



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-7010

MAIL STOP 4561

September 5, 2008

Brett C. Moody, Chief Executive Officer  
Moody National REIT I, Inc.  
6363 Woodway Drive, Suite 110  
Houston, TX 77057

**Re: Moody National REIT I, Inc.  
Amendment No. 2 to Form S-11  
File No. 333-150612  
Filed August 15, 2008**

Dear Mr. Moody:

We have reviewed your filing and have the following comments. Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Management Compensation Table, page 65

1. We note your response to comment 8 of our letter dated July 23, 2008 that the employees of the Advisor could receive incentive compensation. To the extent that you decide to provide incentive compensation to the employees of the Advisor, it would be construed as a benefit that your Advisor would not have to provide to its employees. As such, please revise the operational stage compensation tabular disclosure to include the possible incentive compensation.
2. We note your response to comment 9 of our previous letter and the reference to footnote 4. It would appear that your advisor is able to receive reimbursements during the operating stage. Please revise the table to include operating expense reimbursements.

3. We note from the revised disclosure on page 58 that you will indirectly bear some cost of compensation paid to the officers through fees or "expense reimbursements." Please revise to clarify the portion of the officers' compensation that you are required to reimburse to the Advisor.

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As appropriate, please amend your registration statement in response to these comments. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filings reviewed by the staff to be certain that they have provided all information investors require for an informed decision. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

We will consider a written request for acceleration of the effective date of the registration statement as a confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above registration statement. We will act on the request and, pursuant to delegated authority, grant acceleration of the effective date.

We direct your attention to Rules 460 and 461 regarding requesting acceleration of a registration statement. Please allow adequate time after the filing of any amendment for further review before submitting a request for acceleration. Please provide this request at least two business days in advance of the requested effective date.

Any questions regarding the accounting comments may be directed to William Demarest at (202) 551-3432 or Daniel Gordon, Accounting Branch Chief, at (202) 551-3486. Questions on other disclosure issues may be directed to Duc Dang at (202) 551-3386 or the undersigned at (202) 551-3233.

Sincerely,

Thomas Kluck  
Branch Chief

cc: Rosemarie A. Thurston (via facsimile)