

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 20, 2017 (March 16, 2017)

MOODY NATIONAL REIT II, INC.

(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or other jurisdiction
of incorporation)

333-198305
(Commission File Number)

47-1436295
(I.R.S. Employer
Identification No.)

6363 Woodway Drive, Suite 110
Houston, Texas 77057
(Address of principal executive offices, including zip code)

(713) 977-7500
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Item 1.01 Entry Into a Material Definitive Agreement.

As described below in Item 8.01, on March 16, 2017, the board of directors (the “Board”) of Moody National REIT II, Inc. (the “Company”), including all of the independent directors of the Board, determined an estimated value per share of the Company’s common stock as of December 31, 2016 of \$25.04. Also on March 16, 2017, as described below in Item 8.01, the Board determined to change the purchase price per share in the primary portion of the Company’s ongoing public offering to \$27.82, effective beginning April 3, 2017, and to change the purchase price per share pursuant to the Company’s distribution reinvestment plan (the “DRP”) to \$25.04, effective beginning with distributions made in April 2017. In connection with such changes, on March 20, 2017, the Company entered into Amendment No. 1 (the “Amendment”) to the Amended and Restated Dealer Manager Agreement dated January 15, 2016 (the “Dealer Manager Agreement”) by and among the Company, Moody National Operating Partnership II, L.P., the Company’s operating partnership and Moody Securities, LLC, the dealer manager for the Company’s ongoing public offering, to update the purchase price references in the Dealer Manager Agreement to reflect that the Company will offer shares (i) to the public in the primary portion of its ongoing public offering at a purchase price per share of \$27.82, which is equal to the estimated value per share of \$25.04 as of December 31, 2016, plus applicable selling commissions and dealer manager fees, subject to any applicable discounts; and (ii) to the Company’s stockholders pursuant to the Company’s amended and restated distribution reinvestment plan (the “Amended DRP”) at a purchase price per share of \$25.04, which is equal to the estimated value per share of \$25.04 as of December 31, 2016.

The foregoing summary is qualified in its entirety by the Amendment, a copy of which is attached hereto as Exhibit 1.1 and is incorporated into this Item 1.01 by reference.

Item 7.01 Regulation FD Disclosure

The Company is sending a letter to its stockholders, dated March 20, 2017, regarding the Board’s approval of the Amended DRP, as described in Item 8.01 below. The full text of the letter is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 7.01.

The information furnished under this Item 7.01, including Exhibit 99.1 incorporated herein, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filings under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 8.01. Other Events.

Determination of Estimated Value Per Share

Background

On March 16, 2017, the Board, including all of the independent directors on the Board, determined an estimated value per share of the Company’s common stock of \$25.04 as of December 31, 2016. The Company is providing the estimated value per share to assist broker-dealers in complying with certain rules of the Financial Industry Regulatory Authority, Inc. (“FINRA”). In determining an estimated value per share of the Company’s common stock, the Board relied upon information provided in a report (the “Valuation Report”) provided by the Company’s advisor, Moody National Advisor II, LLC (the “Advisor”), the recommendation of the Audit Committee of the Board (the “Audit Committee”) and the Board’s experience with, and knowledge of, the Company’s real property and other assets as of December 31, 2016.

The objective of the Board in determining the estimated value per share of the Company’s common stock was to arrive at a value, based on recent, available data, that the Board believed was reasonable based on methods that it deemed appropriate after consultation with the Advisor and the Audit Committee. Accordingly, the Advisor performed the valuation of the Company’s common stock in accordance with Practice Guideline 2013-01, Valuations of Publicly Registered Non-Listed REITs, issued by the Investment Program Association in April 2013. To assist the Advisor in its performance of the valuation of the Company’s common stock, the Advisor engaged CBRE, Inc. – Valuation & Advisory Services and Landauer Valuation & Advisory, a division of Newmark Grubb Knight Frank, (together, the “Appraisers”) to provide appraisals of the fair value of the Company’s investment in hotel properties.

The estimated value per share is based on (x) the estimated value of the Company's assets less the estimated value of the Company's liabilities divided by (y) the number of outstanding shares of the Company's common stock, all as of December 31, 2016.

Valuation Summary

The following is a summary of the valuation methods used on the Company's assets and liabilities and the results of the valuation.

Real Estate Investments. As of December 31, 2016, the Company owned two hotel properties. The Board determined the fair value of the Company's investment in hotel properties to be \$116,000,000 as of that date. This determination was based on appraisals of the fair value of the Company's investment in hotel properties performed by the Appraisers, which appraisals were included in the Valuation Report.

Material Assumptions in Property Valuation. The Appraisers made certain key assumptions in the discounted cash flow models that they used to value the Company's investment in hotel properties, which are set forth below:

Capitalization rate	7.50%
Discount rate	9.50%

While the Company believes that the Appraisers' assumptions are reasonable, a change in these assumptions would significantly impact the appraised values of the Company's investment in hotel properties and thus, the Company's estimated value per share. The table below illustrates the impact on the Company's estimated value per share if the capitalization rate and discount rate listed above were increased or decreased by 2.5%, assuming all other factors remain unchanged:

	Increase (Decrease) in the Estimated Value per Share due to	
	Decrease of 2.5%	Increase of 2.5%
Capitalization rate	\$ 0.44	\$ (0.47)
Discount rate	\$ 0.56	\$ (0.60)

Note Receivable. The Valuation Report contained an estimated fair value of a note receivable held by the Company as equal to its carrying value as of December 31, 2016. The Board determined that the value of such note as of December 31, 2016 was \$11,200,000.

Notes Payable. The Valuation Report contained an estimated value of the Company's notes payable as equal to their fair value as of December 31, 2016. The Board determined that the fair value of the Company's notes payable as of December 31, 2016 was \$69,975,000.

Other Assets and Liabilities. The Valuation Report contained the Company's other assets and liabilities, consisting primarily of cash and cash equivalents, restricted cash, earnest money deposit, deferred franchise costs, accounts receivable, and prepaid expenses, other assets and accounts payable and accrued expenses. The fair value of other assets and liabilities were considered by the Board to be equal to their carrying value as of December 31, 2016 due to their short maturities.

Estimated Value Per Share. The estimated value per share was based upon 3,173,348 shares of the Company's common stock outstanding as of December 31, 2016. Although the estimated value per share has been developed as a measure of value as of December 31, 2016, a specific date, the estimated value per share does not reflect a liquidity discount for the fact that the shares are not currently traded on a national securities exchange or the limited nature in which a stockholder may redeem shares under the Company's share repurchase program, which is currently suspended pending the completion of the Company's merger with Moody National REIT I, Inc., a discount for the non-assumability or prepayment obligations associated with certain of the Company's debt, or a discount for the Company's corporate-level overhead.

The following table presents how the estimated value per share was determined as of December 31, 2016:

Investment in hotel properties	\$ 116,000,000
Cash, cash equivalents and restricted cash	21,447,616
Note receivable	11,200,000
Other assets	3,121,418
	<u>\$ 151,769,034</u>
Notes payable	\$ 69,975,000
Other liabilities	1,885,834
Special limited partnership interests	1,000
Noncontrolling interest in Operating Partnership	450,691
Total liabilities, special limited partnership interests and noncontrolling interest in Operating Partnership	<u>\$ 72,312,525</u>
Estimated value	<u>\$ 79,456,509</u>
Common stock outstanding	3,173,348
Estimated value per share	\$ 25.04

As of December 31, 2016, the Company's estimated value per share was allocated on a per share basis as follows:

Investment in hotel properties	\$ 36.55
Notes payable	(22.05)
Other assets, liabilities, and special limited partnership interests	10.68
Noncontrolling interest in Operating Partnership	(0.14)
Estimated value per share	<u>\$ 25.04</u>

Limitations of Valuation Method

FINRA rules provide limited guidance on the methods an issuer must use to determine its estimated value per share. As with any valuation method, and as noted above, the methods used to determine the Company's estimated value per share were based upon a number of assumptions, estimates and judgments that may not be accurate or complete. The estimated value per share determined by the Board is not a representation, warranty or guarantee that, among other things:

- a stockholder would be able to realize the estimated value per share if such stockholder attempts to sell his or her shares;
- a stockholder would ultimately realize distributions per share equal to the estimated value per share upon liquidation of the Company's assets and settlement of the Company's liabilities or if the Company were sold;
- shares of the Company's common stock would trade at the estimated value per share on a national securities exchange;
- a third party would offer the estimated value per share in an arms-length transaction to purchase all or substantially all of the shares of the Company's common stock; or
- the methods used to determine the estimated value per share would be acceptable to FINRA, the Securities and Exchange Commission, any state securities regulatory entity or in accordance with Employee Retirement Income Security Act of 1974, as amended, with respect to their respective requirements.

Updated Purchase Price in the Company's Primary Offering and Under the DRP

In connection with the determination of the estimated value per share of the Company's common stock, the Board also determined to change the per share price of the Company's common stock in the Company's ongoing public offering. Accordingly, the Company will offer its shares (i) to the public in the primary portion of its ongoing public offering at a purchase price per share of \$27.82, which is equal to the estimated value per share of \$25.04 as of December 31, 2016, plus applicable selling commissions and dealer manager fees, subject to any applicable discounts, all as described in the prospectus for the Company's ongoing public offering, effective beginning April 3, 2017, and (ii) to the Company's stockholders pursuant to the Amended DRP at a purchase price per share of \$25.04, which is equal to the estimated value per share of \$25.04 as of December 31, 2016, effective beginning with distributions made in April 2017.

Amended and Restated Distribution Reinvestment Plan

The DRP provides that the Board may from time to time change the price at which Participants (as defined in the DRP) will acquire shares from the Company pursuant to the DRP. The DRP further allows the Board to amend the DRP by majority vote (including a majority of the independent directors of the Board). In connection with setting a new purchase price under the DRP based on the Company's estimated net asset value per share, the Board voted to adopt the Amended DRP to reflect (i) the new purchase price of \$25.04 per share and (ii) that following any subsequent determination of an estimated value per share of the Company's common stock, the Company will sell shares under the DRP at 100% of the most recently determined estimated value per share.

The foregoing summary is qualified in its entirety by the Amended DRP, a copy of which is attached hereto as Exhibit 4.1 and is incorporated into this Item 8.01 by reference.

Forward-Looking Statements

The foregoing includes forward-looking statements within the meaning of the Federal Private Securities Litigation Reform Act of 1995. The Company intends that such forward-looking statements be subject to the safe harbors created by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements are only predictions. The Company cautions that forward-looking statements are not guarantees. These statements include statements regarding the intent, belief or current expectations of the Company and members of its management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as "may," "will," "seeks," "anticipates," "believes," "estimates," "expects," "plans," "should," "could," "intends," "continues," "predicts," "potential," or the negative of such terms and other similar expressions. Further, forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, unless required by law. Actual results may differ materially from those contemplated by such forward-looking statements. The appraisal methodology for the Company's real estate properties assumes the properties realize the projected net operating income and that investors would be willing to invest in such properties at similar capitalization rates. Though the appraisals of the real estate properties, with respect to the Appraisers, and the valuation estimates used in calculating the estimated value per share, with respect to the Advisor and the Company, are the respective party's best estimates, the Company can give no assurance in this regard. Even small changes to these assumptions could result in significant differences in the appraised values of the Company's real estate properties and the estimated value per share. The forward-looking statements also depend on factors such as: future economic, competitive and market conditions; the Company's ability to maintain occupancy and room rates at its hotel properties; and other risks identified in Part I, Item IA of the Company's Annual Report on Form 10-K for the year ended December 31, 2015, and Part II, Item 1A of the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2016, each as filed with the SEC. Actual events may cause the value and returns on the Company's investments to be less than that used for purposes of the Company's estimated value per share.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
1.1	Amendment No. 1 to the Amended and Restated Dealer Manager Agreement, dated as of March 20, 2017, between Moody National REIT II, Inc., Moody National Operating Partnership II, L.P. and Moody Securities, LLC
4.1	Amended and Restated Distribution Reinvestment Plan
99.1	Letter to Stockholders Regarding Amended and Restated Distribution Reinvestment Plan

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: March 20, 2017

MOODY NATIONAL REIT II, INC.

By: /s/ Brett C. Moody

Brett C. Moody

Chief Executive Officer and President

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
1.1	Amendment No. 1 to the Amended and Restated Dealer Manager Agreement, dated as of March 20, 2017, between Moody National REIT II, Inc., Moody National Operating Partnership II, L.P. and Moody Securities, LLC
4.1	Amended and Restated Distribution Reinvestment Plan
99.1	Letter to Stockholders Regarding Amended and Restated Distribution Reinvestment Plan

**AMENDMENT NO. 1
TO THE
AMENDED AND RESTATED DEALER MANAGER AGREEMENT**

This Amendment No. 1 to the Amended and Restated Dealer Manager Agreement (this "Amendment") is made and entered into as of March 20, 2017 by and among Moody Securities, LLC (the "Dealer Manager"), Moody National REIT II, Inc. (the "Company"), and Moody National Operating Partnership II, L.P. (the "Operating Partnership"). The Dealer Manager, the Company and the Operating Partnership are collectively referred to herein as the "Parties." Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Agreement (as defined below).

WITNESSETH

WHEREAS, the Parties previously entered into that certain Amended and Restated Dealer Manager Agreement, dated January 15, 2016 (the "Agreement") pursuant to which the Dealer Manager agreed to sell Primary Shares at an initial purchase price per share of \$25.00;

WHEREAS, on March 16, 2017, the Company's Board of Directors determined an estimated value per share of \$25.04 for shares of the Company's common stock as of December 31, 2016 and resolved to update the purchase price per DRIP Share to \$25.04 and Primary Share to \$27.82 in connection with such determination;

WHEREAS, Section 6 of the Agreement contemplates that the purchase price per Primary Share sold by the Dealer Manager in the Offering will be updated by the Company's board of directors from time to time; and

WHEREAS, in accordance with Section 13.3 of the Agreement, the Dealer Manager, the Company and the Operating Partnership desire to amend the Agreement to reflect the updated purchase price per Primary Share and DRIP Share.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and the mutual promises contained herein, the parties hereto agree as follows:

- 1. Amendment to Agreement.** The Parties hereby agree that, effective April 3, 2017, all purchase price references in the Agreement shall be amended to reflect a purchase price per Primary Share of \$27.82 and a purchase price per DRIP Share of \$25.04.
 - 2. Notice.** The Dealer Manager hereby agrees to provide notice to the Participating Dealers of the amendments to the Agreement described herein promptly following the execution of this Amendment.
 - 3. Continued Effect.** Except as specifically set forth herein, all other terms and conditions of the Agreement shall remain unmodified and in full force and effect, the same being confirmed and republished hereby. In the event of any conflict between the terms of the Agreement and the terms of this Amendment, the terms of this Amendment shall control.
 - 4. Entire Agreement.** This Amendment, together with the Agreement, represents the entire agreement related to the transactions contemplated hereby and thereby, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged herein.
 - 5. Governing Law.** This Amendment will be interpreted and enforced in accordance with, and governed exclusively by, the laws of the State of Delaware, excluding the conflicts of law provisions thereof.
-

6. Counterparts; Signature. The Parties may sign any number of copies of this Amendment. Each signed copy shall be an original, but all of them together represent the same agreement. Delivery of an executed counterpart of a signature page of this Amendment or any document or instrument delivered in connection herewith by telecopy or other electronic method shall be effective as delivery of a manually executed counterpart of this Amendment or such other document or instrument, as applicable.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first written above.

MOODY NATIONAL REIT II, INC.

By: /s/ Brett C. Moody

Name: Brett C. Moody

Title: Chief Executive Officer and President

MOODY NATIONAL OPERATING PARTNERSHIP II, L.P.

By: Moody National REIT II, Inc.
its General Partner

By: /s/ Brett C. Moody

Name: Brett C. Moody

Title: Chief Executive Officer and President

MOODY SECURITIES, LLC

By: /s/ Melinda G. LeGaye

Name: Melinda G. LeGaye

Title: President

[Signature Page to First Amendment to Amended and Restated Dealer Manager Agreement]

AMENDED AND RESTATED DISTRIBUTION REINVESTMENT PLAN

This AMENDED AND RESTATED DISTRIBUTION REINVESTMENT PLAN (the “Plan”) is adopted by Moody National REIT II, Inc., a Maryland corporation (the “Company”), pursuant to its charter (the “Charter”). Unless otherwise defined herein, capitalized terms shall have the same meaning as set forth in the Charter.

1. ***Distribution Reinvestment.*** As agent for the stockholders (the “Stockholders”) of the Company who purchase shares of the Company’s common stock (“Shares”) pursuant to the Company’s initial public offering (the “Initial Offering”) or any future offering of the Shares (“Future Offering”), and who elect to participate in the Plan (the “Participants”), the Company will apply all distributions declared and paid in respect of the Shares held by each Participant (the “Distributions”), including Distributions paid with respect to any full or fractional Shares acquired under the Plan, to the purchase of Shares for such Participants directly, if permitted under state securities laws and, if not, through the Dealer Manager or Soliciting Dealers registered in the Participant’s state of residence.

2. ***Effective Date.*** The effective date of this Plan shall be the tenth day following the delivery of written notice of the adoption of the Plan to Participants.

3. ***Procedure for Participation.*** Any Stockholder who has received a Prospectus, as contained in the registration statement filed by the Company with the Securities and Exchange Commission (the “SEC”), may elect to become a Participant by completing and executing the subscription agreement, an enrollment form or any other appropriate authorization form as may be made available by the Company, the Dealer Manager or the Soliciting Dealer. Participation in the Plan will begin with the next Distribution payable after acceptance of a Participant’s subscription, enrollment or authorization. Shares will be purchased under the Plan on the date that Distributions are paid by the Company.

4. ***Suitability.*** Each Participant is requested to promptly notify the Company in writing if the Participant experiences a material change in his or her financial condition, including the failure to meet the income, net worth and investment concentration standards imposed by such Participant’s state of residence and set forth in the Company’s most recent prospectus. For the avoidance of doubt, this request in no way shifts to the Participant the responsibility of the Sponsor, or any other person selling shares on behalf of the Company to the Participant to make every reasonable effort to determine that the purchase of Shares is a suitable and appropriate investment based on information provided by such Participant.

5. ***Purchase of Shares.***

(a) Participants will acquire Shares from the Company under the Plan (the “Plan Shares”) at a price equal to the Company’s current estimated value per Share or, \$25.04 per Share. Following any subsequent valuation of the Shares, the shares issued pursuant to the Plan will be priced at 100% of the most recently determined estimated value per share of the Shares. Participants may acquire Shares from the Company under the Plan until the earliest of (a) all the Plan Shares registered in the Initial Offering or any Future Offering are issued, (b) the Initial Offering and any Future Offering of Plan Shares terminate and the Company elects to deregister with the SEC the unsold Plan Shares, or (c) there is more than a de minimis amount of trading in the Shares, at which time any registered Plan Shares then available under the Plan will be sold at a price equal to the fair market value of the Shares, as determined by the Board of Directors by reference to the applicable sales price with respect to the most recent trades occurring on or prior to the relevant Distribution date. Participants in the Plan may also purchase fractional Shares so that 100% of the Distributions will be used to acquire Shares. However, a Participant will not be able to acquire Plan Shares to the extent that any such purchase would cause such Participant to exceed the Aggregate Share Ownership Limit or the Common Share Ownership Limit as set forth in the Charter or otherwise would cause a violation of the Share ownership restrictions set forth in the Charter.

(b) Shares to be distributed by the Company in connection with the Plan may (but are not required to) be supplied from: (a) the Plan Shares which will be registered with the SEC in connection with the Company’s Initial Offering, (b) Shares to be registered with the SEC in a Future Offering for use in the Plan (a “Future Registration”), or (c) Shares purchased by the Company for the Plan in a secondary market (if available) or on a stock exchange (if listed) (collectively, the “Secondary Market”).

(c) Shares purchased in any Secondary Market will be purchased at the then-prevailing market price, which price will be utilized for purposes of issuing Shares in the Plan. Shares acquired by the Company in any Secondary Market or registered in a Future Registration for use in the Plan may be at prices lower or higher than the Share price which will be paid for the Plan Shares pursuant to the Initial Offering.

(d) If the Company acquires Shares in any Secondary Market for use in the Plan, the Company shall use its reasonable efforts to acquire Shares at the lowest price then reasonably available. However, the Company does not in any respect guarantee or warrant that the Shares so acquired and purchased by the Participant in the Plan will be at the lowest possible price. Further, irrespective of the Company's ability to acquire Shares in any Secondary Market or to make a Future Offering for Shares to be used in the Plan, the Company is in no way obligated to do either, in its sole discretion.

6. Taxes. IT IS UNDERSTOOD THAT REINVESTMENT OF DISTRIBUTIONS DOES NOT RELIEVE A PARTICIPANT OF ANY INCOME TAX LIABILITY WHICH MAY BE PAYABLE ON THE DISTRIBUTIONS. INFORMATION REGARDING POTENTIAL TAX INCOME LIABILITY OF PARTICIPANTS MAY BE FOUND IN THE PUBLIC FILINGS MADE BY THE COMPANY WITH THE SEC.

7. Share Certificates. The ownership of the Shares purchased through the Plan will be in book-entry form unless and until the Company issues certificates for its outstanding common stock.

8. Reports. Within 90 days after the end of the Company's fiscal year, the Company shall provide each Stockholder with an individualized report on such Stockholder's investment, including the purchase date(s), purchase price and number of Shares owned, as well as the dates of Distributions and amounts of Distributions paid during the prior fiscal year. In addition, the Company shall provide to each Participant an individualized quarterly report at the time of each Distribution payment showing the number of Shares owned prior to the current Distribution, the amount of the current Distribution and the number of Shares owned after the current Distribution.

9. Termination by Participant. A Participant may terminate participation in the Plan at any time, without penalty, by delivering to the Company a written notice. Prior to the listing of the Shares on a national stock exchange, any transfer of Shares by a Participant to a non-Participant will terminate participation in the Plan with respect to the transferred Shares. If a Participant terminates Plan participation, the Company will ensure that the terminating Participant's account will reflect the whole number of shares in such Participant's account and provide a check for the cash value of any fractional share in such account. Upon termination of Plan participation for any reason, Distributions will be distributed to the Stockholder in cash.

10. Amendment, Suspension or Termination of Plan by the Company. The Board of Directors may by majority vote (including a majority of the Independent Directors) amend, suspend or terminate the Plan for any reason upon ten days' written notice to the Participants; provided, however, that the Board of Directors may not so amend the Plan to restrict or remove the right of Participants to terminate participation in the Plan at any time without penalty.

11. Liability of the Company. The Company shall not be liable for any act done in good faith, or for any good faith omission to act, including, without limitation, any claims or liability (a) arising out of failure to terminate a Participant's account upon such Participant's death prior to receipt of notice in writing of such death; or (b) with respect to the time and the prices at which Shares are purchased or sold for a Participant's account. To the extent that indemnification may apply to liabilities arising under the Securities Act of 1933, as amended, or the securities laws of a particular state, the Company has been advised that, in the opinion of the SEC and certain state securities commissioners, such indemnification is contrary to public policy and, therefore, unenforceable.



6363 Woodway Drive, Suite 110 ▪ Houston, TX 77057
Phone: 713-977-7500 ▪ Fax: 713-977-7505 ▪ moodynational.com

March 20, 2017

To Our Stockholders:

On March 16, 2017, the board of directors of Moody National REIT II, Inc. approved an amended and restated distribution reinvestment plan, which will become effective with respect to distributions made in April 2017. Pursuant to the amended and restated distribution reinvestment plan, we will offer shares of our common stock to our stockholders at a price of \$25.04 per share, which is equal to our estimated per share value of our common stock as of December 31, 2016.

A copy of the complete terms of our amended and restated distribution reinvestment plan is included with this letter.

We thank you for your continued support of Moody National REIT II, Inc.

Sincerely,

/s/ Brett C. Moody

Brett C. Moody
Chief Executive Officer and President
