding fundamentals provided support.

Growth of \$100,000 (1/5/2018-6/30/2021)



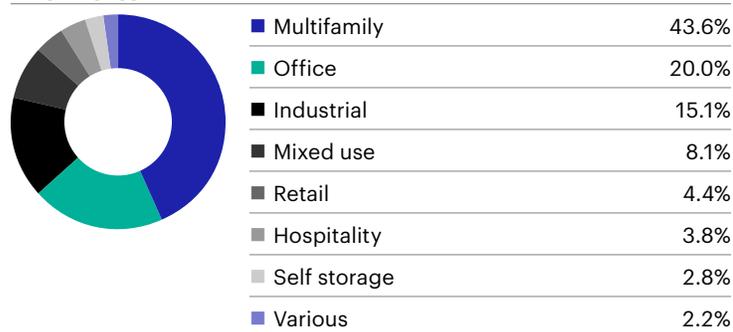
The information displayed in the hypothetical growth section has not been approved for use by the states of New Jersey or Ohio.

Past performance is not indicative of future results. An investment in FS Credit REIT is not a direct investment in real estate and has material differences from a direct investment in real estate, including those related to fees and expenses, liquidity and tax treatment.

Source: Bloomberg. FS Credit REIT is not traded on an exchange. The beginning value for Class I shares of FS Credit REIT is the NAV per share as of the inception date on January 5, 2018. The ending value is the applicable transaction price as of August 1, 2021 (which generally equals the prior month's NAV). The illustration assumes reinvestment of distributions pursuant to FS Credit REIT's share repurchase program. Indexes are shown for illustrative purposes only. An investment cannot be made directly in an index. Each asset class is suitable for specific investor objectives, which vary greatly.

This commentary is directed to investors and to persons in jurisdictions where FS Credit REIT is authorized for distribution. Complete information about investing in FS Credit REIT is available in the prospectus, which can be read by clicking here.

Property type



Geographic region



Investment type

Private senior floating rate loans	94.6%
CMBS	3.4%
Private mezzanine loans	2.0%

Portfolio characteristics

Total gross AUM	\$1.72B
Number of private loans	61
Standard deviation	0.80%
Modified duration (years)	0.23

Top 5 states

Texas	21.4%
California	12.5%
Georgia	11.0%
New York	8.0%
Florida	6.0%

Portfolio activity

As of June 30, 2021, the portfolio was comprised of 64 originated investments, including 62 private senior loans and two mezzanine loans, resulting in total assets under management of \$1.78 billion.

FS Credit REIT completed its most active quarter since inception, originating 20 new senior loans for a total par amount of \$784 million. Transaction activity in the CRE market has improved, driving increased demand for mortgage origination. New loan originations during the quarter were backed by thirteen multifamily properties, three office properties, three industrial properties and one self-storage property. Our investment origination efforts continue to focus on properties that we believe are well-positioned to perform in today's environment, including multifamily and industrial, as exemplified by the composition of last quarter's investments. In addition, based on the strength of Rialto Capital's national footprint and deep sourcing relationships, we will also look to opportunistically invest in other sectors offering attractive returns backed by strong collateral coverage. An increase in the pace of capital raising over the last several months has provided FS Credit REIT with significant capital to deploy into new originations and has allowed the investment team to develop a robust pipeline of potential deals.

We believe FS Credit REIT continues to be well-diversified across property types—a key advantage as we head into the next expansion period. The top property type, multifamily, makes up 44% of the portfolio, followed by office and industrial at 20% and 15%, respectively. The portfolio has just 8% total exposure to the hospitality and retail sectors, which have each been heavily impacted by the COVID-19 crisis. The senior loan portfolio has a weighted-average origination loan-to-value ratio of 70%, implying an average equity cushion of 30%. We believe the floating rate nature of the majority of our assets provides a buffer against rising rates, which has had a negative impact on fixed rate assets such as corporate bonds.

Outlook

In addition to closing on 20 new investments in Q2, FS Credit REIT has a growing number of deals in the pipeline. We observed a material improvement in CRE fundamentals during the second quarter and expect deal activity to continue improving over the second half of the year. Amidst the decline in interest rates during the quarter that further highlighted investors' search for yield, we believe real estate debt remains an attractive asset class to generate above-market income. Our investment team continues to employ a barbell strategy, combining a core focus on sectors with secular drivers (multifamily, industrial and self-storage) with deals backed by strong assets in less-favored sectors (retail and office). While we remain disciplined amid continued uncertainty, we believe the second half of the year will offer attractive opportunities to deploy capital.

1 Returns (without sales charge) represent the total returns an investor received for the highlighted period taking into account all distributions paid during such period. The calculation is net of any ongoing stockholder servicing fees and assumes that the investor purchased shares at NAV or the transaction price (which generally equals the prior month's NAV), as applicable, at the beginning of the applicable period and reinvested all cash distributions pursuant to FS Credit REIT's distribution reinvestment plan ("DRP"). Valuation as of the end of each period is the transaction price pursuant to FS Credit REIT's share repurchase program on such date. Returns (without sales charge) do not include selling commissions and dealer manager fees. Had such selling commissions and dealer manager fees been included, performance would be lower.

2 The annualized distribution rate shown is expressed as a percentage equal to the projected annualized distribution amount per share (which is calculated by annualizing the most recent monthly cash distribution per share as of the date indicated, without compounding), divided by the NAV per share. For the six months ended June 30, 2021, 100% of FS Credit REIT's distributions were funded through net investment income. The determination of the tax attributes of distributions is made annually at the end of the fiscal year, and a determination made on an interim basis may not be representative of the actual tax attributes of distributions for a full year. The actual tax characteristics of distributions to shareholders are reported to shareholders annually on Form 1099-DIV. The payment of distributions on FS Credit REIT's common stock is subject to the discretion of FS Credit REIT's board of directors and applicable legal restrictions and, therefore, there can be no assurance as to the amount or timing of any such distributions. FS Credit REIT currently intends to pay ordinary cash distributions monthly.

3 Represents the monthly NAV per share as of the close of business on June 30, 2021. NAV is determined by FS Credit REIT's adviser in accordance with FS Credit REIT's valuation guidelines. There is no rule, regulation or industry practice that requires the NAV be calculated in a certain way, and FS Credit REIT's board of directors may adopt changes to the valuation guidelines.



To learn more about investing in CRE debt, visit

www.fscreit.com

GLOSSARY OF TERMS

Duration is a measure of the sensitivity of the price of a fixed income investment to a change in interest rates, expressed as a number of years.

INDEX DEFINITIONS

Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). Bonds may be subject to default and interest rate risk. **S&P 500 Total Return Index** is a benchmark of large-cap U.S. equities. The index includes 500 leading companies, captures approximately 80% coverage of available market capitalization and assumes all resulting dividends are automatically reinvested. U.S. stocks may be subject to market risk.

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.

FS Credit REIT is a NAV REIT investing primarily in floating rate senior loans secured by commercial real estate 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 a limited operating history and there is no assurance that FS Credit REIT will achieve its investment objectives.
- This is a "blind pool" offering. FS Credit REIT has made limited investments to date and 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 shareholders with the opportunity to request that FS Credit REIT repurchase their shares on a monthly basis, subject to certain limitation. Further, FS Credit REIT's board of directors may modify or suspend our share repurchase plan if it deems such action to be in our best interest and the best interest of shareholders. Finally, FS Credit REIT is not obligated by its charter or otherwise to affect 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 shareholders.

Securities offered through ALPS Distributors, Inc. (1290 Broadway, Suite 1000, Denver, CO 80203, member FINRA), the distributor of FS Credit REIT. FS Investment Solutions, LLC is an affiliated broker-dealer that serves as the exclusive wholesale marketing agent for FS Credit REIT. FS Investment Solutions, LLC and ALPS Distributors, Inc. are not affiliated.

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.fscreit.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.