



# Nontraded REIT Industry Review: First Quarter 2014

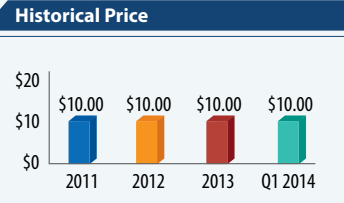
## Moody National REIT I, Inc.

Total Assets.....	\$90.3 Million
Real Estate Assets .....	\$82.0 Million
Cash .....	\$3.1 Million
Securities .....	\$0.0 Million
Other .....	\$5.2 Million



Cash to Total Assets Ratio: .....	3.4%
Asset Type: .....	Hospitality
Number of Properties: .....	6
Square Feet / Units / Rooms / Acres: .....	587 Rooms
Occupancy: .....	Not Available
Weighted Average Lease Term Remaining: .....	Not Applicable
LifeStage: .....	Growth
Investment Style: .....	Core
Weighted Average Shares Outstanding: .....	3,723,801

Initial Offering Date: .....	April 15, 2009
Offering Status: .....	Follow-On
Number of Months Fundraising: .....	59
Anticipated Offering Close Date: .....	October 12, 2014
Current Price per Share: .....	\$10.00
Reinvestment Price per Share: .....	\$9.50

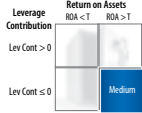


**Contact Information**

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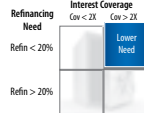
### Performance Profiles

#### 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 not increasing returns to 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

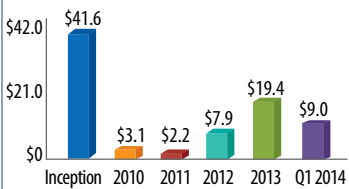


The REIT has not yet reached full coverage of cash distributions and an MFFO payout ratio below 100% since inception, but the last 12 months shows full coverage of cash distributions, a positive trend. If the 12-month trend continues, the distribution rate can be maintained.

#### Summary

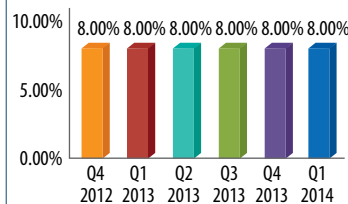
The REIT's return on assets for the last four quarters was 2.93%, above the yield on 10-Year Treasuries of 1.87%, providing an additional return to shareholders. It had a negative leverage contribution with its average cost of debt at 4.82% and a 63.6% debt ratio. Only about 3% of the REIT's debt matures within two years and none is at unhedged variable rates, indicating no great 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 104% of estimated MFFO in cash distributions, excluding DRP, and this rate was 89% for the last four quarters, a positive trend toward sustainability.

#### Gross Dollars Raised\*

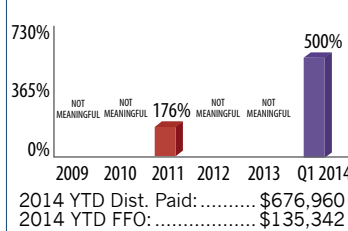


\*Includes reinvested distributions (in millions)

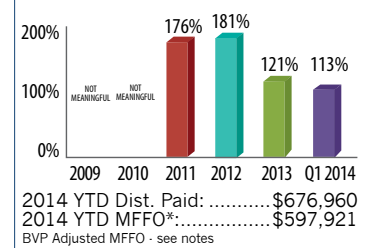
#### Historical Distribution



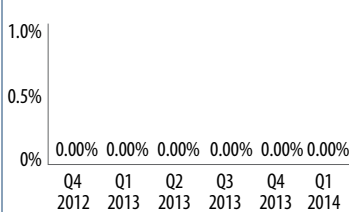
#### Historical FFO Payout Ratio



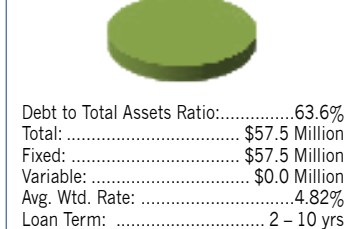
#### Historical MFFO Payout Ratio



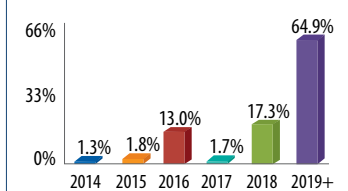
#### Redemptions



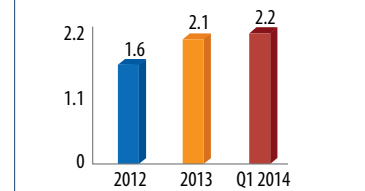
#### Debt Breakdown



#### Debt Repayment Schedule



#### Interest Coverage Ratio



#### Source of Distributions, Trends and Items of Note

- The Company purchased one property for \$21.3 million during 1Q 2014.
- The REIT's Cash to Total Assets ratio decreased to 3.4% as of 1Q 2014 compared to 18.3% as of 1Q 2013.
- The REIT's Debt to Total Assets ratio increased to 63.6% as of 1Q 2014 compared to 54.3% as of 1Q 2013.
- The Company did not report MFFO according to the IPA Guidelines. The payout ratios presented above reflect both Blue Vault's estimate based on the IPA Guidelines as well as the ratio based on the REIT's reported MFFO which includes an adjustment for stock/unit-based compensation and amortization of deferred loan costs.
- All distributions paid during the first quarter of 2014 were paid from offering proceeds.