

Subject: File No. 81-939
From: Frederick A. Shearin
Affiliation: Grace Series C Preferred Shareholder

May 22, 2013

**Regarding Notice of an Application of W2007 Grace Acquisition I, Inc. under Section 12(h) of the Securities Exchange Act of 1934
File No 81-939**

I hold 10,000 Shares of Grace Preferred Series C in a retirement account.

I write to oppose the exemption sought by the Company [W2007 Grace Acquisition I, Inc].

My wife and I are both retired and besides Social Security and one piece of real estate, our IRAs are our only source of income. I respectfully ask that the SEC stand in defense of individual investors like me. This request by Grace Acquisition/Goldman Sachs is the most recent step in a long-going series of moves by Goldman Sachs to use their vast resources to take advantage of the investors in the former Equity Inns Series B and Series C Preferred Stocks.

In 2007, since I live in the same city that the former Equity Inns was headquartered and was the owner of both Equity Inns Common stock as well as the Series C Preferred, I was able to attend the shareholders meeting that approved the sale of what had been a well-run company to the newly created subsidiary of Goldman Sachs. I personally voted my common shares against the sale. At that meeting, after the troubling information regarding the future of the preferred stocks was announced (shares to not be listed on any exchange, etc.), I asked the officers of Equity Inns how many shares of the preferred stocks they owned. Their answer was none. I believe that explains why the terms of the sale did nothing to protect the interests of the preferred shareholders.

After the sale, Goldman Sachs, through their subsidiary, began a program of discouraging the Preferred Shares investors. These actions included but were not limited to

1. Delisting the shares from a public exchange.
2. Severely limiting the financial data available to the preferred shareholders.
3. Being extremely slow in responding to requests from preferred shareholders for financial performance data.
4. Being late in publishing financial reports.
5. Stating that dividends could not be paid due to financial covenants.
6. Not disclosing the terms and covenants of the financing loan.
7. Not disclosing that the financing was with another Goldman Sachs entity.

8. Preferred Shareholders have been unable to gain the two seats on the board that we are allowed due to multiple occasions of failure to achieve a quorum.
9. Most recently, they specified that nominations to the two seats on the board be mailed to an incorrect address.

Now, it has come to light that Goldman Sachs, through one or more of its subsidiaries, has been buying up the same shares that they have been “talking down.”

Unfortunately but understandably, it is the belief of many small investors, that Goldman Sachs is “untouchable” by the regulatory agencies due to their many well placed connections in government. I call for you to act on behalf of the public and especially small investors like myself. I call for a full investigation and appropriate regulatory action against Grace Acquisition and all other Goldman Sachs entities involved in this misconduct.

In conclusion, I request that the exemption **not** be granted and that the fullest disclosure and transparency be required of the Company.

Very truly yours,

Frederick A. Shearin