

5/17/2013

Securities and Exchange Commission
Station Place
100 F Street, NE
Washington, DC 20549-1090

Attention: Elizabeth M. Murphy, Secretary

RE: File Number 81-939 Application of W2007 Grace Acquisition I, Inc. under section 12(h) of The Securities Exchange Act of 1934

Ladies and Gentlemen:

I am writing on behalf of thirteen persons in all: myself and my wife, my mother, brother, two sisters, daughter, grandson, two nieces, my father's estate and two other family members. Combined, as a family unit, we own a total of 19,250 shares of the class B and C preferred stock of W2007 Grace Acquisition I, Inc. Each individual owns his or her own shares.

We believe a hearing by the SEC is highly desirable for the purpose of considering the application of W2007 Grace for continued exemption from reporting pursuant to Section 12(h) of the Exchange Act and to relieve the Company from having to once again become a reporting issuer under section 15(d) of the Exchange Act.

The Company's Application argues on pages 9 through 12: "Section 12(h) provides 'broad authority to exempt issuers from registration requirements of section 12(g)'. In particular, Section 12 (h) of the Exchange Act allows the Staff to exempt an issuer from reporting requirements of Section 15(d) if the Staff finds that exceptive relief 'by reason of the number of public investors, amount of trading interest in the security, the nature and extent of the activities of the issuer, income and assets of the issuer, or otherwise, that such action is consistent with the public interest or the protection of investors.'" The Application continues after this paragraph to explain why the SEC should approve it.

We believe a hearing requesting more complete information on the following five issues noted on page 9 through 12 may allow the SEC to be better informed in making its decision.

Issue one: Number of Public Investors. We understand the concept of "holders in street name vs. beneficial owners" and believe the Company needs to disclose the total number of "beneficial owners", who are the individuals really affected by their actions.

Issue two: Trading Interest. The trading interest in the past year has apparently been very high. An affiliate of the Company bought over **two million** shares of the outstanding 5.85 million shares of the preferred stock of the Company.

Issue three: Nature and Extent of the Activities of Issuer. The SEC needs a complete disclosure of the affiliated party transactions of the Company and an understanding of how those transactions have affected the shareholders.

Issue four: Income and Assets of the Issuer. If the Company believes that a company with **\$1.6 Billion** of assets that owns **130 hotels** is not of sufficient size to require reporting to its shareholders, then at what threshold does it believe a company should report to its shareholders?

Issue five: Other factors. The SEC should determine why, during the past five years, the Company has found it necessary to operate in a secret manner and has stonewalled the attempts of the shareholders to understand management's plans for the Company. They need to explain why this management philosophy has been consistent with the public interest or the protection of investors.

We believe that the Company should be required, in a hearing, to demonstrate to the SEC and to the shareholders that the Company has met its fiduciary responsibility to the shareholders and has not put the interests of its many affiliates before those of the shareholders.

If, in a hearing with its shareholders present, the Company is able to satisfy the SEC that it has acted in a manner consistent with the public interest or the protection of its investors, then the Company should be granted a continuing exemption. If they can not, then they need to comply with the disclosures required by the SEC.

Sincerely,

Gary D. Stillwell