

Sunstone Hotel Investors, Inc.  
 Form 3/A  
 February 09, 2007

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0104  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Wagner William M		(Month/Day/Year)	Sunstone Hotel Investors, Inc. [SHO]	
(Last)	(First)	(Middle)	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
		05/30/2006		06/07/2006
903 CALLE AMANECER, SUITE 100			(Check all applicable)	
(Street)			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
SAN CLEMENTE, CA 92673			<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Form filed by One Reporting Person
(City)	(State)	(Zip)	SVP & Chief Accounting Officer	<input type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	9,787 <sup>(1)</sup>	D	^

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
--	--	---	--	--	---

Date Exercisable	Expiration Date	Amount or Number of Shares	or Indirect (I) (Instr. 5)
---------------------	--------------------	----------------------------------	----------------------------------

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Wagner William M 903 CALLE AMANECER SUITE 100 SAN CLEMENTE, CA 92673	^	^	^ SVP & Chief Accounting Officer	^

## Signatures

/s/ William M.                      02/09/2007  
Wagner

\_\_Signature of                      Date  
Reporting Person

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

These shares include 1,053 shares that were omitted from the Reporting Person's original Form 3 and also were omitted from Forms 4 filed by the Reporting Person prior to the date of the filing of this amended Form 3. These 1,053 shares are subject to the satisfaction of

(1) vesting conditions with vesting occurring on October 26, 2006 and each anniversary of October 26 through and including October 26, 2009. The remaining 8,684 of these shares are subject to the satisfaction of vesting conditions over a three year period, with the first vesting occurring on February 9, 2007.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.