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September 3, 2013

Securities and Exchange Commission
100 F St. NW
Washington, DC 20549-9303
Rule-comments@sec.gov

RE: Release No. 34-69477; File No. 81-939

Application of W2007 Grace Acquisition I, Inc. (f/k/a Equity Inns, SEC CIK # 0000916530) under Section 12(h) of the Securities Exchange Act of 1934

Dear Securities and Exchange Commission:

For the record, here is an update on this soap opera.² It appears that the Company has dropped plans to go through the pretense of holding an election to fill the vacant positions on its board of directors that belong to the preferred shareholders. Instead, it appears that an affiliate of the Company is preparing a tender offer for the remaining shares, as seen from the following press release:

¹ I am also on the boards of directors of the EDGA and EDGX stock exchanges. My comments are strictly my own and don't necessarily represent those of Georgetown University, the University of Pennsylvania, EDGX, EDGA, or anyone else for that matter.

² For more background, this comment letter should be read in conjunction with my previous comment letters, which can be found at <http://www.sec.gov/comments/81-939/81939-36.pdf> and <http://www.sec.gov/comments/81-939/81939-26.pdf>.

**W2007 GRACE ACQUISITION I, INC.
SERIES B AND SERIES C PREFERRED SHARES**

IRVING, TEXAS — August 13, 2013 — W2007 Grace Acquisition I, Inc. (the “Company”) today announced that PFD Holdings, LLC (“PFD”), an affiliate of the Whitehall funds, notified the Company that it has recently acquired 24.3% of the aggregate amount of issued and outstanding Series B and Series C preferred shares of the Company, which acquired shares remain outstanding. PFD now owns 58.8% of the outstanding preferred shares.

PFD has also informed the Company of its intention to consider a tender offer for the remaining preferred shares of the Company later in 2013.

In light of these events, the Company has postponed the special meeting of the preferred shareholders for the purpose of electing two additional directors to the Company’s Board of Directors.

The Amended and Restated Charter of W2007 Grace Acquisition I, Inc. is available on the Company’s website, www.equityinns.com, and contains a description of the 8.75% Series B Cumulative Preferred Stock and 9.00% Series C Cumulative Preferred Stock.

CONTACT: W2007 Grace Acquisition I, Inc.
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I urge the SEC to monitor this situation closely as it continues to bring up serious issues of investor protection. In particular, PFD has been acquiring shares in this firm from other investors when there is no public information available regarding the Company. They are clearly trading on material nonpublic information, likely obtained from the Company in apparent violation of the insider trading laws.

Given the long and sustained history of hostile actions by the Company against its preferred shareholders, it is conceivable that its affiliate will attempt a coercive tender offer at a price far below the fair price of the \$25 par value plus the accrued but unpaid dividends. As this case receives serious media scrutiny, the SEC’s actions – or lack thereof – will be highly visible and send a strong signal about the SEC’s willingness to protect shareholders.

Again, given the growing number of public companies that will not have SEC reporting obligations resulting from the JOBS Act, it is essential that the SEC adopt policies that protect the public shareholders in these companies. The SEC should promulgate a list of best practices for public non-registrants that include the public posting on company websites of relevant financial and other information, along with fair disclosure of information.

Respectfully submitted,

James J. Angel, Ph.D., CFA