

XBRL Rendering Preview

Print Document

Cover	Cover - shares	6 Months Ended	
Cover		Jun. 30, 2025	Aug. 08, 2025
Financial Statements	Cover [Abstract]		
Notes to Financial Statements	Document Type	10-Q	
Accounting Policies	Amendment Flag	false	
Notes Tables	Document Quarterly Report	true	
Notes Details	Document Transition Report	false	
All Reports	Document Period End Date	Jun. 30, 2025	
	Document Fiscal Period Focus	Q2	
	Document Fiscal Year Focus	2025	
	Current Fiscal Year End Date	--12-31	
	Entity File Number	000-55778	
	Entity Registrant Name	MOODY NATIONAL REIT II, INC.	
	Entity Central Index Key	0001615222	
	Entity Tax Identification Number	47-1436295	
	Entity Incorporation, State or Country Code	MD	
	Entity Address, Address Line One	9655 Katy Freeway	
	Entity Address, Address Line Two	Suite 600	
	Entity Address, City or Town	Houston	
	Entity Address, State or Province	TX	
	Entity Address, Postal Zip Code	77024	
	City Area Code	713	
	Local Phone Number	977-7500	
	Entity Current Reporting Status	Yes	
	Entity Interactive Data Current	Yes	
	Entity Filer Category	Non-accelerated Filer	
	Entity Small Business	true	
	Entity Emerging Growth Company	false	
	Entity Shell Company	false	
	Entity Common Stock, Shares Outstanding		13,640,429

CONSOLIDATED BALANCE SHEETS (unaudited) - USD (\$) \$ in Thousands	Jun. 30, 2025	Dec. 31, 2024
ASSETS		
Investment in hotel properties, net	\$ 122,358	\$ 174,712
Real estate assets held for sale	30,368	115,346
Cash and cash equivalents	7,442	9,305
Restricted cash	9,306	19,886
Accounts receivable, net of allowance of \$23 and \$34 as of June 30, 2025 and December 31, 2024	772	744
Prepaid expenses and other assets	709	932
Deferred franchise costs, net of accumulated amortization of \$391 and \$567 at June 30, 2025 and December 31, 2024, respectively	248	479
Total Assets	171,203	321,404
Liabilities:		
Notes payable, net of unamortized debt issuance costs of \$510 and \$702 as of June 30, 2025 and December 31, 2024	120,298	218,764
Notes payable to related party	28,000	50,000
Accounts payable and accrued expenses	4,274	14,855
Due to related parties, net	14,492	23,213
Dividends payable	70	70
Total Liabilities	167,134	306,902
Special Limited Partnership Interests	1	1
Equity:		
Preferred stock, \$0.01 par value per share; 100,000 shares authorized; no shares issued and outstanding		
Common stock, \$0.01 par value per share; 1,000,000 shares authorized, 13,640 shares issued and outstanding at June 30, 2025 and December 31, 2024	136	136
Additional paid-in capital	305,641	305,641
Accumulated deficit	(301,086)	(290,890)
Total stockholders' equity	4,691	14,867
Noncontrolling interests deficit in Operating Partnership	(623)	(386)
Total Equity	4,068	14,501
Total Liabilities and Equity	\$ 171,203	\$ 321,404

CONSOLIDATED BALANCE SHEETS (unaudited) (Parenthetical) - USD (\$) \$ in Thousands	Jun. 30, 2025	Dec. 31, 2024
Statement of Financial Position [Abstract]		
Allowance for doubtful accounts receivable	\$ 23	\$ 34
Accumulated amortization, deferred franchise costs	391	567
Unamortized debt issuance costs, note payable	\$ 510	\$ 702
Preferred stock, par value (in dollars per share)	\$ 0.01	\$ 0.01
Preferred stock, authorized	100,000,000	100,000,000
Preferred stock, issued	0	0
Preferred stock, outstanding	0	0
Common stock, par value (in dollars per share)	\$ 0.01	\$ 0.01
Common stock, authorized	1,000,000,000	1,000,000,000
Common stock, issued	13,640,000	13,640,000
Common stock, outstanding	13,640,000	13,640,000

CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited) - USD (\$) shares in Thousands, \$ in Thousands	3 Months Ended		6 Months Ended	
	Jun. 30, 2025	Jun. 30, 2024	Jun. 30, 2025	Jun. 30, 2024
Revenue				
Total hotel revenue	\$ 12,088	\$ 22,766	\$ 26,807	\$ 40,928
Expenses				
Hotel operating expenses	8,414	14,185	18,635	27,114
Property taxes, insurance and other	1,207	1,774	2,748	3,537

Depreciation and amortization	2,153	4,032	4,009	8,058
Corporate general and administrative	1,316	1,754	3,249	3,616
Loss on impairment of hotel properties	7,000	21,833	7,000	21,833
Total expenses	20,090	43,578	35,641	64,158
Operating loss	(8,002)	(20,812)	(8,834)	(23,230)
Other expenses (income)				
Interest expense and amortization of debt issuance costs	3,885	4,886	8,645	9,384
Gain on sale of hotel properties	(4,126)		(7,285)	
Total other expenses	(241)	4,886	1,360	9,384
Loss before income taxes	(7,761)	(25,698)	(10,194)	(32,614)
Income tax expense	243	84	239	96
Net loss	(8,004)	(25,782)	(10,433)	(32,710)
Loss attributable to noncontrolling interests in Operating Partnership	181	584	237	741
Net loss attributable to common stockholders	\$ (7,823)	\$ (25,198)	\$ (10,196)	\$ (31,969)
Per-share information – basic and diluted:				
Net loss attributable to common stockholders - diluted	\$ (0.57)	\$ (1.85)	\$ (0.75)	\$ (2.34)
Net loss attributable to common stockholders - basic	\$ (0.57)	\$ (1.85)	\$ (0.75)	\$ (2.34)
Weighted average common shares outstanding - basic	13,640	13,640	13,640	13,640
Weighted average common shares outstanding - diluted	13,640	13,640	13,640	13,640
Occupancy [Member]				
Revenue				
Total hotel revenue	\$ 11,479	\$ 21,362	\$ 25,163	\$ 38,245
Hotel, Other [Member]				
Revenue				
Total hotel revenue	\$ 609	\$ 1,404	\$ 1,644	\$ 2,683

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (unaudited) - USD (\$) shares in Thousands, \$ in Thousands	Preferred Stock [Member]	Common Stock [Member]	Additional Paid-in Capital [Member]	Retained Earnings [Member]	Noncontrolling Interest [Member]	Total
Beginning balance, value at Dec. 31, 2023		\$ 136	\$ 305,641	\$ (193,247)	\$ 1,876	\$ 114,406
Balance at beginning (in shares) at Dec. 31, 2023		13,640				
Noncontrolling Interests in Operating Partnership, Number of Units at beginning at Dec. 31, 2023						316
Net loss				(31,969)	(741)	\$ (32,710)
Ending balance, value at Jun. 30, 2024		\$ 136	305,641	(225,216)	1,135	\$ 81,696
Balance at end (in shares) at Jun. 30, 2024		13,640				
Noncontrolling Interests in Operating Partnership, Number of Units at end at Jun. 30, 2024						316
Beginning balance, value at Mar. 31, 2024		\$ 136	305,641	(200,018)	1,719	\$ 107,478
Balance at beginning (in shares) at Mar. 31, 2024		13,640				
Noncontrolling Interests in Operating Partnership, Number of Units at beginning at Mar. 31, 2024						316
Net loss				(25,198)	(584)	\$ (25,782)
Ending balance, value at Jun. 30, 2024		\$ 136	305,641	(225,216)	1,135	\$ 81,696
Balance at end (in shares) at Jun. 30, 2024		13,640				
Noncontrolling Interests in Operating Partnership, Number of Units at end at Jun. 30, 2024						316
Beginning balance, value at Dec. 31, 2024		\$ 136	305,641	(290,890)	(386)	\$ 14,501
Balance at beginning (in shares) at Dec. 31, 2024		13,640				
Noncontrolling Interests in Operating Partnership, Number of Units at beginning at Dec. 31, 2024						316
Net loss				(10,196)	(237)	\$ (10,433)
Ending balance, value at Jun. 30, 2025		\$ 136	305,641	(301,086)	(623)	\$ 4,068
Balance at end (in shares) at Jun. 30, 2025		13,640				
Noncontrolling Interests in Operating Partnership, Number of Units at end at Jun. 30, 2025						316
Beginning balance, value at Mar. 31, 2025		\$ 136	305,641	(293,263)	(442)	\$ 12,072
Balance at beginning (in shares) at Mar. 31, 2025		13,640				
Noncontrolling Interests in Operating Partnership, Number of Units at beginning at Mar. 31, 2025						316
Net loss				(7,823)	(181)	\$ (8,004)
Ending balance, value at Jun. 30, 2025		\$ 136	\$ 305,641	\$ (301,086)	\$ (623)	\$ 4,068
Balance at end (in shares) at Jun. 30, 2025		13,640				
Noncontrolling Interests in Operating Partnership, Number of Units at end at Jun. 30, 2025						316

CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited) - USD (\$) \$ in Thousands	6 Months Ended	
	Jun. 30, 2025	Jun. 30, 2024
Cash flows from operating activities		
Net loss	\$ (10,433)	\$ (32,710)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	4,009	8,058
Amortization of debt issuance costs	192	286
Loss on impairment of hotel properties	7,000	21,833
Gain on sale of hotel properties	(7,285)	
Changes in operating assets and liabilities		
Accounts receivable	(28)	(427)
Prepaid expenses and other assets	223	(1)
Accounts payable and accrued expenses	(10,581)	535
Due to related parties	(8,721)	(1,009)
Net cash used in operating activities	(25,624)	(3,435)
Cash flows from investing activities		
Proceeds from sale of hotel properties	137,594	
Improvements and additions to hotel properties	(650)	(935)
Payment of hotel property selling costs	(3,106)	
Net cash provided by (used in) investing activities	133,838	(935)
Cash flows from financing activities		
Repayment of notes payable	(98,657)	(2,583)

Proceeds of notes payable to related party		10,000
Repayment of notes payable to related party	(22,000)	
Payment of debt issuance costs		(115)
Net cash (used in) provided by financing activities	(120,657)	7,302
Net change in cash and cash equivalents and restricted cash	(12,443)	2,932
Cash and cash equivalents and restricted cash at beginning of period	29,191	25,064
Cash and cash equivalents and restricted cash at end of period	16,748	27,996
Supplemental Disclosure of Cash Flow Activity		
Cash paid for interest	12,004	5,608
Cash paid for income taxes	99	
Supplemental Disclosure of Non-Cash Investing Activity		
Non-cash proceeds from foreclosure of hotel property	\$ 15,844	

Organization	6 Months Ended Jun. 30, 2025	
Organization, Consolidation and Presentation of Financial Statements [Abstract]		
Organization		

1. Organization

As discussed in Note 5, “Equity,” Moody National REIT II, Inc. (the “Company”) was initially capitalized by Moody National REIT Sponsor, LLC (the “Sponsor”). The Company’s fiscal year end is December 31.

As of June 30, 2025, the Company owned interests in nine hotel properties located in five states comprising a total of 1,210 rooms. For more information on the Company’s real estate investments, see Note 3, “Investment in Hotel Properties, Real Estate Assets Held for Sale, and Dispositions.”

On January 20, 2015, the Securities and Exchange Commission (the “SEC”) declared the Company’s registration statement on Form S-11 effective, and the Company commenced its initial public offering of up to \$1.1 billion in shares of common stock consisting of up to \$1.0 billion in shares of the Company’s common stock offered to the public, and up to \$100.0 million in shares offered to the Company’s stockholders pursuant to its distribution reinvestment plan (the “DRP”).

On June 26, 2017, the Company reallocated the Company’s shares of common stock as Class A common stock, \$0.01 par value per share (“Class A Shares”), Class D common stock, \$0.01 par value per share (“Class D Shares”), Class I common stock, \$0.01 par value per share (“Class I Shares”), and Class T common stock, \$0.01 par value per share (“Class T Shares” and, together with the Class A Shares, the Class D Shares and the Class I Shares, the “Shares”). On January 16, 2018, the Advisor (as defined below) assumed responsibility for the payment of all selling commissions, dealer manager fees and stockholder servicing fees paid in connection with the Company’s public offering; *provided, however*, that the Advisor intended to recoup the selling commissions, dealer manager fees and stockholder servicing fees that it funds through an increased acquisition fee, or “Contingent Advisor Payment,” as described in Note 6, “Related Party Arrangements.”

On January 18, 2018, the Company filed a registration statement on Form S-11 (Registration No. 333-222610) registering \$990.0 million in any combination of the Shares to be sold on a “best efforts” basis in the Company’s follow-on public offering. The SEC declared the registration statement with respect to the follow-on public offering effective on July 19, 2018.

The Company’s follow-on public offering was terminated (including pursuant to the DRP) effective as of March 25, 2020 due to the impact that the spread of COVID-19, a disease caused by a novel strain of coronavirus, had on the Company’s hotel properties. The Company accepted investors’ subscriptions for and issued an aggregate of 10.2 million shares in the Company’s initial public offering and follow-on offering, excluding shares issued in connection with the Company’s merger with Moody National REIT I, Inc. and including 567,000 shares pursuant to the DRP, resulting in gross offering proceeds of \$234.6 million. The Company accepted investors’ subscriptions for and issued 4.1 million shares in the follow-on offering, including 352,000 shares pursuant to the DRP, resulting in gross offering proceeds of \$87.2 million for the follow-on offering.

The Company’s advisor is Moody National Advisor II, LLC (the “Advisor”), a Delaware limited liability company and an affiliate of the Sponsor. Pursuant to an advisory agreement among the Company, the OP (defined below) and the Advisor (the “Advisory Agreement”), and subject to certain restrictions and limitations therein, the Advisor is responsible for managing the Company’s affairs on a day-to-day basis and for identifying and making acquisitions and investments on behalf of the Company.

Substantially all of the Company’s business is conducted through Moody National Operating Partnership II, LP, a Delaware limited partnership (the “OP”). The Company is the sole general partner of the OP. The initial limited partners of the OP were Moody OP Holdings II, LLC, a Delaware limited liability company and a wholly owned subsidiary of the Company (“Moody Holdings II”), and Moody National LPOP II, LLC (“Moody LPOP II”), an affiliate of the Advisor. Moody Holdings II initially invested \$1,000 in the OP in exchange for limited partnership interests, and Moody LPOP II invested \$1,000 in the OP in exchange for a separate class of limited partnership interests (the “Special Limited Partnership Interests”). As the Company accepted subscriptions for shares of common stock, it transferred substantially all of the net proceeds from such sales to the OP as a capital contribution. The limited partnership agreement of the OP provides that the OP will be operated in a manner that will enable the Company to (1) satisfy the requirements for being classified as a REIT for tax purposes, (2) avoid any federal income or excise tax liability and (3) ensure that the OP will not be classified as a “publicly traded partnership” for purposes of Section 7704 of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”), which classification could result in the OP being taxed as a corporation, rather than as a partnership. In addition to the administrative and operating costs and expenses incurred by the OP in acquiring and operating real properties, the OP pays all of the Company’s administrative costs and expenses, and such expenses are treated as expenses of the OP.

COVID-19 Pandemic

The global COVID-19 pandemic had a significant adverse effect on the Company’s financial condition and operating results.

The COVID-19 pandemic dramatically reduced travel, which had an unprecedented adverse impact on the hotel industry. As a result, the COVID-19 pandemic had a significant adverse effect on the operating results of the Company’s hotel properties, which depend primarily upon revenues driven by business and leisure travel, and on the Company’s business, financial performance and operating results. Since March 2020, the Company has experienced a significant decline in bookings, occupancy and revenues across the Company’s hotel properties. The Company’s hotel properties have operated at a property net operating loss since the outbreak of COVID-19, which had an adverse impact on the Company’s results of operations and cash flow from operations. In addition, the Company reduced certain services and amenities at the Company’s hotel properties due to the COVID-19 pandemic.

Each of the Company’s hotel properties is subject to a mortgage loan secured by the Company’s ownership interest in the property. If the Company is unable to service the mortgage loan secured by a hotel property due to decreased revenues generated by such property, the lender with respect to such mortgage loan may initiate foreclosure procedures with respect to the property or initiate other available remedies. As of the date of this Quarterly Report, the Company is current with respect to the payments due under the mortgage loans secured by the Company’s hotel properties or is in compliance with the modified terms of certain mortgage loans as agreed to with the lenders and other accommodations. Certain lenders have agreed to limited loan modifications, including temporary deferrals of interest and principal payments and agreements to forebear the enforcement of default remedies available under the terms of the loan documents. As of the date of this Quarterly Report, no lenders have accelerated the maturity of any of the loans secured by the Company’s properties or initiated foreclosure procedures with respect to any of the Company’s properties, except for the lender for the Hilton Garden Inn Austin which foreclosed on the property in satisfaction of the mortgage note in the principal amount of \$16.2 million on May 2, 2025. The mortgage notes payable secured by the Homewood Suites Woodlands and the Hampton Inn Great Valley matured on April 11, 2025. Hotel revenue has been deposited to lockbox accounts controlled by the lenders for these properties and no foreclosure proceedings have been initiated for either property.

In response to the COVID-19 pandemic, the Company terminated its follow-on public offering of common stock (including pursuant to the DRP), effective as of March 2020. The Company is not currently raising capital through the sale of its securities and the Company does not expect to resume raising capital. The Company has also indefinitely suspended the payment of distributions to stockholders effective as of March 2020 and the operation of its share repurchase program effective as of April 2020. The Company does not expect to resume repurchasing shares pursuant to its share repurchase program or the payment of distributions, other than any liquidating distributions paid to its stockholders from the net proceeds (if any) of the Company’s liquidation (if the Plan of Liquidation (as defined below) is approved by the Company’s stockholders).

Summary of Significant Accounting Policies	6 Months Ended Jun. 30, 2025	
Accounting Policies [Abstract]		
Summary of Significant Accounting Policies		

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The Company’s consolidated financial statements include its accounts and the accounts of its subsidiaries over which it has control. All intercompany balances and transactions are eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. Generally Accepted Accounting Principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during

the reporting period. Actual results could differ from those estimates and those differences could be material.

Segment Information

Management evaluates the Company's hotels as a single reportable segment as a result of aggregating multiple operating segments, because all of the Company's hotels have similar economic characteristics and provide similar services to similar types of customers. Our single reportable segment comprises the structure used by our Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer, who collectively have been determined to be our Chief Operations Decision Maker ("CODM"), to make key operating decisions and assess performance. Our CODM evaluates our single reportable segment's operating performance based on individual hotel property net income (loss) before interest expense, income tax expense, depreciation and amortization, corporate general and administrative expense, loss on impairment of hotel properties, loss on early extinguishment of debt, other charges, interest and other income, and gains or losses on sales of hotel properties ("Adjusted Hotel EBITDA"). One single reportable segment's assets are consistent with total assets included in the Company's consolidated balance sheets.

The following table includes revenues, significant hotel operating expenses, and Adjusted Hotel EBITDA for the Company's hotels, reconciled to the consolidated amounts included the Company's unaudited consolidated statements of operations (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue				
Room revenues	\$ 11,479	\$ 21,362	\$ 25,163	\$ 38,245
Other hotel revenues	609	1,404	1,644	2,683
Total hotel revenues	12,088	22,766	26,807	40,928
Expenses				
Room	3,940	5,970	8,072	12,175
Administrative	1,292	2,144	2,940	3,985
Franchise fee	1,048	1,998	2,334	3,573
Marketing	484	922	1,227	1,699
Repairs and maintenance	685	1,475	1,782	2,594
Utilities	481	765	1,206	1,451
Management fees	484	911	1,073	1,637
Insurance	452	614	1,005	1,194
Property taxes	755	1,160	1,744	2,343
Total hotel expenses	9,621	15,959	21,383	30,651
Adjusted Hotel EBITDA	2,467	6,807	5,424	10,277
Reconciliation of Adjusted Hotel EBITDA to net loss:				
Other expenses (income)				
Interest expense and amortization of debt issuance costs	3,885	4,886	8,645	9,384
Depreciation and amortization	2,153	4,032	4,009	8,058
Corporate general and administrative	1,316	1,754	3,249	3,616
Loss on impairment of hotel properties	7,000	21,833	7,000	21,833
Gain on sale of hotel properties	(4,126)	—	(7,285)	—
Income tax expense	243	84	239	96
	10,471	32,589	15,857	42,987
Net loss	\$ (8,004)	\$ (25,782)	\$ (10,433)	\$ (32,710)

Organization and Offering Costs

Organization and offering costs of the Company are paid directly by the Company or incurred by the Advisor on behalf of the Company. Pursuant to the Advisory Agreement between the Company and the Advisor, the Company is obligated to reimburse the Advisor or its affiliates, as applicable, for organization and offering costs incurred by the Advisor associated with each of the Company's public offerings, provided that within 60 days of the last day of the month in which a public offering ends, the Advisor is obligated to reimburse the Company to the extent aggregate organization and offering costs incurred by the Company in connection with the completed public offering exceed 15.0% of the gross offering proceeds from the sale of the Company's shares of common stock in the completed public offering. Such organization and offering costs include selling commissions and dealer manager fees paid to a dealer manager, legal, accounting, printing and other offering expenses, including marketing, salaries and direct expenses of the Advisor's employees and employees of the Advisor's affiliates and others. Any reimbursement of the Advisor or its affiliates for organization and offering costs will not exceed actual expenses incurred by the Advisor. The Company's organization and offering costs incurred in connection with the Company's initial public offering did not exceed 15% of the gross offering proceeds from the sale of shares of common stock in such offering.

All offering costs, including selling commissions and dealer manager fees, are recorded as an offset to additional paid-in-capital, and all organization costs are recorded as an expense when the Company has an obligation to reimburse the Advisor.

As of June 30, 2025, total offering costs for the initial public offering and the follow-on offering were \$21.1 million, comprised of \$12.3 million of offering costs incurred directly by the Company and \$8.8 million in offering costs incurred by and reimbursable to the Advisor. Total offering costs for the initial public offering were \$18.4 million, comprised of \$12.3 million of offering costs incurred directly by the Company and \$6.1 million in offering costs incurred by and reimbursable to the Advisor. As of June 30, 2025, total offering costs for the follow-on offering were \$2.7 million, comprised of \$0 of offering costs incurred directly by the Company and \$2.7 million in offering costs incurred by and reimbursable to the Advisor. As of June 30, 2025, the Company had \$0 due to the Advisor for reimbursable offering costs.

Income Taxes

The Company elected to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code commencing with the taxable year ended December 31, 2016. The Company did not meet all of the qualifications to be a REIT under the Internal Revenue Code for the years ended December 31, 2015 and 2014, including not having 100 shareholders for a sufficient number of days in 2015. Prior to qualifying to be taxed as a REIT, the Company was subject to normal federal and state corporation income taxes.

Provided that the Company continues to qualify as a REIT, it generally will not be subject to federal corporate income tax to the extent it distributes its REIT taxable income to its stockholders, so long as it distributes at least 90% of its REIT taxable income (which is computed without regard to the dividends paid deduction or net capital gain and which does not necessarily equal net income as calculated in accordance with GAAP) and satisfies the other organizational and operational requirements for qualification as a REIT. Even if the Company qualifies for taxation as a REIT, it may be subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed income. The Company leases the hotels it acquires to a wholly-owned taxable REIT subsidiary ("TRS") that is subject to federal, state and local income taxes.

The Company accounts for income taxes of its TRS using the asset and liability method under which deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities from a change in tax rates is recognized in earnings in the period prior to when the new rates become effective. The Company records a valuation allowance for net deferred tax assets that are not expected to be realized.

The Company has reviewed tax positions under GAAP guidance that clarify the relevant criteria and approach for the recognition and measurement of uncertain tax positions. The guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition of a tax position taken, or expected to be taken, in a tax return. A tax position may only be recognized in the consolidated financial statements if it is more likely than not that the tax position will be sustained upon examination. The Company had no material uncertain tax positions as of June 30, 2025.

The preparation of the Company's various tax returns requires the use of estimates for federal and state income tax purposes. These estimates may be subjected to review by the respective taxing authorities. A revision to an estimate may result in an assessment of additional taxes, penalties and interest. At this time, a range in which the Company's estimates may change is not expected to be material. The Company will account for interest and penalties relating to uncertain tax positions in the current period results of operations, if necessary. The Company has tax years 2020 through 2024 remaining subject to examination by various federal and state tax jurisdictions. For more information, see Note 10, "Income Taxes."

Fair Value Measurement

Fair value measures are classified into a three-tiered fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Observable inputs such as quoted prices in active markets.
- Level 2: Directly or indirectly observable inputs, other than quoted prices in active markets.
- Level 3: Unobservable inputs in which there is little or no market data, which require a reporting entity to develop its own assumptions.

Assets and liabilities measured at fair value are based on one or more of the following valuation techniques:

Market approach: Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

Cost approach: Amount required to replace the service capacity of an asset (replacement cost).

The Company's estimates of fair value were determined using available market information and appropriate valuation methods. Considerable judgment is necessary to interpret market data and develop estimated fair value. The use of different market assumptions or estimation methods may have a material effect on the estimated fair value amounts. The Company classifies assets and liabilities in the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement.

With the exception of the Company's fixed-rate notes payable, the carrying amounts of other financial instruments, which include cash and cash equivalents, restricted cash, accounts receivable, notes payable, and accounts payable and accrued expenses, approximate their fair values due to their short-term nature. For the fair value of the Company's notes payable, see Note 4, "Debt."

Concentration of Risk

As of June 30, 2025, the Company had cash and cash equivalents and restricted cash deposited in certain financial institutions in excess of federally insured levels. The Company diversifies its cash and cash equivalents with several banking institutions in an attempt to minimize exposure to any one of these institutions. The Company regularly monitors the financial stability of these financial institutions along with the balances on deposit at such institutions to minimize the Company's potential risk and believes that it is not exposed to any significant credit risk in cash and cash equivalents or restricted cash.

The Company holds cash accounts at several institutions in excess of the Federal Deposit Insurance Corporations (the "FDIC") protection limits of \$250,000. The Company's exposure to credit loss in the event of the failure of these institutions is represented by the difference between the FDIC protection limit and the total amounts on deposit. At June 30, 2025, the Company's cash accounts exceeded federally insured limits by approximately \$4.8 million and the Company's restricted cash accounts exceeded federally insured limits by approximately \$7.2 million.

The Company is exposed to geographic risk in that five of its nine hotel properties are located in one state, Texas.

Valuation and Allocation of Hotel Properties — Acquisition

Upon acquisition, the purchase price of hotel properties is allocated to the tangible assets acquired, consisting of land, buildings and furniture, fixtures and equipment, any assumed debt, identified intangible assets and asset retirement obligations, if any, based on their fair values. Acquisition costs are charged to expense as incurred. Initial valuations are subject to change during the measurement period, but the measurement period ends as soon as the information is available. The measurement period shall not exceed one year from the acquisition date.

Land values are derived from appraisals and building values are calculated as replacement cost less depreciation or estimates of the relative fair value of these assets using discounted cash flow analyses or similar methods. The value of furniture, fixtures and equipment is based on their fair value using replacement costs less depreciation. Any difference between the fair value of the hotel property acquired and the purchase price of the hotel property is recorded as goodwill or gain on acquisition of hotel property.

The Company determines the fair value of any assumed debt by calculating the net present value of the scheduled mortgage payments using interest rates for debt with similar terms and remaining maturities that the Company believes it could obtain at the date of acquisition. Any difference between the fair value and stated value of the assumed debt is recorded as a discount or premium and amortized over the remaining life of the loan as a component of interest expense.

In allocating the purchase price of each of the Company's properties, the Company makes assumptions and uses various estimates, including, but not limited to, the estimated useful lives of the assets, the cost of replacing certain assets and discount rates used to determine present values. The Company uses Level 3 inputs to value acquired properties. Many of these estimates are obtained from independent third-party appraisals. However, the Company is responsible for the source and use of these estimates. These estimates require judgment and are subject to being imprecise; accordingly, if different estimates and assumptions were derived, the valuation of the various categories of the Company's hotel properties or related intangibles could in turn result in a difference in the depreciation or amortization expense recorded in the Company's consolidated financial statements. These variances could be material to the Company's results of operations and financial condition.

Valuation and Allocation of Hotel Properties — Ownership

Investment in hotel properties is recorded at cost less accumulated depreciation. Major improvements that extend the life of an asset are capitalized and depreciated over a period equal to the shorter of the life of the improvement or the remaining useful life of the asset. The costs of ordinary repairs and maintenance are charged to expense when incurred.

Depreciation expense is computed using the straight-line method based upon the following estimated useful lives:

	Estimated Useful Lives (years)
Buildings and improvements	39-40
Exterior improvements	10-20
Furniture, fixture and equipment	5-10

Real Estate Assets Held for Sale

A long-lived asset (or disposal group) to be disposed of by sale (including an asset group considered a component of an entity) is considered held for sale when all of the following criteria for a qualifying plan of sale are met: 1) management, having the authority to approve the action, commits to a plan to sell the asset or disposal group; 2) the asset or disposal group is available for immediate sale (i.e., a seller currently has the intent and ability to transfer the asset (group) to a buyer) in its present condition, subject only to conditions that are usual and customary for sales of such assets or disposal groups; 3) an active program to locate a buyer and other actions required to complete the plan to sell have been initiated; 4) the sale of the asset or disposal group is probable (i.e., likely to occur) and the transfer is expected to qualify for recognition as a completed sale within one year; 5) the long-lived asset or disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and 6) actions necessary to complete the plan indicate that it is unlikely significant changes to the plan will be made or that the plan will be withdrawn. An exception to the one-year requirement (in point 4) above) is permitted if events or circumstances beyond an entity's control extend the period of time required to sell the assets beyond one year. No depreciation is recorded for real estate assets held for sale.

Impairments of Hotel Properties

The Company monitors events and changes in circumstances indicating that the carrying amount of a hotel property may not be recoverable. When such events or changes in circumstances are present, the Company assesses potential impairment by comparing estimated future undiscounted cash flows expected to be generated over the life of the asset from operating activities and from its eventual disposition, to the carrying amount of the asset. In the event that the carrying amount exceeds the estimated future undiscounted cash flows, the Company recognizes an impairment loss to adjust the carrying amount of the asset to estimated fair value for assets held for use and fair value less costs to sell for assets held for sale. Losses on impairment of hotel properties were \$7.0 million and \$21.8 million, respectively, for each of the three and six months ended June 30, 2025 and 2024.

In evaluating a hotel property for impairment, the Company makes several estimates and assumptions, including, but not limited to, the projected date of disposition of the property, the estimated future cash flows of the property during the Company's ownership and the projected sales price of the property. A change in these estimates and assumptions could result in a change in the estimated undiscounted cash flows or fair value of the Company's hotel property which could then result in different conclusions regarding impairment and material changes to the Company's consolidated financial statements.

Revenue Recognition

Hotel revenues, including room, food, beverage and other ancillary revenues, are recognized as the related services are delivered. Revenue is recorded net of any sales and other taxes collected from customers. Amounts received prior to guest arrival are recorded as advances from the customer and are recognized at the time of occupancy.

Cash and Cash Equivalents

Cash and cash equivalents represent cash on hand or held in banks and short-term investments with maturities of three months or less when purchased.

Restricted Cash

Restricted cash includes reserves for property taxes, as well as reserves for property improvements, replacement of furniture, fixtures, and equipment and debt service, as required by certain management or mortgage and term debt agreements restrictions and provisions.

The following is a reconciliation of the Company's cash and cash equivalents and restricted cash to the total presented in the unaudited consolidated statement of cash flows as of June 30, 2025 and 2024 (in thousands):

	June 30,	
	2025	2024
Cash and cash equivalents	\$ 7,442	\$ 11,024
Restricted cash	9,306	16,972
Total cash and cash equivalents and restricted cash	\$ 16,748	\$ 27,996

Accounts Receivable

The Company takes into consideration certain factors that require judgments to be made as to the collectability of receivables. Collectability factors taken into consideration are the amounts outstanding, payment history and financial strength of the customer, which, taken as a whole, determines the valuation. Ongoing credit evaluations are performed and an allowance for potential credit losses is provided against the portion of accounts receivable that is estimated to be uncollectible.

Deferred Franchise Costs

Deferred franchise costs are recorded at cost and amortized over the term of the respective franchise contract on a straight-line basis. Accumulated amortization of deferred franchise costs was \$391,000 and \$567,000 as of June 30, 2025 and December 31, 2024, respectively.

Expected future amortization of deferred franchise costs as of June 30, 2025 is as follows (in thousands):

Years Ending December 31,	
2025	\$ 24
2026	53
2027	44
2028	44
2029	36
Thereafter	47
Total	\$ 248

Debt Issuance Costs

Debt issuance costs are presented as a direct deduction from the carrying value of the notes payable on the consolidated balance sheets. Debt issuance costs are amortized as a component of interest expense over the term of the related debt using the straight-line method, which approximates the interest method.

Years Ending December 31,	
2025	\$ 87
2026	157
2027	123
2028	97
2029	46
Thereafter	—
Total	\$ 510

Earnings (Loss) per Share

Earnings (loss) per share (“EPS”) is calculated based on the weighted average number of shares outstanding during each period. Basic and diluted EPS are the same for all periods presented. There were no non-vested shares of restricted common stock as of June 30, 2025 and December 31, 2024 held by the Company’s independent directors.

Recently Issued Accounting Standards

In December 2023, the FASB issued ASU 2023-09 “Income Taxes (Topics 740): Improvements to Income Tax Disclosures” which requires entities to expand disclosures regarding the reconciliation of income tax rate and the amount of income taxes paid, net of refunds received, disaggregated by federal, state and foreign jurisdiction.

In December 2023, the FASB issued ASU 2023-07 “Segment Reporting” which requires entities to disclose additional and more detailed information about a reportable segment’s expenses.

Other recently issued accounting standards or pronouncements not disclosed in the foregoing paragraphs have been excluded because they are either not relevant to, or are not expected to have, or did not have, a material effect on the Company’s consolidated financial statements.

Investment in Hotel Properties, Real Estate Assets Held for Sale, and Dispositions	6 Months Ended	
	Jun. 30, 2025	
Real Estate [Abstract]		
Investment in Hotel Properties, Real Estate Assets Held for Sale, and Dispositions		

3. Investment in Hotel Properties, Real Estate Assets Held for Sale, and Dispositions

The following table sets forth summary information regarding the Company’s investment in hotel properties and real estate assets held for sale as of June 30, 2025 (all \$ amounts in thousands):

Property Name	Date Acquired	Location	Ownership Interest	Original Purchase Price ⁽¹⁾	Rooms	Mortgage Debt Outstanding ⁽²⁾
Springhill Suites Seattle Homewood	May 24, 2016	Seattle, Washington	100%	\$ 74,100	234	\$ 39,595
Suites Woodlands	September 27, 2017 ⁽³⁾	The Woodlands, Texas	100%	17,356	91	7,999
Hyatt Place Germantown	September 27, 2017 ⁽³⁾	Germantown, Tennessee	100%	16,074	127	5,620
Hyatt Place North Charleston	September 27, 2017 ⁽³⁾	North Charleston, South Carolina	100%	13,806	113	5,294
Hampton Inn Austin	September 27, 2017 ⁽³⁾	Austin, Texas	100%	19,328	123	9,374
Hampton Inn Great Valley	September 27, 2017 ⁽³⁾	Frazer, Pennsylvania	100%	15,285	125	7,058
Homewood Suites Austin	September 27, 2017 ⁽³⁾	Austin, Texas	100%	18,835	96	9,471
Hampton Inn Houston	September 27, 2017 ⁽³⁾	Houston, Texas	100%	9,958	119	3,667
Residence Inn Houston Medical Center ⁽⁴⁾	April 29, 2019	Houston, Texas	100%	52,000	182	26,741
Totals				\$ 236,742	1,210	\$ 114,819

(1) Excludes closing costs.

(2) As of June 30, 2025.

(3) Property acquired on September 27, 2017 as a result of the merger of Moody National REIT I, Inc. (“Moody I”) with and into the Company (the “Merger”) and the merger of Moody National Operating Partnership I, L.P., the operating partnership of Moody I (“Moody I OP”), with and into the OP (the “Partnership Merger,” and together with the Merger, the “Mergers”).

(4) On April 21, 2025, the Company entered into a purchase and sale agreement to sell the Residence Inn Houston Medical Center to an affiliated purchaser for an aggregate purchase price of \$33.0 million.

Investment in hotel properties consisted of the following at June 30, 2025 and December 31, 2024 (all amounts in thousands):

	June 30, 2025	December 31, 2024
Land	\$ 28,052	\$ 40,084
Buildings and improvements	118,398	164,139
Furniture, fixtures and equipment	29,929	36,408
Total cost	176,379	240,631
Accumulated depreciation	(54,021)	(65,919)
Investment in hotel properties, net	\$ 122,358	\$ 174,712

Dispositions of Hotel Properties

On December 10, 2024, the Company sold the Townplace Suites Fort Worth property to an unaffiliated purchaser for \$9.1 million.

On February 6, 2025, the Company sold the Residence Inn Grapevine property to an unaffiliated purchaser for \$22.5 million.

On February 6, 2025, the Company sold the Residence Inn Austin property to an unaffiliated purchaser for \$20.5 million.

On March 21, 2025, the Company sold the Marriott Courtyard Lyndhurst property to an unaffiliated purchaser for \$21.3 million.

On April 11, 2025, the Company sold the Embassy Suites Nashville property to an unaffiliated purchaser for \$57.5 million.

Effective May 6, 2025, following a default under the loan documents related to a missed debt service payment, the borrower under the mortgage loan secured by the Hilton Garden Inn Austin relinquished ownership of the property to the lender in a foreclosure transaction. The mortgage loan secured by the Hilton Garden Inn Austin matured in December 2024.

Real Estate Assets Held for Sale

On April 21, 2025, the Company entered into a purchase and sale agreement to sell the Residence Inn Houston Medical Center to an affiliated purchaser for an aggregate purchase price of \$33.0 million.

The carrying value of real estate assets held for sale as of June 30, 2025 and December 31, 2024 is as follows (all \$ amounts in thousands):

	June 30, 2025	December 31, 2024
Residence Inn Austin	\$ —	\$ 19,645
Residence Inn Grapevine	—	20,019
Marriott Courtyard Lyndhurst	—	19,523
Embassy Suites Nashville	—	56,159
Residence Inn Houston Medical Center	30,368	—
Total	<u>\$ 30,368</u>	<u>\$ 115,346</u>

Debt	6 Months Ended Jun. 30, 2025
Debt Disclosure [Abstract]	
Debt	

4. Debt

The Company's aggregate borrowings are reviewed by the Board at least quarterly. Under the Company's Articles of Amendment and Restatement (as amended, the "Charter"), the Company is prohibited from borrowing in excess of 300% of the value of the Company's net assets. "Net assets," for purposes of this calculation, is defined to be the Company's total assets (other than intangibles), valued at cost prior to deducting depreciation, reserves for bad debts and other non-cash reserves, less total liabilities. However, the Company may temporarily borrow in excess of 300% of the value of the Company's net assets if such excess is approved by a majority of the Company's independent directors and disclosed to stockholders in the Company's next quarterly report, along with an explanation for such excess. As of June 30, 2025, the Company's debt levels did not exceed 300% of the value of the Company's net assets, as defined above.

As of June 30, 2025 and December 31, 2024, the Company's mortgage notes payable secured by the respective assets, consisted of the following (all \$ amounts in thousands):

Loan	Principal as of June 30, 2025	Principal as of December 31, 2024	Interest Rate at June 30, 2025	Maturity Date
Residence Inn Austin ⁽¹⁾	\$ —	\$ 14,842	—	—
Springhill Suites Seattle	39,595	40,062	4.380%	October 1, 2026
Homewood Suites Woodlands ⁽⁶⁾	7,999	8,049	4.690%	April 11, 2025
Hyatt Place Germantown	5,620	5,696	7.250%	June 29, 2028
Hyatt Place North Charleston	5,294	5,354	9.000%	November 29, 2028
Hampton Inn Austin	9,374	9,461	9.000%	November 6, 2029
Residence Inn Grapevine ⁽²⁾	—	10,836	—	—
Marriott Courtyard Lyndhurst ⁽³⁾	—	17,058	—	—
Hilton Garden Inn Austin ⁽⁴⁾	—	16,240	—	—
Hampton Inn Great Valley ⁽⁶⁾	7,058	7,102	4.700%	April 11, 2025
Embassy Suites Nashville ⁽⁵⁾	—	37,003	—	—
Homewood Suites Austin	9,471	9,587	4.650%	August 11, 2025
Hampton Inn Houston	3,667	3,762	9.500%	April 28, 2028
Residence Inn Houston Medical Center	26,741	26,920	10.000%	October 1, 2025
U.S. Small Business Administration Economic Injury Disaster Loans	5,989	7,494	3.750%	November 2051
Total notes payable	120,808	219,466		
Less unamortized debt issuance costs	(510)	(702)		
Total notes payable, net of unamortized debt issuance costs	<u>\$ 120,298</u>	<u>\$ 218,764</u>		

- (1) Property sold on February 6, 2025 to an unaffiliated purchaser for \$20.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.
- (2) Property sold on February 6, 2025 to an unaffiliated purchaser for \$22.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.
- (3) Property sold on March 21, 2025 to an unaffiliated purchaser for \$21.3 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.
- (4) On May 6, 2025, the lender for the Hilton Garden Inn Austin foreclosed on the property in satisfaction of the mortgage loan secured by the property.
- (5) Property sold on April 11, 2025 to an unaffiliated purchaser for \$57.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.
- (6) The current lenders for the mortgage loans on the Homewood Suites Woodlands and the Hampton Inn Great Valley, which matured April 11, 2025, have temporarily forbore on any of their remedies while the Company finalizes the terms of new loans.

Monthly payments of principal and interest are due and payable until the maturity date.

Each of the Company's hotel properties are subject to a mortgage loan bearing interest at a fixed rate secured by the Company's ownership interest in the property, except for Hyatt Place North Charleston, the Hampton Inn Austin and the Hampton Inn Houston mortgage loans which bear interest at floating rates.

Scheduled maturities of the Company's notes payable for each of the next five calendar years and collectively thereafter, as of June 30, 2025, are as follows (all amounts in thousands):

Years ending December 31,	
2025	\$ 52,065
2026	39,832
2027	866
2028	13,684
2029	8,800
Thereafter	5,561
Total	<u>\$ 120,808</u>

Loan Maturities

The Company is considering various alternatives to extend or refinance loans maturing in 2025 and thereafter. This is expected to include the sale of additional properties.

Economic Injury Disaster Loans

The Company obtained fifteen loans (collectively, the "Loans") of \$500,000 each from the U.S. Small Business Administration. The Loans will be due in monthly installments of principal and interest beginning two years from the dates of the Loans with balances due November 2051. The monthly installments are applied to accrued interest first, then to principal. The Loans bear interest at the rate of 3.75% per annum and are secured by the Company's tangible and intangible personal property. The aggregate balance of the Loans was \$6.0 million and \$7.5 million, respectively, as of June 30, 2025 and December 31, 2024.

Notes Payable to Related Party

On March 30, 2021, Moody National Capital, LLC ("Moody Capital"), an affiliate of the Company, loaned the Company \$8.0 million pursuant to a promissory note (the "Related Party Note"). The Related Party Note provides that the Company may borrow up to an additional \$2.0 million from Moody Capital, for a maximum aggregate loan amount of \$10.0 million. All amounts borrowed under the Related Party Note plus all accrued interest thereon, was originally due and payable in full on March 29, 2024, provided that the Company had the right to extend such maturity date for up to two years at the Company's discretion. The Company has elected to fully extend such maturity date to March 29, 2026. Interest on the Related Party Note began to accrue effective March 30, 2021. The principal amount of the loan under the Related Party Note bears interest at a rate per annum equal SOFR plus 4.75%; provided, however, that such interest rate will be increased to a rate per annum equal to SOFR plus 6.75% if the Related Party Note is subordinated to another lender. The effective interest rate for the Related Party Note was 9.08% as of June 30, 2025. The balance of the Related Party Note was \$10.0 million as of June 30, 2025 and December 31, 2024.

From April 2021 to August 16, 2021, Moody Capital made a series of advances to the Company to meet specific cash flow needs of the Company. Effective June 30, 2021, these advances were memorialized in a promissory note (“Second Related Party Note”) with a total maximum aggregate loan amount of \$10.0 million. All amounts borrowed under the Second Related Party Note plus all accrued interest thereon, was originally due and payable in full on June 30, 2024, provided that the Company had the right to extend such maturity date for up to two years at the Company’s discretion. The Company has elected to fully extend such maturity date to June 30, 2026. Interest on the Second Related Party Note began to accrue effective June 30, 2021. The principal amount of the loan under the Second Related Party Note bears interest at a rate per annum equal SOFR plus 6.75%; provided, however, that such interest rate will be increased to a rate per annum equal to SOFR plus 8.75% if the Second Related Party Note is subordinated to another lender. The effective interest rate for the Second Related Party Note was 11.08% as of June 30, 2025. The balance of the Second Related Party Note was \$10.0 million as of June 30, 2025 and December 31, 2024.

From August 20, 2021 to September 30, 2021, Moody Capital made a series of advances to the Company to meet specific cash flow needs. These advances were memorialized in a promissory note (“Third Related Party Note”) with a total maximum aggregate loan amount of \$10.0 million. All amounts borrowed under the Third Related Party Note plus all accrued interest thereon, was originally due and payable in full on August 20, 2024, provided that the Company had the right to extend such maturity date for up to two years at the Company’s discretion. The Company has elected to extend such maturity date for one year to August 20, 2025. Interest on the Third Related Party Note began to accrue effective August 20, 2021. The principal amount of the loan under the Third Related Party Note bears interest at a rate per annum equal SOFR plus 7.75%; provided, however, that such interest rate will be increased to a rate per annum equal to SOFR plus 9.75% if the Third Related Party Note is subordinated to another lender. The effective interest rate for the Third Related Party Note was 12.08% as of June 30, 2025. The balance of the Third Related Party Note was \$8.0 million and \$10 million as of June 30, 2025 and December 31, 2024, respectively.

From April 13, 2022 to September 30, 2023, Moody Capital made a series of advances to the Company to meet specific cash flow needs. These advances were memorialized in a promissory note (“Fourth Related Party Note”) with a total maximum aggregate loan amount of \$10.0 million. All amounts borrowed under the Fourth Related Party Note plus all accrued interest thereon, was originally due and payable in full on April 13, 2025, provided that the Company had the option to extend such maturity date for up to two years at the Company’s discretion. Interest on the Fourth Related Party Note began to accrue effective April 13, 2022. The principal amount of the loan under the Fourth Related Party Note bears interest at a rate per annum equal to one-year SOFR plus 8.75%; provided, however, that such interest rate will be increased to a rate per annum equal to one-year SOFR plus 9.75% if the Fourth Related Party Note is subordinated to another lender. The Fourth Related Party Note was repaid in full on April 11, 2025. The balance of the Fourth Related Party Note was \$0 million and \$10 million as of June 30, 2025 and December 31, 2024, respectively.

From January 1, 2024 to June 30, 2024, Moody Capital made a series of advances to the Company to meet specific cash flow needs. These advances were memorialized in a promissory note (“Fifth Related Party Note”) with a total maximum aggregate loan amount of \$10.0 million. All amounts borrowed under the Fifth Related Party Note plus all accrued interest thereon, will be due and payable in full on January 1, 2026, provided that the Company had the right to extend such maturity date for up to two years at the Company’s discretion. Interest on the Fifth Related Party Note began to accrue effective January 1, 2024. The principal amount of the loan under the Fifth Related Party Note bears interest at a rate per annum equal to one-year SOFR plus 8.75%; provided, however, that such interest rate will be increased to a rate per annum equal to one-year SOFR plus 9.75% if the Fifth Related Party Note is subordinated to another lender. The Fifth Related Party Note was repaid in full on February 7, 2025. The balance of the Fifth Related Party Note was \$0 million and \$10 million as of June 30, 2025 and December 31, 2024, respectively.

Interest will be paid on any outstanding principal amounts under the Related Party Note, the Second Related Party Note, and the Third Related Party Note as permitted by available cash flow of the Company, or from the excess proceeds following a sale of a property after the payment of expenses and amounts due to any senior lender, if applicable, and will be compounded semi-annually. The Company expects to enter into a mutually agreeable subordination agreement with any such senior lender. The Company may prepay any amounts due under the Related Party Note, the Second Related Party Note, and the Third Related Party Note without any prepayment penalty. Accrued interest on notes payable to related party was \$11.9 million and \$14.5 million as of June 30, 2025 and December 31, 2024, respectively.

The estimated fair value of the Company’s notes payable as of June 30, 2025 and December 31, 2024, was \$121 million and \$219 million, respectively. The fair value of the notes payable was estimated based on discounted cash flow analyses using the current incremental borrowing rates for similar types of borrowing arrangements as of the respective reporting dates. The discounted cash flow method of assessing fair value results in a general approximation of value, and such value may never actually be realized.

Equity

6 Months Ended
Jun. 30, 2025

Equity [Abstract]

Equity

5. Equity

Capitalization

Under its Charter, the Company has the authority to issue 1.0 billion shares of common stock and 100.0 million shares of preferred stock. All shares of such stock have a par value of \$0.01 per share. On August 15, 2014, the Company sold 8,000 shares of common stock to the Sponsor at a purchase price of \$25.00 per share for an aggregate purchase price of \$200,000, which was paid in cash. As of June 30, 2024, there were a total of 13.6 million shares of the Company's common stock issued and outstanding, including 10.2 million shares, net of redemptions, issued in the Company's public offerings, 3.3 million shares, net of redemptions, issued in connection with the Mergers, the 8,000 shares sold to Sponsor and 65,000 shares of restricted stock issued to the Company's directors, as discussed in Note 7 "Incentive Award Plan," as follows (in thousands):

Class	Shares Outstanding as of June 30, 2025
Class A Shares	13,000
Class T Shares	481
Class I Shares	159
Total	13,640

The Board is authorized to amend the Charter without the approval of the stockholders to increase the aggregate number of authorized shares of capital stock or the number of shares of any class or series that the Company has authority to issue.

Distributions

The Company first paid distributions on September 15, 2015. On March 24, 2020, the Board unanimously approved the suspension of (i) the payment of distributions to the Company's stockholders, effective immediately, and (ii) the operation of the DRP, effective as of April 6, 2020, due to the impact that the COVID-19 pandemic had on the Company's hotel properties. The payment of distributions and the operation of the DRP will remain suspended until such time as the Board approves their resumption, which is not expected to occur.

Noncontrolling Interest Deficit in Operating Partnership

Noncontrolling interest deficit in the OP at June 30, 2025 and December 31, 2024 was \$623,000 and \$386,000, respectively, which represented 316,037 common units in the OP issued in connection with the acquisition of the Springhill Suites Seattle and the Partnership Merger, and is reported in equity in the consolidated balance sheets. Loss from the OP attributable to these noncontrolling interests was \$181,000 and \$584,000 for the three months ended June 30, 2025 and 2024, respectively, and was \$237,000 and \$741,000 for the six months ended June 30, 2025 and 2024, respectively.

Related Party Arrangements	6 Months Ended Jun. 30, 2025
Related Party Transactions [Abstract]	
Related Party Arrangements	
6. Related Party Arrangements	
<p>Pursuant to the Advisory Agreement, the Advisor and certain affiliates of Advisor receive fees and compensation in connection with the Company’s public offerings and the acquisition, management and sale of the Company’s real estate investments. In addition, in exchange for \$1,000 and in consideration of services to be provided by the Advisor, the OP has issued an affiliate of the Advisor, Moody LPOP II, a separate, special limited partnership interest, in the form of Special Limited Partnership Interests. For further detail, please see Note 8, “Subordinated Participation Interest.”</p>	
<p><i>Sales Commissions and Dealer Manager Fees</i></p>	
<p>From January 1, 2017 through June 12, 2017, the Company paid Moody Securities an up-front selling commission of up to 7.0% of the gross proceeds of what are now the Class A Shares sold in the primary offering and a dealer manager fee of up to 3.0% of the gross proceeds of what are now the Class A Shares sold in the primary offering. Beginning on June 12, 2017, the Company reallocated its common shares into four separate share classes, Class A Shares, Class T Shares, Class I Shares and Class D Shares, with differing fees for each class of shares.</p>	
<p>Beginning January 16, 2018, the Advisor assumed responsibility for the payment of all selling commissions, dealer manager fees and stockholder servicing fees paid in connection with the Company’s public offering; <i>provided, however</i>, that the Advisor intends to recoup the funding of such amounts through the Contingent Advisor Payment (described below). In connection with the implementation of the Contingent Advisor Payment, the Company reduced the up-front selling commission paid with respect to the Class A Shares from up to 7.0% to up to 6.0% of the gross proceeds of the Class A Shares sold in the primary offering and reduced the dealer manager fee paid with respect to the Class A Shares from up to 3.0% to up to 2.5% of the gross proceeds of the Class A Shares sold in the primary offering. As of June 30, 2025, Advisor had paid Moody Securities \$9.7 million in selling commissions, trailing stockholder servicing fees, and dealer manager fees related to the Company’s public offering, of which \$8.5 million could potentially be recouped by the Advisor at a later date through the Contingent Advisor Payment.</p>	
<p><i>Organization and Offering Expenses</i></p>	

The Advisor will receive reimbursement for organizational and offering expenses incurred on the Company's behalf, but only to the extent that such reimbursements do not exceed actual expenses incurred by Advisor and do not cause the cumulative selling commissions, dealer manager fees, stockholder servicing fees and other organization and offering expenses borne by the Company to exceed 15.0% of gross offering proceeds from the sale of shares in the Company's follow-on offering as of the date of reimbursement.

As of June 30, 2025, total offering costs for the initial public offering and the follow-on offering were \$21.1 million, comprised of \$12.3 million of offering costs incurred directly by the Company and \$8.8 million in offering costs incurred by and reimbursable to the Advisor. As of June 30, 2025, total offering costs for the initial public offering were \$18.4 million, comprised of \$12.3 million of offering costs incurred directly by the Company and \$6.1 million in offering costs incurred by and reimbursable to the Advisor. As of June 30, 2025, total offering costs for the follow-on offering were \$2.7 million, comprised of \$0 of offering costs incurred directly by the Company and \$2.7 million in offering costs incurred by and reimbursable to the Advisor. As of June 30, 2025, the Company had \$0 due to the Advisor for reimbursable offering costs.

Acquisition Fees

As of January 16, 2018, the Advisor assumed responsibility for the payment of all selling commissions, dealer manager fees and stockholder servicing fees in connection with the Company's public offering. In connection therewith, as of January 16, 2018, the acquisition fee payable to the Advisor was increased from 1.5% to up to a maximum of 3.85% of (1) the cost of all investments the Company acquires (including the Company's pro rata share of any indebtedness assumed or incurred in respect of the investment and exclusive of acquisition and financing coordination fees), (2) the Company's allocable cost of investments acquired in a joint venture (including the Company's pro rata share of the purchase price and the Company's pro rata share of any indebtedness assumed or incurred in respect of that investment and exclusive of acquisition fees and financing coordination fees) or (3) the amount funded by the Company to acquire or originate a loan or other investment, including mortgage, mezzanine or bridge loans (including any third-party expenses related to such investment and exclusive of acquisition fees and financing coordination fees). The up to 3.85% acquisition fee consists of (i) a 1.5% base acquisition fee and (ii) up to an additional 2.35% contingent acquisition fee (the "Contingent Advisor Payment"). The 1.5% base acquisition fee will always be payable upon the acquisition of an investment by the Company, unless the receipt thereof is waived by the Advisor. The amount of the Contingent Advisor Payment to be paid in connection with the closing of an acquisition will be reviewed on an acquisition-by-acquisition basis and such payment shall not exceed the then-outstanding amounts paid by the Advisor for dealer manager fees, selling commissions or stockholder servicing fees at the time of such closing. For purposes of determining the amount of Contingent Advisor Payment payable, the amounts paid by the Advisor for dealer manager fees, selling commissions or stockholder servicing fees and considered "outstanding" will be reduced by the amount of the Contingent Advisor Payment previously paid and taking into account the amount of the Contingent Advisor Holdback. The Advisor may waive or defer all or a portion of the acquisition fee at any time and from time to time, in the Advisor's sole discretion. The Company did not incur any acquisition fees payable to Advisor for the three and six months ended June 30, 2025 and 2024, and does not expect to incur any such fees in the future.

Reimbursement of Acquisition Expenses

The Advisor may also be reimbursed by the Company for actual expenses related to the evaluation, selection and acquisition of real estate investments, regardless of whether the Company actually acquires the related assets. The Company did not reimburse the Advisor for any acquisition expenses during the three and six months ended June 30, 2025 and 2024.

Financing Coordination Fee

The Advisor also receives financing coordination fees of 1% of the amount available under any loan or line of credit made available to the Company and 0.75% of the amount available or outstanding under any refinanced loan or line of credit. The Advisor will pay some or all of these fees to third parties with whom it subcontracts to coordinate financing for the Company. The Company did not incur financing coordination fees payable to the Advisor during each of the three and six months ended June 30, 2025 and 2024.

Property Management Fee

The Company pays Moody National Hospitality Management, LLC ("Property Manager") a monthly hotel management fee equal to 4.0% of the monthly gross operating revenues from the properties managed by Property Manager for services it provides in connection with operating and managing properties. The hotel management agreements between the Company and the Property Manager generally have initial terms of ten years. Property Manager may pay some or all of the compensation it receives from the Company to a third-party property manager for management or leasing services. In the event that the Company contracts directly with a non-affiliated third-party property manager, the Company will pay Property Manager a market-based oversight fee. The Company will reimburse the costs and expenses incurred by Property Manager on the Company's behalf, including legal, travel and other out-of-pocket expenses that are directly related to the management of specific properties, but the Company will not reimburse Property Manager for general overhead costs or personnel costs other than employees or subcontractors who are engaged in the on-site operation, management, maintenance or access control of the properties. For the three months ended June 30, 2025 and 2024, the Company incurred property management fees of \$484,000 and \$911,000, respectively, and accounting fees of \$50,000 and \$113,000, respectively. For the six months ended June 30, 2025 and 2024, the Company incurred property management fees of \$1.1 million and \$1.6 million, respectively, and accounting fees of \$150,000 and \$225,000, respectively, which are included in hotel operating expense in the accompanying unaudited consolidated statements of operations.

The Company pays an annual incentive fee to Property Manager. Such annual incentive fee is equal to 15% of the amount by which the operating profit from the properties managed by Property Manager for such fiscal year (or partial fiscal year) exceeds 8.5% of the total investment of such properties. Property Manager may pay some or all of this annual incentive fee to third-party sub-property managers for management services. For purposes of this annual incentive fee, "total investment" means the sum of (i) the price paid to acquire a property, including closing costs, conversion costs, and transaction costs; (ii) additional invested capital and (iii) any other costs paid in connection with the acquisition of the property, whether incurred pre- or post-acquisition. As of June 30, 2025, the Company had not paid any annual incentive fees to Property Manager.

Asset Management Fee

The Company pays the Advisor a monthly asset management fee of one-twelfth of 1.0% of the cost of investment of all real estate investments the Company acquires. For the three months ended June 30, 2025 and 2024, the Company incurred asset management fees of \$789,000 and \$1.2 million, respectively, payable to the Advisor, and for the six months ended June 30, 2025 and 2024, the Company incurred asset management fees of \$1.8 million and \$2.4 million, respectively, payable to Advisor, which are recorded in corporate general and administrative expenses in the accompanying unaudited consolidated statements of operations.

Disposition Fee

The Company may also pay the Advisor or its affiliates a disposition fee in an amount of up to one-half of the brokerage commission paid on the sale of an asset, but in no event greater than 3% of the contract sales price of each property or other investment sold; provided, however, in no event may the aggregate disposition fees paid to the Advisor and any real estate commissions paid to unaffiliated third parties exceed 6% of the contract sales price. The Company incurred disposition fees payable to the Advisor of \$431,000 and \$0 during the three months ended June 30, 2025 and 2024, respectively, and for the six months ended June 30, 2025 and 2024, the Company incurred disposition fees of \$1.0 million and \$0 respectively, payable to Advisor.

Operating Expense Reimbursement

The Company will reimburse the Advisor for all expenses paid or incurred by the Advisor in connection with the services provided to the Company, subject to the limitation that the Company will not reimburse the Advisor for any amount by which the Company's aggregate operating expenses (including the asset management fee payable to the Advisor) at the end of the four preceding fiscal quarters exceeds the greater of: (1) 2% of the Company's average invested assets, or (2) 25% of the Company's net income determined without reduction for any additions to reserves for depreciation, bad debts or other similar non-cash reserves and excluding any gain from the sale of the Company's assets for that period (the "2%/25% Limitation"). Notwithstanding the above, the Company may reimburse the Advisor for expenses in excess of the 2%/25% Limitation if a majority of the Company's independent directors determines that such excess expenses are justified based on unusual and non-recurring factors. For the four fiscal quarters ended June 30, 2025, total operating expenses of the Company were \$6.6 million, which included \$4.5 million in operating expenses incurred directly by the Company and \$2.1 million incurred by the Advisor on behalf of the Company. Of the \$6.6 million in total operating expenses incurred during the four fiscal quarters ended June 30, 2025, \$0 exceeded the 2%/25% Limitation. The Company reimbursed the Advisor \$2.1 million during the four fiscal quarters ended June 30, 2025. As of June 30, 2025, the Company had \$1.0 million due to the Advisor for operating expense reimbursement.

Notes Payable to Related Party

See Note 4, "Debt" to the consolidated financial statements for a description of notes payable to related party. The balance of notes payable to related party was \$28.0 million and \$50.0 million as of June 30, 2025 and December 31, 2024, respectively.

Due to Related Parties, Net

The composition of the amounts due to related parties, net as of June 30, 2025 and December 31, 2024, is as follows (all \$ amounts in thousands):

	June 30, 2025	December 31, 2024
Operating expense reimbursement	\$ 1,021	\$ 267
Asset management fee (advance)	(1,421)	4,819
Accounts payable to Property Manager	2,995	3,127
Accounts payable to Moody Capital	—	525
Accrued interest on related party notes	11,897	14,475
Total due to related parties, net	\$ 14,492	\$ 23,213

Incentive Award Plan	6 Months Ended Jun. 30, 2025
Share-Based Payment Arrangement [Abstract]	
Incentive Award Plan	

The Company has adopted an incentive plan (the “Incentive Award Plan”) that provides for the grant of equity awards to its employees, directors and consultants and those of the Company’s affiliates. The Incentive Award Plan authorizes the grant of non-qualified and incentive stock options, restricted stock awards, restricted stock units, stock appreciation rights, dividend equivalents and other stock-based awards or cash-based awards. Shares of common stock will be authorized and reserved for issuance under the Incentive Award Plan. The Company has also adopted an independent directors compensation plan (the “Independent Directors Compensation Plan”) pursuant to which each of the Company’s independent directors was entitled, subject to the Independent Directors Compensation Plan’s conditions and restrictions, to receive an initial grant of 5,000 shares of restricted stock when the Company raised the minimum offering amount of \$2,000,000 in the Company’s initial public offering. Each new independent director who subsequently joins the Board will receive a grant of 5,000 shares of restricted stock upon his or her election to the Board. In addition, on the date of each of the first four annual meetings of the Company’s stockholders at which an independent director is re-elected to the Board, he or she will receive an additional grant of 2,500 shares of restricted stock. Subject to certain conditions, the non-vested shares of restricted stock granted pursuant to the Independent Directors Compensation Plan will vest and become non-forfeitable in four equal quarterly installments beginning on the first day of the first quarter following the date of grant; provided, however, that the restricted stock will become fully vested on the earlier to occur of (1) the termination of the independent director’s service as a director due to his or her death or disability or (2) a change in control of the Company. As of June 30, 2025, there were 1,935,000 common shares remaining available for future issuance under the Incentive Award Plan and the Independent Directors Compensation Plan.

For the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, no compensation expense was recorded by the Company related to such shares of restricted stock. As of June 30, 2025, there were no non-vested shares of restricted common stock granted pursuant to the Independent Directors Compensation Plan.

Subordinated Participation Interest	6 Months Ended Jun. 30, 2025
Subordinated Participation Interest	

8. Subordinated Participation Interest

Pursuant to the limited partnership agreement for the OP, Moody LPOP II, the holder of the Special Limited Partnership Interests, is entitled to receive distributions equal to 15.0% of the OP’s net cash flows, whether from continuing operations, the repayment of loans, the disposition of assets or otherwise, but only after the Company’s stockholders (and current and future limited partnership interest holders of the OP other than the former limited partners of Moody I OP) have received, in the aggregate, cumulative distributions equal to their total invested capital plus a 6.0% cumulative, non-compounded annual pre-tax return on such aggregated invested capital. Former limited partners of Moody I OP must have received a cumulative annual return of 8.0%, which is equal to the same return to which such holders were entitled before distributions to the special limited partner of Moody I OP could have been paid under the limited partnership agreement of Moody I OP. In addition, Moody LPOP II is entitled to a separate payment if it redeems its Special Limited Partnership Interests. The Special Limited Partnership Interests may be redeemed upon: (1) the listing of the Company’s common stock on a national securities exchange or (2) the occurrence of certain events that result in the termination or non-renewal of the Advisory Agreement, in each case for an amount that Moody LPOP II would have been entitled to receive had the OP disposed of all of its assets at the enterprise valuation as of the date of the event triggering the redemption.

Commitments and Contingencies	6 Months Ended Jun. 30, 2025
Commitments and Contingencies Disclosure [Abstract]	
Commitments and Contingencies	

9. Commitments and Contingencies

Restricted Cash

Under certain management and debt agreements existing at June 30, 2025, the Company escrows payments required for real estate taxes, insurance, replacement of hotel furniture and fixtures, debt service and property improvement plans. The composition of the Company’s restricted cash as of June 30, 2025 and December 31, 2024 are as follows (all \$ amounts in thousands):

	June 30, 2025	December 31, 2024
Real estate taxes	\$ 2,141	\$ 4,927
Insurance	-	7
Hotel furniture and fixtures	3,894	7,649
Debt service	1,768	5,645
Property improvement plan	1,503	1,658
Total restricted cash	\$ 9,306	\$ 19,886

Franchise Agreements

As June 30, 2025, all of the Company’s hotel properties, including those acquired as part of the Moody I Portfolio, are operated under franchise agreements with initial terms ranging from 10 to 20 years. The franchise agreements allow the properties to operate under the franchisor’s brand. Pursuant to the franchise agreements, the Company pays a royalty fee generally between 3.0% and 6.0% of room revenue, plus additional fees for marketing, central reservation systems and other franchisor costs that amount to between 1.5% and 4.3% of room revenue. The Company incurred franchise fee expense of \$1.0 million and \$2.0 million for each of the three months ended June 30, 2025 and 2024, respectively, and \$2.3 million and \$3.6 million for each of the six months ended June 30, 2025 and 2024, respectively, which amounts are included in hotel operating expenses in the accompanying unaudited consolidated statements of operations.

Income Taxes	6 Months Ended Jun. 30, 2025
Income Tax Disclosure [Abstract]	
Income Taxes	

10. Income Taxes

The Company has formed a TRS that is treated as a C-corporation for federal income tax purposes and uses the asset and liability method of accounting for income taxes. Tax return positions are recognized in the consolidated financial statements when they are “more-likely-than-not” to be sustained upon examination by the taxing authority. Deferred income tax assets and liabilities result from temporary differences. Temporary differences are differences between the tax bases of assets and liabilities and their reported amounts in the consolidated financial statements that will result in taxable or deductible amounts in future periods. A valuation allowance may be placed on deferred income tax assets, if it is determined that it is more likely than not that a deferred tax asset may not be realized.

As of June 30, 2025, the Company had operating loss and capital loss carry-forwards of \$29.3 million and \$534,000, respectively.

The Company had deferred tax assets of \$0 as of June 30, 2025 and December 31, 2024, net of a valuation allowance of \$26.9 million and \$25.5 million as of June 30, 2025 and December 31, 2024, respectively, related to net operating loss carry forwards of the TRS which are included in prepaid expenses and other assets on the consolidated balance sheets. As of June 30, 2025, the TRS had a net operating loss carry-forward of \$128.0 million, of which \$8.3 million was transferred from Moody I’s taxable REIT subsidiaries when they were merged into the Company’s TRS on the date of the closing of the Mergers.

Below is a reconciliation between the provision for income taxes and the amounts computed by applying the federal income tax rate to the loss before taxes (all \$ amounts in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Statutory federal tax benefit	\$ (1,681)	\$ (5,414)	\$ (2,191)	\$ (6,869)
Federal tax impact of REIT election	1,214	5,003	802	5,618
Statutory federal tax benefit at TRS	(467)	(411)	(1,389)	(1,251)
State Income tax expense, net of federal benefit	243	84	239	96
Change in valuation allowance	467	411	1,389	1,251
Income tax expense	\$ 243	\$ 84	\$ 239	\$ 96

The difference between income tax expense and the amount computed by applying the statutory federal income tax rate to the combined income of the Company’s TRS before taxes were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Book loss before income taxes of the TRS	\$ (2,225)	\$ (1,954)	\$ (6,615)	\$ (5,956)
Statutory rate at 21%	\$ (467)	\$ (411)	\$ (1,389)	\$ (1,251)
Effect of state and local income taxes, net of federal tax benefit	243	84	239	96
Change in valuation allowance	467	411	1,389	1,251
Income tax expense	\$ 243	\$ 84	\$ 239	\$ 96

On June 30, 2025, the Company had net deferred tax assets of \$0. The Company has past years’ federal and state tax operating loss carryforwards of the TRS that will generally expire in 2034 through 2039 if not utilized by then. The Company analyzes state loss carryforwards on a state-by-state basis and records a valuation allowance when management deems it more likely than not that future results will not generate sufficient taxable income in the respective state to realize the deferred tax asset prior to the expiration of the loss carryforwards. Management believes that it is more likely than not that the results of future operations of the TRS will not generate sufficient taxable income to realize the deferred tax assets, in excess of the valuation allowance, related to federal and state loss carryforwards prior to the expiration of the loss carryforwards and has determined previously recognized deferred income tax benefits would not be recognized and recorded an additional \$2.3 million of valuation allowance during the year ended December 31, 2024. From time to time, the Company may be subjected to federal, state or local tax audits in the normal course of business.

Liquidity and Going Concern	6 Months Ended Jun. 30, 2025
Organization, Consolidation and Presentation of Financial Statements [Abstract]	

Liquidity and Going Concern

11. Liquidity and Going Concern

As of June 30, 2025, the mortgage loans secured by four of our nine remaining hotel properties, representing approximately \$51.3 million in maturing indebtedness, mature during the remainder of 2025 and notes payable to related parties of \$20.0 million mature within one year. The Company’s liquidity position raises substantial doubt about the Company’s ability to continue as a going concern and its ability to pay the mortgage loans maturing for a period of one year following the issue date of these unaudited consolidated financial statements.

The timing and amount of proceeds from the sales of hotel properties and the Company’s ability to extend or to refinance maturing loans is difficult to predict and may not be sufficient to cover the Company’s working capital and liquidity needs for the next twelve months.

Plan of Liquidation

On April 15, 2025, the Board unanimously approved the sale of all the Company’s assets and the Company’s dissolution pursuant to a plan of complete liquidation and dissolution (the “Plan of Liquidation”) and recommended that the Plan of Liquidation be submitted to the Company’s stockholders for approval. The principal purpose of the Plan of Liquidation is to attempt to provide liquidity to the Company’s stockholders by selling the Company’s assets, paying its debts and distributing any net proceeds from the Company’s liquidation to its stockholders.

The Plan of Liquidation will become effective only upon the approval of the Plan of Liquidation by the Company’s stockholders. The Company can provide no assurances as to the ultimate approval of the Plan of Liquidation by the Company’s stockholders, the timing of the liquidation of the Company’s assets following approval of the Plan of Liquidation by the Company’s stockholders, or the amount of liquidating distributions (if any) that the Company may pay to the Company’s stockholders pursuant to the Plan of Liquidation (if approved by the Company’s stockholders).

If the Company’s stockholders approve the Plan of Liquidation, the Company intends to pursue an orderly liquidation of the Company by selling all of the Company’s remaining assets, paying the Company’s debts and known liabilities, providing for the payment of the Company’s unknown or contingent liabilities, distributing the net proceeds (if any) from the liquidation to the Company’s stockholders and winding up the Company’s operations and dissolving the Company. Pursuant to the Plan of Liquidation, the sale of the Residence Inn Houston Medical Center is not subject to the approval of the Plan of Liquidation by the Company’s stockholders and will be completed, subject to the satisfaction of all applicable closing conditions with respect thereto, regardless of whether the Company’s stockholders approve the Plan of Liquidation. In the interim, the Company intends to (i) continue to manage its portfolio of properties to maintain and, if possible, improve the quality, income-producing ability and stability of the properties and better position the properties for a potential sale, and (ii) identify potential purchasers for the Company’s properties (with any such sale being contingent upon the approval of the Plan of Liquidation by the Company’s stockholders).

The Company cannot complete the sale of its remaining assets (excluding the Residence Inn Houston Medical Center) and its dissolution pursuant to the terms of the Plan of Liquidation unless the Company’s stockholders approve the Plan of Liquidation. If the Plan of Liquidation is not approved by the Company’s stockholders, the Board will continue to meet to evaluate other strategic alternatives to pursue, including, without limitation, continuing to operate under the Company’s current business plan or seeking approval of a plan of liquidation at a future date. However, if the Company is unable to obtain stockholder approval of the Plan of Liquidation, the Company may be unable to meet its maturing debt obligations in the near term. The Company’s liquidity position raises substantial doubt about the Company’s ability to continue as a going concern and its capability to pay the mortgage loans maturing during the year ending December 31, 2025 and beyond.

Subsequent Events	6 Months Ended Jun. 30, 2025
Subsequent Events [Abstract]	

Subsequent Events

12. Subsequent Events

In preparing the consolidated financial statements, the Company has evaluated all subsequent events and transactions for potential recognition or disclosure through August 13, 2025, the date the unaudited consolidated financial statements were available for issuance.

Summary of Significant Accounting Policies (Policies)	6 Months Ended Jun. 30, 2025
Accounting Policies [Abstract]	

Basis of Presentation and Principles of Consolidation

Basis of Presentation and Principles of Consolidation

The Company’s consolidated financial statements include its accounts and the accounts of its subsidiaries over which it has control. All intercompany balances and transactions are eliminated in consolidation.

Use of Estimates

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. Generally Accepted Accounting Principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Segment Information

Segment Information

Management evaluates the Company’s hotels as a single reportable segment as a result of aggregating multiple operating segments, because all of the Company’s hotels have similar economic characteristics and provide similar services to similar types of customers. Our single reportable segment comprises the structure used by our Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer, who collectively have been determined to be our Chief Operations Decision Maker (“CODM”), to make key operating decisions and assess performance. Our CODM evaluates our single reportable segment’s operating performance based on individual hotel property net income (loss) before interest expense, income tax expense, depreciation and amortization, corporate general and administrative expense, loss on impairment of hotel properties, loss on early extinguishment of debt, other charges, interest and other income, and gains or losses on sales of hotel properties (“Adjusted Hotel EBITDA”). One single reportable segment’s assets are consistent with total assets included in the Company’s consolidated balance sheets.

The following table includes revenues, significant hotel operating expenses, and Adjusted Hotel EBITDA for the Company’s hotels, reconciled to the consolidated amounts included the Company’s unaudited consolidated statements of operations (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue				
Room revenues	\$ 11,479	\$ 21,362	\$ 25,163	\$ 38,245
Other hotel revenues	609	1,404	1,644	2,683
Total hotel revenues	12,088	22,766	26,807	40,928
Expenses				
Room	3,940	5,970	8,072	12,175
Administrative	1,292	2,144	2,940	3,985
Franchise fee	1,048	1,998	2,334	3,573
Marketing	484	922	1,227	1,699
Repairs and maintenance	685	1,475	1,782	2,594
Utilities	481	765	1,206	1,451
Management fees	484	911	1,073	1,637
Insurance	452	614	1,005	1,194
Property taxes	755	1,160	1,744	2,343
Total hotel expenses	9,621	15,959	21,383	30,651

	Adjusted Hotel EBITDA	2,467	6,807	5,424	10,277
	Reconciliation of Adjusted Hotel EBITDA to net loss:				
	Other expenses (income)				
	Interest expense and amortization of debt issuance costs	3,885	4,886	8,645	9,384
	Depreciation and amortization	2,153	4,032	4,009	8,058
	Corporate general and administrative	1,316	1,754	3,249	3,616
	Loss on impairment of hotel properties	7,000	21,833	7,000	21,833
	Gain on sale of hotel properties	(4,126)	—	(7,285)	—
	Income tax expense	243	84	239	96
		<u>10,471</u>	<u>32,589</u>	<u>15,857</u>	<u>42,987</u>
	Net loss	<u>\$ (8,004)</u>	<u>\$ (25,782)</u>	<u>\$ (10,433)</u>	<u>\$ (32,710)</u>
Organization and Offering Costs	Organization and Offering Costs <p>Organization and offering costs of the Company are paid directly by the Company or incurred by the Advisor on behalf of the Company. Pursuant to the Advisory Agreement between the Company and the Advisor, the Company is obligated to reimburse the Advisor or its affiliates, as applicable, for organization and offering costs incurred by the Advisor associated with each of the Company's public offerings, provided that within 60 days of the last day of the month in which a public offering ends, the Advisor is obligated to reimburse the Company to the extent aggregate organization and offering costs incurred by the Company in connection with the completed public offering exceed 15.0% of the gross offering proceeds from the sale of the Company's shares of common stock in the completed public offering. Such organization and offering costs include selling commissions and dealer manager fees paid to a dealer manager, legal, accounting, printing and other offering expenses, including marketing, salaries and direct expenses of the Advisor's employees and employees of the Advisor's affiliates and others. Any reimbursement of the Advisor or its affiliates for organization and offering costs will not exceed actual expenses incurred by the Advisor. The Company's organization and offering costs incurred in connection with the Company's initial public offering did not exceed 15% of the gross offering proceeds from the sale of shares of common stock in such offering.</p> <p>All offering costs, including selling commissions and dealer manager fees, are recorded as an offset to additional paid-in-capital, and all organization costs are recorded as an expense when the Company has an obligation to reimburse the Advisor.</p> <p>As of June 30, 2025, total offering costs for the initial public offering and the follow-on offering were \$21.1 million, comprised of \$12.3 million of offering costs incurred directly by the Company and \$8.8 million in offering costs incurred by and reimbursable to the Advisor. Total offering costs for the initial public offering were \$18.4 million, comprised of \$12.3 million of offering costs incurred directly by the Company and \$6.1 million in offering costs incurred by and reimbursable to the Advisor. As of June 30, 2025, total offering costs for the follow-on offering were \$2.7 million, comprised of \$0 of offering costs incurred directly by the Company and \$2.7 million in offering costs incurred by and reimbursable to the Advisor. As of June 30, 2025, the Company had \$0 due to the Advisor for reimbursable offering costs.</p>				
Income Taxes	Income Taxes <p>The Company elected to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code commencing with the taxable year ended December 31, 2016. The Company did not meet all of the qualifications to be a REIT under the Internal Revenue Code for the years ended December 31, 2015 and 2014, including not having 100 shareholders for a sufficient number of days in 2015. Prior to qualifying to be taxed as a REIT, the Company was subject to normal federal and state corporation income taxes.</p> <p>Provided that the Company continues to qualify as a REIT, it generally will not be subject to federal corporate income tax to the extent it distributes its REIT taxable income to its stockholders, so long as it distributes at least 90% of its REIT taxable income (which is computed without regard to the dividends paid deduction or net capital gain and which does not necessarily equal net income as calculated in accordance with GAAP) and satisfies the other organizational and operational requirements for qualification as a REIT. Even if the Company qualifies for taxation as a REIT, it may be subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed income. The Company leases the hotels it acquires to a wholly-owned taxable REIT subsidiary ("TRS") that is subject to federal, state and local income taxes.</p> <p>The Company accounts for income taxes of its TRS using the asset and liability method under which deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities from a change in tax rates is recognized in earnings in the period prior to when the new rates become effective. The Company records a valuation allowance for net deferred tax assets that are not expected to be realized.</p> <p>The Company has reviewed tax positions under GAAP guidance that clarify the relevant criteria and approach for the recognition and measurement of uncertain tax positions. The guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition of a tax position taken, or expected to be taken, in a tax return. A tax position may only be recognized in the consolidated financial statements if it is more likely than not that the tax position will be sustained upon examination. The Company had no material uncertain tax positions as of June 30, 2025.</p> <p>The preparation of the Company's various tax returns requires the use of estimates for federal and state income tax purposes. These estimates may be subjected to review by the respective taxing authorities. A revision to an estimate may result in an assessment of additional taxes, penalties and interest. At this time, a range in which the Company's estimates may change is not expected to be material. The Company will account for interest and penalties relating to uncertain tax positions in the current period results of operations, if necessary. The Company has tax years 2020 through 2024 remaining subject to examination by various federal and state tax jurisdictions. For more information, see Note 10, "Income Taxes."</p>				
Fair Value Measurement	Fair Value Measurement <p>Fair value measures are classified into a three-tiered fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:</p> <p>Level 1: Observable inputs such as quoted prices in active markets.</p> <p>Level 2: Directly or indirectly observable inputs, other than quoted prices in active markets.</p> <p>Level 3: Unobservable inputs in which there is little or no market data, which require a reporting entity to develop its own assumptions.</p> <p>Assets and liabilities measured at fair value are based on one or more of the following valuation techniques:</p> <p>Market approach: Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.</p> <p>Cost approach: Amount required to replace the service capacity of an asset (replacement cost).</p> <p>The Company's estimates of fair value were determined using available market information and appropriate valuation methods. Considerable judgment is necessary to interpret market data and develop estimated fair value. The use of different market assumptions or estimation methods may have a material effect on the estimated fair value amounts. The Company classifies assets and liabilities in the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement.</p> <p>With the exception of the Company's fixed-rate notes payable, the carrying amounts of other financial instruments, which include cash and cash equivalents, restricted cash, accounts receivable, notes payable, and accounts payable and accrued expenses, approximate their fair values due to their short-term nature. For the fair value of the Company's notes payable, see Note 4, "Debt."</p>				
Concentration of Risk	Concentration of Risk <p>As of June 30, 2025, the Company had cash and cash equivalents and restricted cash deposited in certain financial institutions in excess of federally insured levels. The Company diversifies its cash and cash equivalents with several banking institutions in an attempt to minimize exposure to any one of these institutions. The Company regularly monitors the financial stability of these financial institutions along with the balances on deposit at such institutions to minimize the Company's potential risk and believes that it is not exposed to any significant credit risk in cash and cash equivalents or restricted cash.</p> <p>The Company holds cash accounts at several institutions in excess of the Federal Deposit Insurance Corporations (the "FDIC") protection limits of \$250,000. The Company's exposure to credit loss in the event of the failure of these institutions is represented by the difference between the FDIC protection limit and the total amounts on deposit. At June 30, 2025, the Company's cash accounts exceeded federally insured limits by approximately \$4.8 million and the Company's restricted cash accounts exceeded federally insured limits by approximately \$7.2 million.</p> <p>The Company is exposed to geographic risk in that five of its nine hotel properties are located in one state, Texas.</p>				
Valuation and Allocation of Hotel Properties — Acquisition	Valuation and Allocation of Hotel Properties — Acquisition <p>Upon acquisition, the purchase price of hotel properties is allocated to the tangible assets acquired, consisting of land, buildings and furniture, fixtures and equipment, any assumed debt, identified intangible assets and asset retirement obligations, if any, based on their fair values. Acquisition costs are charged to expense as incurred. Initial valuations are subject to change during the measurement period, but the measurement period ends as soon as the information is available. The measurement period shall not exceed one year from the acquisition date.</p>				

	<p>Land values are derived from appraisals and building values are calculated as replacement cost less depreciation or estimates of the relative fair value of these assets using discounted cash flow analyses or similar methods. The value of furniture, fixtures and equipment is based on their fair value using replacement costs less depreciation. Any difference between the fair value of the hotel property acquired and the purchase price of the hotel property is recorded as goodwill or gain on acquisition of hotel property.</p> <p>The Company determines the fair value of any assumed debt by calculating the net present value of the scheduled mortgage payments using interest rates for debt with similar terms and remaining maturities that the Company believes it could obtain at the date of acquisition. Any difference between the fair value and stated value of the assumed debt is recorded as a discount or premium and amortized over the remaining life of the loan as a component of interest expense.</p> <p>In allocating the purchase price of each of the Company’s properties, the Company makes assumptions and uses various estimates, including, but not limited to, the estimated useful lives of the assets, the cost of replacing certain assets and discount rates used to determine present values. The Company uses Level 3 inputs to value acquired properties. Many of these estimates are obtained from independent third-party appraisals. However, the Company is responsible for the source and use of these estimates. These estimates require judgment and are subject to being imprecise; accordingly, if different estimates and assumptions were derived, the valuation of the various categories of the Company’s hotel properties or related intangibles could in turn result in a difference in the depreciation or amortization expense recorded in the Company’s consolidated financial statements. These variances could be material to the Company’s results of operations and financial condition.</p>																
Valuation and Allocation of Hotel Properties — Ownership	<p>Valuation and Allocation of Hotel Properties — Ownership</p> <p>Investment in hotel properties is recorded at cost less accumulated depreciation. Major improvements that extend the life of an asset are capitalized and depreciated over a period equal to the shorter of the life of the improvement or the remaining useful life of the asset. The costs of ordinary repairs and maintenance are charged to expense when incurred.</p> <p>Depreciation expense is computed using the straight-line method based upon the following estimated useful lives:</p> <table><tr><td></td><td>Estimated Useful Lives (years)</td></tr><tr><td>Buildings and improvements</td><td>39-40</td></tr><tr><td>Exterior improvements</td><td>10-20</td></tr><tr><td>Furniture, fixture and equipment</td><td>5-10</td></tr></table>		Estimated Useful Lives (years)	Buildings and improvements	39-40	Exterior improvements	10-20	Furniture, fixture and equipment	5-10								
	Estimated Useful Lives (years)																
Buildings and improvements	39-40																
Exterior improvements	10-20																
Furniture, fixture and equipment	5-10																
Real Estate Assets Held for Sale	<p>Real Estate Assets Held for Sale</p> <p>A long-lived asset (or disposal group) to be disposed of by sale (including an asset group considered a component of an entity) is considered held for sale when all of the following criteria for a qualifying plan of sale are met: 1) management, having the authority to approve the action, commits to a plan to sell the asset or disposal group; 2) the asset or disposal group is available for immediate sale (i.e., a seller currently has the intent and ability to transfer the asset (group) to a buyer) in its present condition, subject only to conditions that are usual and customary for sales of such assets or disposal groups; 3) an active program to locate a buyer and other actions required to complete the plan to sell have been initiated; 4) the sale of the asset or disposal group is probable (i.e., likely to occur) and the transfer is expected to qualify for recognition as a completed sale within one year; 5) the long-lived asset or disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and 6) actions necessary to complete the plan indicate that it is unlikely significant changes to the plan will be made or that the plan will be withdrawn. An exception to the one-year requirement (in point 4) above) is permitted if events or circumstances beyond an entity’s control extend the period of time required to sell the assets beyond one year. No depreciation is recorded for real estate assets held for sale.</p>																
Impairments of Hotel Properties	<p>Impairments of Hotel Properties</p> <p>The Company monitors events and changes in circumstances indicating that the carrying amount of a hotel property may not be recoverable. When such events or changes in circumstances are present, the Company assesses potential impairment by comparing estimated future undiscounted cash flows expected to be generated over the life of the asset from operating activities and from its eventual disposition, to the carrying amount of the asset. In the event that the carrying amount exceeds the estimated future undiscounted cash flows, the Company recognizes an impairment loss to adjust the carrying amount of the asset to estimated fair value for assets held for use and fair value less costs to sell for assets held for sale. Losses on impairment of hotel properties were \$7.0 million and \$21.8 million, respectively, for each of the three and six months ended June 30, 2025 and 2024.</p> <p>In evaluating a hotel property for impairment, the Company makes several estimates and assumptions, including, but not limited to, the projected date of disposition of the property, the estimated future cash flows of the property during the Company’s ownership and the projected sales price of the property. A change in these estimates and assumptions could result in a change in the estimated undiscounted cash flows or fair value of the Company’s hotel property which could then result in different conclusions regarding impairment and material changes to the Company’s consolidated financial statements.</p>																
Revenue Recognition	<p>Revenue Recognition</p> <p>Hotel revenues, including room, food, beverage and other ancillary revenues, are recognized as the related services are delivered. Revenue is recorded net of any sales and other taxes collected from customers. Amounts received prior to guest arrival are recorded as advances from the customer and are recognized at the time of occupancy.</p>																
Cash and Cash Equivalents	<p>Cash and Cash Equivalents</p> <p>Cash and cash equivalents represent cash on hand or held in banks and short-term investments with maturities of three months or less when purchased.</p>																
Restricted Cash	<p>Restricted Cash</p> <p>Restricted cash includes reserves for property taxes, as well as reserves for property improvements, replacement of furniture, fixtures, and equipment and debt service, as required by certain management or mortgage and term debt agreements restrictions and provisions.</p> <p>The following is a reconciliation of the Company’s cash and cash equivalents and restricted cash to the total presented in the unaudited consolidated statement of cash flows as of June 30, 2025 and 2024 (in thousands):</p> <table><tr><td></td><td colspan="2">June 30,</td></tr><tr><td></td><td>2025</td><td>2024</td></tr><tr><td>Cash and cash equivalents</td><td>\$ 7,442</td><td>\$ 11,024</td></tr><tr><td>Restricted cash</td><td>9,306</td><td>16,972</td></tr><tr><td>Total cash and cash equivalents and restricted cash</td><td><u>\$ 16,748</u></td><td><u>\$ 27,996</u></td></tr></table>		June 30,			2025	2024	Cash and cash equivalents	\$ 7,442	\$ 11,024	Restricted cash	9,306	16,972	Total cash and cash equivalents and restricted cash	<u>\$ 16,748</u>	<u>\$ 27,996</u>	
	June 30,																
	2025	2024															
Cash and cash equivalents	\$ 7,442	\$ 11,024															
Restricted cash	9,306	16,972															
Total cash and cash equivalents and restricted cash	<u>\$ 16,748</u>	<u>\$ 27,996</u>															
Accounts Receivable	<p>Accounts Receivable</p> <p>The Company takes into consideration certain factors that require judgments to be made as to the collectability of receivables. Collectability factors taken into consideration are the amounts outstanding, payment history and financial strength of the customer, which, taken as a whole, determines the valuation. Ongoing credit evaluations are performed and an allowance for potential credit losses is provided against the portion of accounts receivable that is estimated to be uncollectible.</p>																
Deferred Franchise Costs	<p>Deferred Franchise Costs</p> <p>Deferred franchise costs are recorded at cost and amortized over the term of the respective franchise contract on a straight-line basis. Accumulated amortization of deferred franchise costs was \$391,000 and \$567,000 as of June 30, 2025 and December 31, 2024, respectively.</p> <p>Expected future amortization of deferred franchise costs as of June 30, 2025 is as follows (in thousands):</p> <table><tr><td>Years Ending December 31,</td><td></td></tr><tr><td>2025</td><td>\$ 24</td></tr><tr><td>2026</td><td>53</td></tr><tr><td>2027</td><td>44</td></tr><tr><td>2028</td><td>44</td></tr><tr><td>2029</td><td>36</td></tr><tr><td>Thereafter</td><td>47</td></tr><tr><td>Total</td><td><u>\$ 248</u></td></tr></table>	Years Ending December 31,		2025	\$ 24	2026	53	2027	44	2028	44	2029	36	Thereafter	47	Total	<u>\$ 248</u>
Years Ending December 31,																	
2025	\$ 24																
2026	53																
2027	44																
2028	44																
2029	36																
Thereafter	47																
Total	<u>\$ 248</u>																
Debt Issuance Costs	<p>Debt Issuance Costs</p> <p>Debt issuance costs are presented as a direct deduction from the carrying value of the notes payable on the consolidated balance sheets. Debt issuance costs are amortized as a component of interest expense over the term of the related debt using the straight-line method, which approximates the interest method.</p>																

Years Ending December 31,		\$	87
2025			157
2026			123
2027			97
2028			46
2029			—
Thereafter			—
Total		\$	510

Earnings (Loss) per Share	<p><i>Earnings (Loss) per Share</i></p> <p>Earnings (loss) per share (“EPS”) is calculated based on the weighted average number of shares outstanding during each period. Basic and diluted EPS are the same for all periods presented. There were no non-vested shares of restricted common stock as of June 30, 2025 and December 31, 2024 held by the Company’s independent directors.</p>
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Recently Issued Accounting Standards	<p><i>Recently Issued Accounting Standards</i></p> <p>In December 2023, the FASB issued ASU 2023-09 “Income Taxes (Topics 740): Improvements to Income Tax Disclosures” which requires entities to expand disclosures regarding the reconciliation of income tax rate and the amount of income taxes paid, net of refunds received, disaggregated by federal, state and foreign jurisdiction.</p> <p>In December 2023, the FASB issued ASU 2023-07 “Segment Reporting” which requires entities to disclose additional and more detailed information about a reportable segment’s expenses.</p> <p>Other recently issued accounting standards or pronouncements not disclosed in the foregoing paragraphs have been excluded because they are either not relevant to, or are not expected to have, or did not have, a material effect on the Company’s consolidated financial statements.</p>
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Summary of Significant Accounting Policies (Tables)	6 Months Ended Jun. 30, 2025
Accounting Policies [Abstract]	
The following table includes revenues, significant hotel operating expenses, and Adjusted Hotel EBITDA for the Company’s hotels, reconciled to the consolidated amounts included the Company’s unaudited consolidated statements of operations (in thousands):	
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Schedule of expected future amortization of debt issuance costs

Debt issuance costs are presented as a direct deduction from the carrying value of the notes payable on the consolidated balance sheets. Debt issuance costs are amortized as a component of interest expense over the term of the related debt using the straight-line method, which approximates the interest method.

Years Ending December 31,

2025	\$	87
2026		157
2027		123
2028		97
2029		46
Thereafter		—
Total	\$	510

Investment in Hotel Properties, Real Estate Assets Held for Sale, and Dispositions (Tables)

6 Months Ended

Jun. 30, 2025

Real Estate [Abstract]

The following table sets forth summary information regarding the Company's investment in hotel properties and real estate assets held for sale as of June 30, 2025 (all \$ amounts in thousands):

The following table sets forth summary information regarding the Company's investment in hotel properties and real estate assets held for sale as of June 30, 2025 (all \$ amounts in thousands):

Property Name	Date Acquired	Location	Ownership Interest	Original Purchase Price ⁽¹⁾	Rooms	Mortgage Debt Outstanding ⁽²⁾
Springhill Suites Seattle Homewood	May 24, 2016	Seattle, Washington	100%	\$ 74,100	234	\$ 39,595
Suites Woodlands	September 27, 2017 ⁽³⁾	The Woodlands, Texas	100%	17,356	91	7,999
Hyatt Place Germantown	September 27, 2017 ⁽³⁾	Germantown, Tennessee	100%	16,074	127	5,620
Hyatt Place North Charleston	September 27, 2017 ⁽³⁾	North Charleston, South Carolina	100%	13,806	113	5,294
Hampton Inn Austin	September 27, 2017 ⁽³⁾	Austin, Texas	100%	19,328	123	9,374
Hampton Inn Great Valley	September 27, 2017 ⁽³⁾	Frazer, Pennsylvania	100%	15,285	125	7,058
Homewood Suites Austin	September 27, 2017 ⁽³⁾	Austin, Texas	100%	18,835	96	9,471
Hampton Inn Houston	September 27, 2017 ⁽³⁾	Houston, Texas	100%	9,958	119	3,667
Residence Inn Houston						
Medical Center ⁽⁴⁾	April 29, 2019	Houston, Texas	100%	52,000	182	26,741
Totals				\$ 236,742	1,210	\$ 114,819

(1) Excludes closing costs.

(2) As of June 30, 2025.

(3) Property acquired on September 27, 2017 as a result of the merger of Moody National REIT I, Inc. ("Moody I") with and into the Company (the "Merger") and the merger of Moody National Operating Partnership I, L.P., the operating partnership of Moody I ("Moody I OP"), with and into the OP (the "Partnership Merger," and together with the Merger, the "Mergers").

(4) On April 21, 2025, the Company entered into a purchase and sale agreement to sell the Residence Inn Houston Medical Center to an affiliated purchaser for an aggregate purchase price of \$33.0 million.

Investment in hotel properties consisted of the following at June 30, 2025 and December 31, 2024 (all amounts in thousands):

Investment in hotel properties consisted of the following at June 30, 2025 and December 31, 2024 (all amounts in thousands):

	June 30, 2025	December 31, 2024
Land	\$ 28,052	\$ 40,084
Buildings and improvements	118,398	164,139
Furniture, fixtures and equipment	29,929	36,408
Total cost	176,379	240,631
Accumulated depreciation	(54,021)	(65,919)
Investment in hotel properties, net	\$ 122,358	\$ 174,712

The carrying value of real estate assets held for sale as of June 30, 2025 and December 31, 2024 is as follows (all \$ amounts in thousands):

The carrying value of real estate assets held for sale as of June 30, 2025 and December 31, 2024 is as follows (all \$ amounts in thousands):

	June 30, 2025	December 31, 2024
Residence Inn Austin	\$ —	\$ 19,645
Residence Inn Grapevine	—	20,019
Marriott Courtyard Lyndhurst	—	19,523
Embassy Suites Nashville	—	56,159
Residence Inn Houston Medical Center	30,368	—
Total	\$ 30,368	\$ 115,346

Debt (Tables)

6 Months Ended

Jun. 30, 2025

Debt Disclosure [Abstract]

As of June 30, 2025 and December 31, 2024, the Company's mortgage notes payable secured by the respective assets, consisted of the following (all \$ amounts in thousands):

As of June 30, 2025 and December 31, 2024, the Company's mortgage notes payable secured by the respective assets, consisted of the following (all \$ amounts in thousands):

Loan	Principal as of June 30, 2025	Principal as of December 31, 2024	Interest Rate at June 30, 2025	Maturity Date
Residence Inn Austin ⁽¹⁾	\$ —	\$ 14,842	—	—
Springhill Suites Seattle	39,595	40,062	4.380%	October 1, 2026
Homewood Suites Woodlands ⁽⁶⁾	7,999	8,049	4.690%	April 11, 2025
Hyatt Place Germantown	5,620	5,696	7.250%	June 29, 2028
Hyatt Place North Charleston	5,294	5,354	9.000%	November 29, 2028
Hampton Inn Austin	9,374	9,461	9.000%	November 6, 2029
Residence Inn Grapevine ⁽²⁾	—	10,836	—	—
Marriott Courtyard Lyndhurst ⁽³⁾	—	17,058	—	—
Hilton Garden Inn Austin ⁽⁴⁾	—	16,240	—	—
Hampton Inn Great Valley ⁽⁶⁾	7,058	7,102	4.700%	April 11, 2025
Embassy Suites Nashville ⁽⁵⁾	—	37,003	—	—
Homewood Suites Austin	9,471	9,587	4.650%	August 11, 2025
Hampton Inn Houston	3,667	3,762	9.500%	April 28, 2028
Residence Inn Houston Medical Center	26,741	26,920	10.000%	October 1, 2025
U.S. Small Business Administration Economic Injury Disaster Loans	5,989	7,494	3.750%	November 2051
Total notes payable	120,808	219,466		
Less unamortized debt issuance costs	(510)	(702)		
Total notes payable, net of unamortized debt issuance costs	\$ 120,298	\$ 218,764		

(1) Property sold on February 6, 2025 to an unaffiliated purchaser for \$20.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.

(2) Property sold on February 6, 2025 to an unaffiliated purchaser for \$22.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.

(3) Property sold on March 21, 2025 to an unaffiliated purchaser for \$21.3 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.

(4) On May 6, 2025, the lender for the Hilton Garden Inn Austin foreclosed on the property in satisfaction of the mortgage loan secured by the property.

(5) Property sold on April 11, 2025 to an unaffiliated purchaser for \$57.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.

(6) The current lenders for the mortgage loans on the Homewood Suites Woodlands and the Hampton Inn Great Valley, which matured April 11, 2025, have temporarily forbore on any of their remedies while the Company finalizes the terms of new loans.

Scheduled maturities of the Company's notes payable for each of the next five calendar years and collectively thereafter, as of June 30, 2025, are as follows (all amounts in thousands):

Scheduled maturities of the Company's notes payable for each of the next five calendar years and collectively thereafter, as of June 30, 2025, are as follows (all amounts in thousands):

Years ending December 31,

2025	\$	52,065
2026		39,832
2027		866
2028		13,684
2029		8,800
Thereafter		5,561
Total	\$	120,808

Equity (Tables)	6 Months Ended
Equity [Abstract]	Jun. 30, 2025
Schedule of shares outstanding	
	Shares
	Outstanding
	as of
	June 30,
	2025
Class	
Class A	
Shares	13,000
Class T	
Shares	481
Class I	
Shares	159
Total	13,640

Related Party Arrangements (Tables)	6 Months Ended	
Related Party Transactions [Abstract]	Jun. 30, 2025	
The composition of the amounts due to related parties, net as of June 30, 2025 and December 31, 2024, is as follows (all \$ amounts in thousands):	The composition of the amounts due to related parties, net as of June 30, 2025 and December 31, 2024, is as follows (all \$ amounts in thousands):	
	June 30, 2025	December 31, 2024
Operating expense reimbursement	\$ 1,021	\$ 267
Asset management fee (advance)	(1,421)	4,819
Accounts payable to Property Manager	2,995	3,127
Accounts payable to Moody Capital	—	525
Accrued interest on related party notes	11,897	14,475
Total due to related parties, net	\$ 14,492	\$ 23,213

Commitments and Contingencies (Tables)	6 Months Ended	
	Jun. 30, 2025	
Commitments and Contingencies Disclosure [Abstract]		
The composition of the Company's restricted cash as of June 30, 2025 and December 31, 2024 are as follows (all \$ amounts in thousands):	Under certain management and debt agreements existing at June 30, 2025, the Company escrows payments required for real estate taxes, insurance, replacement of hotel furniture and fixtures, debt service and property improvement plans. The composition of the Company's restricted cash as of June 30, 2025 and December 31, 2024 are as follows (all \$ amounts in thousands):	
	June 30, 2025	December 31, 2024
Real estate taxes	\$ 2,141	\$ 4,927
Insurance	—	7
Hotel furniture and fixtures	3,894	7,649
Debt service	1,768	5,645
Property improvement plan	1,503	1,658
Total restricted cash	\$ 9,306	\$ 19,886

Income Taxes (Tables)	6 Months Ended Jun. 30, 2025			
Income Tax Disclosure [Abstract]				
Below is a reconciliation between the provision for income taxes and the amounts computed by applying the federal income tax rate to the loss before taxes (all \$ amounts in thousands):	Below is a reconciliation between the provision for income taxes and the amounts computed by applying the federal income tax rate to the loss before taxes (all \$ amounts in thousands):			
	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Statutory federal tax benefit	\$ (1,681)	\$ (5,414)	\$ (2,191)	(6,869)
Federal tax impact of REIT election	1,214	5,003	802	5,618
Statutory federal tax benefit at TRS	(467)	(411)	(1,389)	(1,251)
State Income tax expense, net of federal benefit	243	84	239	96
Change in valuation allowance	467	411	1,389	1,251
Income tax expense	<u>\$ 243</u>	<u>\$ 84</u>	<u>\$ 239</u>	<u>\$ 96</u>
The difference between income tax expense and the amount computed by applying the statutory federal income tax rate to the combined income of the Company's TRS before taxes were as follows:	The difference between income tax expense and the amount computed by applying the statutory federal income tax rate to the combined income of the Company's TRS before taxes were as follows:			
	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Book loss before income taxes of the TRS	<u>\$ (2,225)</u>	<u>\$ (1,954)</u>	<u>\$ (6,615)</u>	<u>\$ (5,956)</u>
Statutory rate at 21%	\$ (467)	\$ (411)	\$ (1,389)	\$ (1,251)
Effect of state and local income taxes, net of federal tax benefit	243	84	239	96
Change in valuation allowance	467	411	1,389	1,251
Income tax expense	<u>\$ 243</u>	<u>\$ 84</u>	<u>\$ 239</u>	<u>\$ 96</u>

Organization (Details Narrative)	May 02, 2025 USD (\$)	Jan. 18, 2018 USD (\$)	6 Months Ended Jun. 30, 2025 USD (\$) Number \$ / shares shares	Dec. 31, 2024 USD (\$) \$ / shares	Jun. 26, 2017 \$ / shares	Jan. 20, 2015 USD (\$)
Number of rooms Number			1,210			
Common stock, par value (in dollars per share) \$ / shares			0.01	0.01		
Value of shares issuable under registration statement		\$ 990,000				
Special limited partnership interests			\$ 1	\$ 1		
Hilton Garden Inn Austin [Member]						

Foreclosed amount on property in satisfaction of mortgage note	\$ 16,200				
Moody Holdings II [Member]					
Special limited partnership interests			1		
Moody LPOP II [Member]					
Special limited partnership interests			\$ 1		
Common Class A [Member]					
Common stock, par value (in dollars per share) \$ / shares				\$ 0.01	
Common Class D [Member]					
Common stock, par value (in dollars per share) \$ / shares				0.01	
Common Class I [Member]					
Common stock, par value (in dollars per share) \$ / shares				0.01	
Common Class T [Member]					
Common stock, par value (in dollars per share) \$ / shares				\$ 0.01	
IPO [Member]					
Common stock, authorized, value				\$ 1,000,000	
Common stock authorized in distribution reinvestment plan, value				100,000	
IPO [Member] Maximum [Member]					
Common stock, authorized, value				\$ 1,100,000	
Initial Public Offering and Follow on Offering [Member]					
Issuance of common stock, net of offering costs (in shares) shares			10,200		
Issuance of common stock pursuant to dividend reinvestment plan (in shares) shares			567,000		
Proceeds from stock and DRIP offering			\$ 234,600		
Follow-on offering [Member]					
Issuance of common stock, net of offering costs (in shares) shares			4,100,000		
Issuance of common stock pursuant to dividend reinvestment plan (in shares) shares			352,000		
Proceeds from stock and DRIP offering			\$ 87,200		

The following table includes revenues, significant hotel operating expenses, and Adjusted Hotel EBITDA for the Company's hotels, reconciled to the consolidated amounts included the Company's unaudited consolidated statements of operations (in thousands): (Details) - USD (\$) \$ in Thousands	3 Months Ended		6 Months Ended	
	Jun. 30, 2025	Jun. 30, 2024	Jun. 30, 2025	Jun. 30, 2024
Revenue				
Total hotel revenues	\$ 12,088	\$ 22,766	\$ 26,807	\$ 40,928
Expenses				
Room	3,940	5,970	8,072	12,175
Administrative	1,292	2,144	2,940	3,985
Franchise fee	1,048	1,998	2,334	3,573
Marketing	484	922	1,227	1,699
Repairs and maintenance	685	1,475	1,782	2,594
Utilities	481	765	1,206	1,451
Management fees	484	911	1,073	1,637
Insurance	452	614	1,005	1,194
Property taxes	755	1,160	1,744	2,343
Total hotel expenses	9,621	15,959	21,383	30,651
Adjusted Hotel EBITDA	2,467	6,807	5,424	10,277
Other expenses (income)				
Interest expense and amortization of debt issuance costs	3,885	4,886	8,645	9,384
Depreciation and amortization	2,153	4,032	4,009	8,058
Corporate general and administrative	1,316	1,754	3,249	3,616
Loss on impairment of hotel properties	7,000	21,833	7,000	21,833
Gain on sale of hotel properties	(4,126)		(7,285)	
Income tax expense	243	84	239	96
Total other expenses	10,471	32,589	15,857	42,987
Net loss	(8,004)	(25,782)	(10,433)	(32,710)
Occupancy [Member]				
Revenue				
Total hotel revenues	11,479	21,362	25,163	38,245
Hotel, Other [Member]				
Revenue				
Total hotel revenues	\$ 609	\$ 1,404	\$ 1,644	\$ 2,683

Summary of Significant Accounting Policies (Details Narrative)	3 Months Ended		6 Months Ended		Dec. 31, 2024 USD (\$)
	Jun. 30, 2025 USD (\$)	Jun. 30, 2024 USD (\$)	Jun. 30, 2025 USD (\$) Number	Jun. 30, 2024 USD (\$)	
Minimum number of shareholders to qualify as REIT Number			100		
Minimum percentage of taxable income to be distributed			90.00%		
Federal deposit insurance corporation protection limits	\$ 250,000		\$ 250,000		
Cash accounts exceeded federally insured limits	4,800,000		4,800,000		
Restricted cash accounts exceeded federally insured limits	7,200,000		7,200,000		
Losses on impairment of hotel properties	7,000,000	\$ 21,833,000	7,000,000	\$ 21,833,000	
Accumulated amortization, deferred franchise costs	391,000		\$ 391,000		\$ 567,000
Affiliated Entity [Member]					
Percentage of organization and offering costs			15.00%		
Total offering costs	21,100,000		\$ 21,100,000		
Offering cost directly incurred by company	12,300,000		12,300,000		
Offering cost reimbursed to advisor	8,800,000		8,800,000		
Due to Advisor for reimbursable offering costs	0		0		
Affiliated Entity [Member] Follow-on offering [Member]					
Total offering costs	2,700,000		2,700,000		
Offering cost directly incurred by company	0		0		
Offering cost reimbursed to advisor	2,700,000		2,700,000		
Affiliated Entity [Member] IPO [Member]					
Total offering costs	18,400,000		18,400,000		
Offering cost directly incurred by company	12,300,000		12,300,000		
Offering cost reimbursed to advisor	\$ 6,100,000		\$ 6,100,000		

Depreciation expense is computed using the straight-line method based upon the following estimated useful lives: (Details)	Jun. 30, 2025
Building and Building Improvements [Member] Minimum [Member]	
Property, Plant and Equipment [Line Items]	
Estimated useful lives	39 years
Building and Building Improvements [Member] Maximum [Member]	
Property, Plant and Equipment [Line Items]	
Estimated useful lives	40 years
Exterior Improvements [Member] Minimum [Member]	
Property, Plant and Equipment [Line Items]	
Estimated useful lives	10 years
Exterior Improvements [Member] Maximum [Member]	
Property, Plant and Equipment [Line Items]	
Estimated useful lives	20 years
Furniture and Fixtures [Member] Minimum [Member]	
Property, Plant and Equipment [Line Items]	
Estimated useful lives	5 years
Furniture and Fixtures [Member] Maximum [Member]	
Property, Plant and Equipment [Line Items]	
Estimated useful lives	10 years

The following is a reconciliation of the Company's cash and cash equivalents and restricted cash to the total presented in the unaudited consolidated statement of cash flows as of June 30, 2025 and 2024 (in thousands): (Details)	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024	Dec. 31, 2023
- USD (\$)				
\$ in Thousands				
Accounting Policies [Abstract]				
Cash and cash equivalents	\$ 7,442	\$ 9,305	\$ 11,024	
Restricted cash	9,306		16,972	
Total cash and cash equivalents and restricted cash	\$ 16,748	\$ 29,191	\$ 27,996	\$ 25,064

Expected future amortization of deferred franchise costs as of June 30, 2025 is as follows (in thousands): (Details) - USD (\$)	Jun. 30, 2025	Dec. 31, 2024
\$ in Thousands		
Years Ending December 31,		
Total	\$ 248	\$ 479
Franchise Rights [Member]		
Years Ending December 31,		
2025	24	
2026	53	
2027	44	
2028	44	
2029	36	
Thereafter	47	
Total	\$ 248	

Schedule of expected future amortization of debt issuance costs (Details) - USD (\$)	Jun. 30, 2025	Dec. 31, 2024
\$ in Thousands		
Accounting Policies [Abstract]		
2025	\$ 87	
2026	157	
2027	123	
2028	97	
2029	46	
Thereafter		
Total	\$ 510	\$ 702

The following table sets forth summary information regarding the Company's investment in hotel properties and real estate assets held for sale as of June 30, 2025 (all \$ amounts in thousands): (Details)		6 Months Ended	
		Apr. 21, 2025 USD (\$)	Jun. 30, 2025 USD (\$) Number
Real Estate Properties [Line Items]			
Original Purchase Price	^[1]		\$ 236,742
Rooms Number			1,210
Mortgage Debt Outstanding	^[2]		\$ 114,819
Residence Inn Houston Medical Center [Member]			
Real Estate Properties [Line Items]			
Aggregate purchase price		\$ 33,000	
Springhill Suites Seattle [Member] WASHINGTON			
Real Estate Properties [Line Items]			
Property Name			Springhill Suites Seattle
Date Acquired			May 24, 2016
Location			Seattle, Washington
Ownership Percentage			100.00%
Original Purchase Price	^[1]		\$ 74,100
Rooms Number			234
Mortgage Debt Outstanding	^[2]		\$ 39,595
Homewood Suites Woodlands [Member] TEXAS			
Real Estate Properties [Line Items]			
Property Name			Homewood Suites Woodlands
Date Acquired	^[3]		Sep. 27, 2017
Location			The Woodlands, Texas
Ownership Percentage			100.00%

Original Purchase Price	^[1]		\$ 17,356
Rooms Number			91
Mortgage Debt Outstanding	^[2]		\$ 7,999
Hyatt Place Germantown [Member] TENNESSEE			
Real Estate Properties [Line Items]			
Property Name			Hyatt Place Germantown
Date Acquired	^[3]		Sep. 27, 2017
Location			Germantown, Tennessee
Ownership Percentage			100.00%
Original Purchase Price	^[1]		\$ 16,074
Rooms Number			127
Mortgage Debt Outstanding	^[2]		\$ 5,620
Hyatt Place North Charleston [Member] SOUTH CAROLINA			
Real Estate Properties [Line Items]			
Property Name			Hyatt Place North Charleston
Date Acquired	^[3]		Sep. 27, 2017
Location			North Charleston, South Carolina
Ownership Percentage			100.00%
Original Purchase Price	^[1]		\$ 13,806
Rooms Number			113
Mortgage Debt Outstanding	^[2]		\$ 5,294
Hampton Inn Austin [Member] TEXAS			
Real Estate Properties [Line Items]			
Property Name			Hampton Inn Austin
Date Acquired	^[3]		Sep. 27, 2017
Location			Austin, Texas
Ownership Percentage			100.00%
Original Purchase Price	^[1]		\$ 19,328
Rooms Number			123
Mortgage Debt Outstanding	^[2]		\$ 9,374
Hampton Inn Great Valley [Member] PENNSYLVANIA			
Real Estate Properties [Line Items]			
Property Name			Hampton Inn Great Valley
Date Acquired	^[3]		Sep. 27, 2017
Location			Frazer, Pennsylvania
Ownership Percentage			100.00%
Original Purchase Price	^[1]		\$ 15,285
Rooms Number			125
Mortgage Debt Outstanding	^[2]		\$ 7,058
Homewood Suites Austin [Member] TEXAS			
Real Estate Properties [Line Items]			
Property Name			Homewood Suites Austin
Date Acquired	^[3]		Sep. 27, 2017
Location			Austin, Texas
Ownership Percentage			100.00%
Original Purchase Price	^[1]		\$ 18,835
Rooms Number			96
Mortgage Debt Outstanding	^[2]		\$ 9,471
Hampton Inn Houston [Member] TEXAS			
Real Estate Properties [Line Items]			
Property Name			Hampton Inn Houston
Date Acquired	^[3]		Sep. 27, 2017
Location			Houston, Texas
Ownership Percentage			100.00%
Original Purchase Price	^[1]		\$ 9,958
Rooms Number			119
Mortgage Debt Outstanding	^[2]		\$ 3,667
Residence Inn Houston Medical Center [Member] TEXAS			
Real Estate Properties [Line Items]			
Property Name	^[4]		Residence Inn Houston Medical Center
Date Acquired			Apr. 29, 2019
Location			Houston, Texas
Ownership Percentage			100.00%
Original Purchase Price	^[1]		\$ 52,000
Rooms Number			182
Mortgage Debt Outstanding	^[2]		\$ 26,741

[1] Excludes closing costs.

[2] As of June 30, 2025.

[3] Property acquired on September 27, 2017 as a result of the merger of Moody National REIT I, Inc. ("Moody I") with and into the Company (the "Merger") and the merger of Moody National Operating Partnership I, L.P., the operating partnership of Moody I ("Moody I OP"), with and into the OP (the "Partnership Merger," and together with the Merger, the "Mergers").

[4] On April 21, 2025, the Company entered into a purchase and sale agreement to sell the Residence Inn Houston Medical Center to an affiliated purchaser for an aggregate purchase price of \$33.0 million.

Investment in hotel properties consisted of the following at June 30, 2025 and December 31, 2024 (all amounts in thousands): (Details) - USD (\$)		
\$ in Thousands	Jun. 30, 2025	Dec. 31, 2024
Real Estate [Abstract]		
Land	\$ 28,052	\$ 40,084
Buildings and improvements	118,398	164,139
Furniture, fixtures and equipment	29,929	36,408
Total cost	<u>176,379</u>	<u>240,631</u>
Accumulated depreciation	(54,021)	(65,919)
Investment in hotel properties, net	<u>\$ 122,358</u>	<u>\$ 174,712</u>

Investment in Hotel Properties, Real Estate Assets Held for Sale, and Dispositions (Details Narrative) - USD (\$)	Apr. 21, 2025	Apr. 11, 2025	Mar. 21, 2025	Feb. 06, 2025	Dec. 10, 2024
\$ in Millions					
Townplace Suites Fort Worth [Member]					
Property, Plant and Equipment [Line Items]					
Sale price					\$ 9.1
Residence Inn Grapevine [Member]					
Property, Plant and Equipment [Line Items]					
Sale price				\$ 22.5	
Residence Inn Austin [Member]					
Property, Plant and Equipment [Line Items]					
Sale price				\$ 20.5	

Debt Instrument [Line Items]									
Principal amount								\$ 10,000,000	
Extend maturity date								2 years	
Maturity date								Apr. 13, 2025	
Related party note							\$ 0		10,000,000
Fourth Related Party Note [Member] Moody National Capital LLC [Member] Minimum [Member]									
Debt Instrument [Line Items]									
Basis spread interest rate							8.75%		
Fourth Related Party Note [Member] Moody National Capital LLC [Member] Maximum [Member]									
Debt Instrument [Line Items]									
Basis spread interest rate							9.75%		
Fifth Related Party Note [Member] Moody National Capital LLC [Member]									
Debt Instrument [Line Items]									
Principal amount								\$ 10,000,000	
Extend maturity date								2 years	
Maturity date								Jan. 01, 2026	
Related party note							\$ 0		10,000,000
Fifth Related Party Note [Member] Moody National Capital LLC [Member] Minimum [Member]									
Debt Instrument [Line Items]									
Basis spread interest rate							8.75%		
Fifth Related Party Note [Member] Moody National Capital LLC [Member] Maximum [Member]									
Debt Instrument [Line Items]									
Basis spread interest rate							9.75%		
Residence Inn Austin Hotel [Member]									
Debt Instrument [Line Items]									
Sale price				\$ 20,500,000					
Interest rate	[1]								
Loan balance	[1]								14,842,000
Residence Inn Grapevine [Member]									
Debt Instrument [Line Items]									
Sale price				\$ 22,500,000					
Interest rate	[2]								
Loan balance	[2]								10,836,000
Marriott Courtyard Lyndhurst [Member]									
Debt Instrument [Line Items]									
Sale price				\$ 21,300,000					
Interest rate	[3]								
Loan balance	[3]								17,058,000
Embassy Suites Nashville [Member]									
Debt Instrument [Line Items]									
Sale price				\$ 57,500,000					
Interest rate	[4]								
Loan balance	[4]								\$ 37,003,000

[1] Property sold on February 6, 2025 to an unaffiliated purchaser for \$20.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.

[2] Property sold on February 6, 2025 to an unaffiliated purchaser for \$22.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.

[3] Property sold on March 21, 2025 to an unaffiliated purchaser for \$21.3 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.

[4] Property sold on April 11, 2025 to an unaffiliated purchaser for \$57.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.

As of June 30, 2025 and December 31, 2024, the Company's mortgage notes payable secured by the respective assets, consisted of the following (all \$ amounts in thousands): (Details) - USD (\$) \$ in Thousands	6 Months Ended	
	Jun. 30, 2025	Dec. 31, 2024
Debt Instrument [Line Items]		
Total notes payable		\$ 120,808 \$ 219,466
Less unamortized debt issuance costs		(510) (702)
Total notes payable, net of unamortized debt issuance costs		120,298 218,764
Residence Inn Austin Hotel [Member]		
Debt Instrument [Line Items]		
Total notes payable	[1]	14,842
Interest rate	[1]	
Springhill Suites Seattle [Member]		
Debt Instrument [Line Items]		
Total notes payable		\$ 39,595 40,062
Interest rate		4.38%
Maturity date	Oct. 01, 2026	
Homewood Suites Woodlands [Member]		
Debt Instrument [Line Items]		
Total notes payable	[2]	\$ 7,999 8,049
Interest rate	[2]	4.69%
Maturity date	[2] Apr. 11, 2025	
Hyatt Place Germantown [Member]		
Debt Instrument [Line Items]		
Total notes payable		\$ 5,620 5,696
Interest rate		7.25%
Maturity date	Jun. 29, 2028	
Hyatt Place North Charleston [Member]		
Debt Instrument [Line Items]		
Total notes payable		\$ 5,294 5,354
Interest rate		9.00%
Maturity date	Nov. 29, 2028	
Hampton Inn Austin [Member]		
Debt Instrument [Line Items]		
Total notes payable		\$ 9,374 9,461
Interest rate		9.00%
Maturity date	Nov. 06, 2029	
Residence Inn Grapevine [Member]		
Debt Instrument [Line Items]		
Total notes payable	[3]	10,836
Interest rate	[3]	
Marriott Courtyard Lyndhurst [Member]		
Debt Instrument [Line Items]		
Total notes payable	[4]	17,058
Interest rate	[4]	
Hilton Garden Inn Austin [Member]		
Debt Instrument [Line Items]		
Total notes payable	[5]	16,240
Interest rate	[5]	
Hampton Inn Great Valley [Member]		

Debt Instrument [Line Items]			
Total notes payable	^[2]		\$ 7,058 7,102
Interest rate	^[2]		4.70%
Maturity date	^[2]	Apr. 11, 2025	
Embassy Suites Nashville [Member]			
Debt Instrument [Line Items]			
Total notes payable	^[6]		37,003
Interest rate	^[6]		
Homewood Suites Austin [Member]			
Debt Instrument [Line Items]			
Total notes payable			\$ 9,471 9,587
Interest rate			4.65%
Maturity date		Aug. 11, 2025	
Hampton Inn Houston [Member]			
Debt Instrument [Line Items]			
Total notes payable			\$ 3,667 3,762
Interest rate			9.50%
Maturity date		Apr. 28, 2028	
Residence Inn Houston Medical Center [Member]			
Debt Instrument [Line Items]			
Total notes payable			\$ 26,741 26,920
Interest rate			10.00%
Maturity date		Oct. 01, 2025	
US Small Business Administration [Member]			
Debt Instrument [Line Items]			
Total notes payable			\$ 5,989 \$ 7,494
Interest rate			3.75%
Maturity date		2051-11	
<p>[1] Property sold on February 6, 2025 to an unaffiliated purchaser for \$20.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.</p> <p>[2] The current lenders for the mortgage loans on the Homewood Suites Woodlands and the Hampton Inn Great Valley, which matured April 11, 2025, have temporarily forbore on any of their remedies while the Company finalizes the terms of new loans.</p> <p>[3] Property sold on February 6, 2025 to an unaffiliated purchaser for \$22.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.</p> <p>[4] Property sold on March 21, 2025 to an unaffiliated purchaser for \$21.3 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.</p> <p>[5] On May 6, 2025, the lender for the Hilton Garden Inn Austin foreclosed on the property in satisfaction of the mortgage loan secured by the property.</p> <p>[6] Property sold on April 11, 2025 to an unaffiliated purchaser for \$57.5 million. The proceeds of such sale were used to repay the mortgage loan secured by this property.</p>			

Scheduled maturities of the Company's notes payable for each of the next five calendar years and collectively thereafter, as of June 30, 2025, are as follows (all amounts in thousands): (Details)	Jun. 30, 2025 USD (\$)
\$ in Thousands	
Debt Disclosure [Abstract]	
2025	\$ 52,065
2026	39,832
2027	866
2028	13,684
2029	8,800
Thereafter	5,561
Total	<u>\$ 120,808</u>

Equity (Details Narrative) - USD (\$)	Aug. 15, 2014	3 Months Ended		6 Months Ended		Mar. 31, 2025	Dec. 31, 2024	Mar. 31, 2024	Dec. 31, 2023
		Jun. 30, 2025	Jun. 30, 2024	Jun. 30, 2025	Jun. 30, 2024				
Class of Stock [Line Items]									
Common stock, shares authorized		1,000,000,000		1,000,000,000			1,000,000,000		
Preferred stock, shares authorized		100,000,000		100,000,000			100,000,000		
Preferred stock, par value (in dollars per share)		\$ 0.01		\$ 0.01			\$ 0.01		
Common stock, par value (in dollars per share)		\$ 0.01		\$ 0.01			\$ 0.01		
Common stock, issued		13,640,000	13,640,000	13,640,000	13,640,000		13,640,000		
Common stock, outstanding		13,640,000	13,640,000	13,640,000	13,640,000		13,640,000		
Share-based compensation arrangement by share-based payment			65,000		65,000				
Noncontrolling interests in operating partnership		\$ 623,000		\$ 623,000			\$ 386,000		
Partners' capital account, units		316,000	316,000	316,000	316,000	316,000	316,000	316,000	316,000
Loss attributable to noncontrolling interest		\$ 181,000	\$ 584,000	\$ 237,000	\$ 741,000				
Partnership Interest [Member]									
Class of Stock [Line Items]									
Partners' capital account, units		316,037		316,037					
Public Offerings [Member]									
Class of Stock [Line Items]									
Common stock, issued			10,200,000		10,200,000				
Mergers [Member]									
Class of Stock [Line Items]									
Common stock, issued			3,300,000		3,300,000				
Sponsor [Member]									
Class of Stock [Line Items]									
Shares sold	8,000								
Share price	\$ 25.00								
Aggregate purchase price	\$ 200,000								
Common stock, issued			8,000		8,000				

Schedule of shares outstanding (Details) - shares shares in Thousands	Jun. 30, 2025	Dec. 31, 2024	Jun. 30, 2024
Class of Stock [Line Items]			
Common Stock, Shares, Outstanding	13,640	13,640	13,640
Common Class A [Member]			
Class of Stock [Line Items]			
Common Stock, Shares, Outstanding	13,000		
Common Class T [Member]			
Class of Stock [Line Items]			
Common Stock, Shares, Outstanding	481		
Common Class I [Member]			
Class of Stock [Line Items]			
Common Stock, Shares, Outstanding	159		

The composition of the amounts due to related parties, net as of June 30, 2025 and December 31, 2024, is as follows (all \$ amounts in thousands): (Details) - USD (\$)	Jun. 30, 2025	Dec. 31, 2024
\$ in Thousands		
Related Party Transaction [Line Items]		
Operating expense reimbursement	\$ 1,021	\$ 267
Asset management fee (advance)	(1,421)	4,819
Accrued interest on related party notes	11,897	14,475

Total due to related parties, net	14,492	23,213
Property Manager [Member]		
Related Party Transaction [Line Items]		
Accounts payable to Moody Capital	2,995	3,127
Moody Capital [Member]		
Related Party Transaction [Line Items]		
Accounts payable to Moody Capital		\$ 525

Related Party Arrangements (Details Narrative) - USD (\$)	1 Months Ended		3 Months Ended		5 Months Ended	6 Months Ended		
	Jan. 18, 2018	Jan. 16, 2018	Jun. 30, 2025	Jun. 30, 2024	Jun. 12, 2017	Jun. 30, 2025	Jun. 30, 2024	Dec. 31, 2024
Related Party Transaction [Line Items]								
Special Limited Partnership Interests			\$ 1,000			\$ 1,000		\$ 1,000
Operating expenses						6,600,000		
Operating expenses incurred by Advisor						2,100,000		
Operating expenses reimbursed						2,100,000		
Operating expense reimbursement			1,021,000			1,021,000		267,000
Notes payable, related parties			28,000,000			28,000,000		50,000,000
Debt [Member]								
Related Party Transaction [Line Items]								
Notes payable, related parties			28,000,000			28,000,000		\$ 50,000,000
Advisor [Member]								
Related Party Transaction [Line Items]								
Operating expense reimbursement			\$ 1,000,000			1,000,000		
Parent Company [Member]								
Related Party Transaction [Line Items]								
Operating expenses						4,500,000		
Moody Securities LLC [Member]								
Related Party Transaction [Line Items]								
Percentage of selling commissions on gross offering		6.00%			7.00%			
Percentage of dealers manager fee on gross offering	2.50%				3.00%			
Affiliated Entity [Member]								
Related Party Transaction [Line Items]								
Payments for Commissions						9,700,000		
Dealer manager fees						\$ 8,500,000		
Percentage of organization and offering costs			15.00%			15.00%		
Initial public offering cost			\$ 21,100,000			\$ 21,100,000		
Offering cost directly incurred by company			12,300,000			12,300,000		
Reimbursed offering cost			8,800,000			8,800,000		
Offering costs payables			\$ 0			\$ 0		
Previous percentage of acquisition fee			1.50%			1.50%		
Percentage of acquisition fee			3.85%			3.85%		
Percentage of base acquisition fee			1.50%			1.50%		
Percentage of contingent advisor payment			2.35%			2.35%		
Debt financing fee percentage			1.00%			1.00%		
Debt financing fee refinanced percentage			0.75%			0.75%		
Asset Management Fee Percentage			1.00%			1.00%		
Maximum contract sales price percentage for disposition fee			3.00%			3.00%		
Maximum contract sales price percentage paid to unaffiliated parties			6.00%			6.00%		
Advisor expense reimbursement - alternative 1			2.00%			2.00%		
Advisor expense reimbursement - alternative 2			25.00%			25.00%		
Operating expenses exceeding limitation						\$ 0		
Affiliated Entity [Member] Asset Management [Member]								
Related Party Transaction [Line Items]								
Property manager property management fees			\$ 484,000	\$ 911,000		1,100,000	\$ 1,600,000	
Accounting fees			50,000	113,000		150,000	225,000	
Affiliated Entity [Member] IPO [Member]								
Related Party Transaction [Line Items]								
Initial public offering cost			18,400,000			18,400,000		
Offering cost directly incurred by company			12,300,000			12,300,000		
Reimbursed offering cost			6,100,000			6,100,000		
Affiliated Entity [Member] Follow-on offering [Member]								
Related Party Transaction [Line Items]								
Initial public offering cost			2,700,000			2,700,000		
Offering cost directly incurred by company			0			0		
Reimbursed offering cost			\$ 2,700,000			\$ 2,700,000		
Moody National Hospitality Management LLC [Member]								
Related Party Transaction [Line Items]								
Monthly hotel management fee percentage			4.00%			4.00%		
Agreement term						10 years		
Annual incentive fee fee percentage						15.00%		
Annual incentive fee in excess of percentage of investment in properties			8.50%			8.50%		
Moody National Hospitality Management LLC [Member] Investment Advisory, Management and Administrative Service [Member]								
Related Party Transaction [Line Items]								
Asset management fees			\$ 789,000	1,200,000		\$ 1,800,000	2,400,000	
Disposition fees payable			\$ 431,000	\$ 0		\$ 1,000,000	\$ 0	

Incentive Award Plan (Details Narrative) - USD (\$)	3 Months Ended		6 Months Ended	
	Jun. 30, 2025	Jun. 30, 2024	Jun. 30, 2025	Jun. 30, 2024
Share-Based Compensation Arrangement by Share-Based Payment Award [Line Items]				
Share-based payment arrangement, expense	\$ 0	\$ 0	\$ 0	\$ 0
Independent Directors Compensation Plan [Member] Restricted Stock [Member] Management [Member]				
Share-Based Compensation Arrangement by Share-Based Payment Award [Line Items]				
Share-Based Compensation Arrangement by Share-Based Payment Award, Equity Instruments Other than Options, Nonvested, Number	0		0	
Independent Directors Compensation Plan [Member] Restricted Stock [Member] Management [Member] IPO [Member]				
Share-Based Compensation Arrangement by Share-Based Payment Award [Line Items]				
Entitlement deferred compensation arrangement with individual shares issued			5,000	
Minimum offering amount threshold			\$ 2,000,000	

Deferred compensation arrangement with individual shares issued 1			5,000	
Deferred compensation arrangement with individual shares issued 2			2,500	
Incentive Award Plan and Independent Directors Compensation Plan [Member] Restricted Stock [Member]				
Share-Based Compensation Arrangement by Share-Based Payment Award [Line Items]				
Deferred compensation arrangement with individual shares issued 2			1,935,000	

Subordinated Participation Interest (Details Narrative)	Jun. 30, 2025
Subordinated Participation Interest	
Maximum percentage of income received to special unit holders	15.00%
Percentage of additional operating income received	6.00%
Percentage of cumulative annual return received	8.00%

The composition of the Company's restricted cash as of June 30, 2025 and December 31, 2024 are as follows (all \$ amounts in thousands): (Details) - USD (\$) \$ in Thousands	Jun. 30, 2025	Dec. 31, 2024
Commitments and Contingencies Disclosure [Abstract]		
Real estate taxes	\$ 2,141	\$ 4,927
Insurance		7
Hotel furniture and fixtures	3,894	7,649
Debt service	1,768	5,645
Property improvement plan	1,503	1,658
Total restricted cash	\$ 9,306	\$ 19,886

Commitments and Contingencies (Details Narrative) - Moody National REIT I, Inc. [Member] - USD (\$) \$ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2025	Jun. 30, 2024	Jun. 30, 2025	Jun. 30, 2024
Loss Contingencies [Line Items]				
Franchise fees	\$ 1.0	\$ 2.0	\$ 2.3	\$ 3.6
Minimum [Member]				
Loss Contingencies [Line Items]				
Term of franchise agreements			10 years	
Royalty fees on room revenue			3.00%	
Royalty fees on room revenue			1.50%	
Maximum [Member]				
Loss Contingencies [Line Items]				
Term of franchise agreements			20 years	
Royalty fees on room revenue			6.00%	
Royalty fees on room revenue			4.30%	

Income Taxes (Details Narrative) - USD (\$)	6 Months Ended Jun. 30, 2025	12 Months Ended Dec. 31, 2024
Operating loss carryforward		\$ 29,300,000
Net deferred tax assets		0
Deferred tax assets, valuation allowance		\$ 26,900,000
Description of loss carryforwards expiration	The Company has past years' federal and state tax operating loss carryforwards of the TRS that will generally expire in 2034 through 2039 if not utilized by then.	
Additional valuation allowance recorded		\$ 2,300,000
Moody National REIT I, Inc. [Member]		
Operating loss carryforward		\$ 8,300,000
Subsidiaries [Member]		
Operating loss carryforward		128,000,000
Capital Loss Carryforward [Member]		
Capital loss carry-forward		\$ 534,000

Below is a reconciliation between the provision for income taxes and the amounts computed by applying the federal income tax rate to the loss before taxes (all \$ amounts in thousands): (Details) - USD (\$) \$ in Thousands	3 Months Ended		6 Months Ended	
	Jun. 30, 2025	Jun. 30, 2024	Jun. 30, 2025	Jun. 30, 2024
Income Tax Disclosure [Abstract]				
Statutory federal tax benefit	\$ (1,681)	\$ (5,414)	\$ (2,191)	\$ (6,869)
Federal tax impact of REIT election	1,214	5,003	802	5,618
Statutory federal tax benefit at TRS	(467)	(411)	(1,389)	(1,251)
State Income tax expense, net of federal benefit	243	84	239	96
Change in valuation allowance	467	411	1,389	1,251
Income tax expense	\$ 243	\$ 84	\$ 239	\$ 96

The difference between income tax expense and the amount computed by applying the statutory federal income tax rate to the combined income of the Company's TRS before taxes were as follows: (Details) - USD (\$) \$ in Thousands	3 Months Ended		6 Months Ended	
	Jun. 30, 2025	Jun. 30, 2024	Jun. 30, 2025	Jun. 30, 2024
Loss before income tax expense	\$ (7,761)	\$ (25,698)	\$ (10,194)	\$ (32,614)
Statutory rate at 21%	(467)	(411)	\$ (1,389)	(1,251)
Statutory rate			21.00%	
Effect of state and local income taxes, net of federal tax benefit	243	84	\$ 239	96
Change in valuation allowance	467	411	1,389	1,251
Income tax expense	243	84	239	96
Subsidiaries [Member]				
Loss before income tax expense	\$ (2,225)	\$ (1,954)	\$ (6,615)	\$ (5,956)

Liquidity and Going Concern (Details Narrative) \$ in Thousands	6 Months Ended Jun. 30, 2025 USD (\$)
Matured loans payable	\$ 51,300
Debt maturing within one year	\$ 52,065
Substantial Doubt about Going Concern, within One Year [true/false]	true

Related Party (Member)	
Debt maturing within one year	\$ 20,000