

The Case for Gross Revenue Leasing

HIVE · 2025 · A Practical Guide for Venue Operators

Gross Revenue leasing represents the clearest alignment of incentives between venue operators and their tenants. This guide presents five reasons operators are making the switch—and the data behind each.

1. Objective, Verifiable Data

Gross Revenue is captured at the point of sale and is not subject to interpretation. Unlike Gross Profit, which requires cost allocation decisions that vary by vendor and accounting method, GR is a single number: total receipts. Modern POS systems report this figure natively, and HIVE ingests it automatically, giving operators a settlement basis that is audit-proof by design.

When the data is objective, disputes become rare. Both parties reference the same ledger, and disagreements reduce to system errors—not methodology differences.

2. Faster, More Predictable Cash Flow

GR lease settlements can run weekly or even daily because the underlying data is available in real time. GP settlements require waiting for the vendor to close their books—typically a 15–30 day delay after period end. For operators managing cash flow across dozens of tenants, the acceleration is significant.

HIVE automates settlement run generation and can initiate ACH disbursements on a configurable schedule. Operators receive settlement income faster; vendors face no surprise bills at month end.

3. Higher Effective Yield with Lower Administrative Cost

Because GP underreporting is endemic—even among good-faith vendors—GR leasing typically produces higher effective settlement income without raising nominal rates. Operators who have migrated report average settlement increases of 15–25% in the first year, driven by closing the compliance gap rather than by rate increases.

At the same time, audit costs fall sharply. A single HIVE integration replaces the need for periodic third-party audits, saving \$20,000–\$80,000 annually for mid-size venue operators.

4. Stronger Vendor Relationships

Paradoxically, GR leasing tends to improve vendor satisfaction. The transparency of real-time data removes uncertainty. Vendors always know what they owe and why. There are no retroactive adjustments, no audit surprises, and no ambiguity about cost allocation rules.

Operators using HIVE report that vendor onboarding conversations shift from negotiating lease terms to planning for growth. When both parties trust the data, the relationship becomes collaborative rather than adversarial.

5. Scalability Across Venue Portfolios

For operators managing multiple locations, GR leasing with centralized data infrastructure is the only scalable model. Managing GP audits across 10 venues and 300 vendors is operationally intractable. GR leasing, powered by HIVE, means the same compliance posture scales from 10 vendors to 1,000 without adding headcount.

Portfolio-level benchmarking also becomes possible: operators can compare vendor performance across venues, identify underperformers, and make data-driven decisions about lease renewals and rate adjustments.

The case for GR leasing is not theoretical—it is validated by operators who have made the transition. The question is not whether to move to GR leasing, but how quickly your organization can get there. HIVE is the infrastructure that makes the answer ‘immediately.’