

## **MVP: Gibson Dunn's Sean Tierney**

By **Joyce Hanson**

*Law360 (October 16, 2023, 1:08 PM EDT)* -- Sean Tierney of Gibson Dunn & Crutcher LLP helped advise a joint venture in its \$835 million post-pandemic acquisition of The Diplomat Beach Resort in Hollywood, Florida, and also represented a joint venture as it reopened Manhattan's Hilton Times Square, winning him a place among Law360's 2023 Hospitality MVPs.

### ***His biggest accomplishment this year:***

Tierney, a partner in Gibson Dunn's real estate department, says his biggest accomplishment in the past year was his work as lead counsel, negotiator and draftsman of the acquisition and closing documents for Trinity Real Estate Investments LLC and Credit Suisse Asset Management's \$835 million joint venture purchase of The Diplomat Beach Resort.

"The fact that the hotel was bought by Trinity and Credit Suisse in their joint venture was a massive accomplishment," Tierney said. "That hotel is an incredibly complicated asset legally but a trophy asset from a fiscal perspective. When you look at it, it's a stunningly beautiful hotel and a landmark destination asset for Trinity and Credit Suisse."

He noted that the transaction that closed in February straddled some "incredibly interesting" economic periods, and the legal team was able to navigate choppy waters on behalf of the joint venture to execute the acquisition.

"It was a signal to the marketplace that Trinity Investments is an important and material player in the marketplace and that the hospitality industry is capable of maneuvering strong economic headwinds in a way that other asset classes haven't been able to do," Tierney said.

### ***His proudest moment in the past year:***

Tierney pinpoints his proudest moment in the past year as being the early February closing date for The Diplomat Beach Resort. He said Honolulu-headquartered Trinity and Zurich-based Credit Suisse's teams worked long and hard on the joint venture, and he enjoyed helping them to achieve the sale of the property that spans multiple parcels.



"It was a deal that could have gone sideways, but the client was steadfast and mission-oriented for almost a year," Tierney said. "To see them accomplishing the goal of acquiring the hotel was an incredibly proud moment for me."

He added that the parties' biggest challenge was navigating uncertain economic headwinds over the past year, even as the hotel industry's performance has been strong.

"Hospitality is one of the darlings of the asset classes right now. But the cost of debt remains expensive relative to where we were two or three years ago," Tierney said in September. "The cost of capital is more expensive than it ever has been, but performance has been as strong as ever."

#### ***Other notable transactions:***

Tierney is also proud of his role as primary draftsman of the acquisition and loan documents in a joint venture in October 2022 between Apollo Global Management, hospitality investor Newbond Holdings and developer Witkoff Group in order to acquire and then reopen the Hilton Times Square.

The acquisition involved a partnership with local governmental agencies, and everybody "rowed in the same direction" to get the hotel open to the public, according to Tierney.

"The Hilton Times Square is a well-known asset that had shut down during the COVID-19 pandemic," he said. "What the Apollo, Newbond and Witkoff teams were able to accomplish was an acquisition and rebranding of that asset that is bringing back a significant number of union jobs and an opportunity for tourists to enjoy one of New York City's most famous streets."

In another big transaction in the hospitality space, Tierney also takes note of his advice to a joint venture between Fontainebleau Development and Koch Industries, which secured a \$2.2 billion construction loan for the Fontainebleau Las Vegas, a 67-story hotel and casino that's slated to open on the Las Vegas Strip in winter 2023.

#### ***His thoughts on opening a hospitality unit in London:***

His entire career until now has been based in Los Angeles, but Tierney recently relocated to London with his wife and two young daughters. He said he will play a significant role in helping Gibson Dunn's London office, located on Temple Avenue, launch a hospitality platform that will focus on the European and more international markets.

"I've moved my family and my practice over across the pond and I sit in London," he said, adding that his stay there has no end date because Gibson Dunn has identified what the firm sees as an underserved market.

"I've got to prove the business case," Tierney said. "So I'm out here, my feet are planted, and now it's my job to go find the hotels and hospitality clients that need me most. We think the European hospitality market is underserved in terms of legal counsel. It was an identification of a market need and a willingness on my end to do it."

#### ***Why he's a hospitality attorney:***

Tierney attended Loyola Marymount University in Los Angeles as an undergraduate, then went on to receive his law degree at the University of Michigan Law School. He said he was drawn specifically to the hospitality industry thanks to his "really romantic view of hotels."

"I grew up in Phoenix working in the hospitality industry on golf courses or delivering towels at pools," he recalled. "On top of that, when I think about the real estate assets that my industry serves, I have a romantic view of what a hotel is and what it does. Unlike an office building, a hotel will employ a lot of people, so it's an economic engine and provides jobs. That's important to me."

He added that he views a well-run hotel as a place where people can make memories.

"When I think about some of my best childhood memories, they have nothing to do with an office building or a data center or a shopping mall. The best memories I have is of jumping in the pool with my grandparents," Tierney said. "I get inspired thinking that a client is going to come in and buy a hotel and invest a few million dollars improving the pool. That's an investment I know people will enjoy. Finally, I find that hotel investors and operators tend to be good and nice people. In the hospitality industry, you have to be hospitable. It tends to attract people who treat people the right way and have respect for others."

***His advice for junior attorneys:***

Tierney values the volunteer work he has done, including his time spent while at law school advising small businesses and nonprofit groups dedicated to the economic revitalization of Detroit. He is also a member of the board of directors of Verbum Dei Jesuit High School, a college prep school for low-income students located in the Watts neighborhood of Los Angeles.

"Verbum Dei High School is an incredible institution," he said. "The students there go to school four days a week, and they work in a corporate environment one day a week to offset the cost of their tuition. In order to go to the school, their families make less than the poverty limit. These are students who, all of them, every single one, will be the first in their family to graduate from college, and most of them are the first in their family to graduate from high school."

In his time spent with young people, Tierney has thought often of what advice he would give to junior attorneys as they venture into a legal career.

"What I would say to young associates is, if you find something that's interesting to you, dedicate some time to perfecting that craft. Treat it as a craft and not necessarily as billable hours," he said. "If you can take it through that lens of how a deal or opportunity helps you learn more about a craft and feel fulfilled by it, as opposed to how it affects your billable hours at the end of the year, it's a much more fun and joyful approach to the job."

*--As told to Joyce Hanson*

*Law360's MVPs of the Year are attorneys who have distinguished themselves from their peers over the past year through high-stakes litigation, record-breaking deals, and complex global matters. A team of Law360 editors selected the 2023 MVP winners after reviewing more than 900 submissions.*