

Nontraded REIT Industry Review: Third Quarter 2014



Moody National REIT I, Inc.

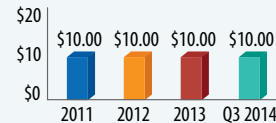
Total Assets.....	\$154.1 Million
Real Estate Assets	\$126.0 Million
Cash	\$17.9 Million
Securities	\$0.0 Million
Other	\$10.1 Million



Cash to Total Assets Ratio: 11.6%
 Asset Type: Hospitality
 Number of Properties: 6 Properties; 1 Joint Venture; 1 Note
 Square Feet / Units / Rooms / Acres: 924 Rooms
 Occupancy: Not Available
 Weighted Average Lease Term Remaining: Not Applicable
 LifeStage: Stabilizing
 Investment Style: Core
 Weighted Average Shares Outstanding: 6,602,233

Initial Offering Date: April 15, 2009
 Offering Status: Follow-On
 Number of Months Fundraising: 65
 Anticipated Offering Close Date: January 31, 2015
 Current Price per Share: \$10.00
 Reinvestment Price per Share: \$9.50

Historical Price

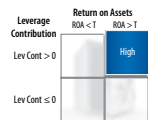


Contact Information

www.MoodyNationalREIT.com
Moody National REIT I, Inc.
Attn: Logan Lee
6363 Woodway Drive
Suite 110
Houston, Texas 77057
(713) 977-7500

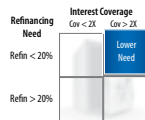
Performance Profiles

Operating Performance



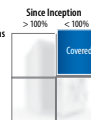
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is contributing to increased returns for shareholders.

Financing Outlook



Interest coverage ratio exceeds the 2.0X benchmark and the REIT does not have over 20% of debt maturing within 2 years or at unhedged variable rates. The REIT does not face an immediate need to refinance a significant portion of its debt, and has sufficient earnings to cover interest expense.

Cumulative MFFO Payout

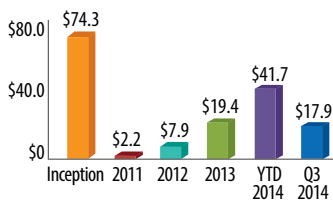


Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

Summary

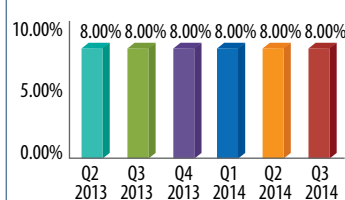
The REIT's average return on assets for the last four quarters was 5.96%, above the yield on 10-Year Treasuries of 2.64%, providing an additional return to shareholders. It had a small positive leverage contribution with its average cost of debt at 5.23% and a 61.1% debt ratio. Only 2% of the REIT's debt matures within two years and none is at unhedged variable rates, indicating no refinancing need and little or no interest rate risk. Its trailing 12-month interest coverage ratio was 2.1X, just above the 2.0X benchmark. Since inception the REIT has paid out 98% of estimated MFFO in cash distributions, excluding DRP, and this rate was 93% for the last four quarters.

Gross Dollars Raised*

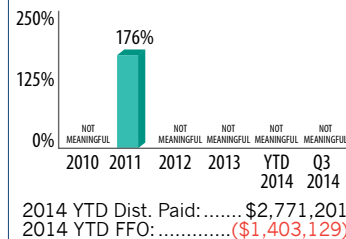


*Includes reinvested distributions (in millions)

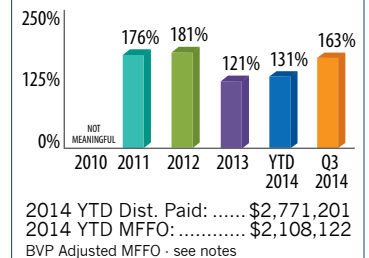
Historical Distribution



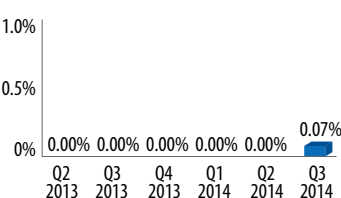
Historical FFO Payout Ratio



Historical MFFO Payout Ratio



Redemptions

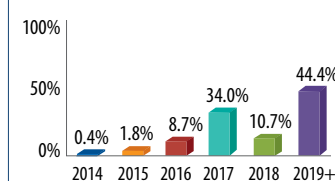


Debt Breakdown

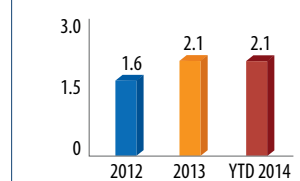


Debt to Total Assets Ratio: 61.1%
 Total: \$94.1 Million
 Fixed: \$94.1 Million
 Variable: \$0.0 Million
 Avg. Wtd. Rate: 5.23%
 Loan Term: 2 - 10 yrs

Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- On September 30, 2014, the Company acquired an interest in a 227-unit Marriott Courtyard hotel property located in Lyndhurst, New Jersey from the current tenant-in-common owners of the Lyndhurst Hotel for an aggregate purchase price, exclusive of closing costs, including the assumption of the outstanding debt secured by the Lyndhurst Hotel, of approximately \$33,322,000.
- The Company's board of directors has elected to extend the Company's follow-on public offering of shares of common stock, in accordance with the terms established in the Company's prospectus. The follow-on public offering, which was scheduled to terminate on October 12, 2014, has been extended for up to an additional year. However, the Company currently expects to terminate the follow-on public offering by January 31, 2015.
- For the three months ended September 30, 2014, the Company paid aggregate distributions of \$1.206 million, inclusive of \$388,742 of distributions in shares issued under the DRIP.
- On September 30, 2014 the Company declared a distribution in the aggregate amount of \$476,602, of which \$316,400 was paid in cash on October 15, 2014 and \$160,202 was paid pursuant to the DRIP in the form of additional shares of the Company's common stock. On October 31, 2014, the Company declared a distribution in the aggregate amount of \$530,638 which is scheduled to be paid in cash and through the DRIP in the form of additional shares of the Company's common stock on November 15, 2014.
- The REIT's Cash to Total Assets ratio decreased to 11.6% as of 3Q 2014 compared to 7.1% as of 3Q 2013.
- The REIT's Debt to Total Assets ratio decreased to 61.1% as of 3Q 2014 compared to 62.0% as of 3Q 2013.
- The Company did not report MFFO according to the IPA Guidelines. The payout ratios presented above reflect Blue Vault's estimates based on the IPA Guidelines. The Company's YTD and current quarter MFFO payout ratios were 128% and 161% respectively, which include adjustments for stock/unit-based compensation not found in the IPA Guidelines.
- For the nine months ended September 30, 2014, approximately 17% of distributions were paid from cash provided by operating activities and the remaining approximately 83% was paid from offering proceeds.