In Korea's food halls, rent is a price for traffic.

October 2026 brought the first direct-contract highway tender and fresh evidence on retail trading, tenant fees and food prices. Public hosts are changing who sets the terms; private hosts still bargain over traffic. Information cut-off: 31 October 2026. Sources checked: 4 November 2026.

33.2%

Average tenant fee at 203 non-direct-operated highway rest areas, 2026 disclosure

+8.4%

Department-store sales growth, September 2026 year on year; released 28 October

10 licences

First direct-contract pilot tender, announced 30 October 2026

SUMMARY

October moved the public model from a plan to a tender.

The evidence available by the October information cut-off

9 July 2026	Reform plan announced Direct contracts; lower rent intended
6 October 2026	Fee and price disclosure Current burden documented
28 October 2026	September retail release Latest trading period used here
30 October 2026	First direct-contract tender Procurement milestone, not an achieved outcome

Source: Financial News, 30 October 2026; reform plan reported 9 July 2026; National Assembly analysis of state highway operator data, reported by Economist (Korea), 6 October 2026; Trade ministry, September retail release (28 October 2026)

The first direct-contract rest-area tender opened on 30 October. The announced eight-site pilot covers ten business licences and requires winners to operate directly. Budget cafés must offer prices of ₩2,000 or less. These are procurement requirements, not evidence that the new sites have opened or that a national fee reduction has occurred.

The reason for reform is visible in the October disclosure: tenants at 203 non-direct-operated rest areas paid an average fee of 33.2% in 2026; 28 sites averaged at least 40%. August prices for selected meals and drinks were substantially above August 2021. The government's 8-9% rent target excludes management fees and remains a target.

Private retail presents a different picture. September department-store sales rose 8.4% year on year, after a stronger first half. Broad food rose 13.0%, helped by an earlier Chuseok. Restaurant-and-café F&B figures reported for the first half use a narrower definition. Neither series measures the rate paid by a food-hall tenant.

This report follows the current evidence through tender design, trading, fees and prices, then uses the FTC's 2024 transactions as a historical contract benchmark. The forward question is which costs disappear with the intermediary, and which risks the tenant still carries.

01 · OCTOBER PROCUREMENT

The first tender changes the counterparty and the contest.

On 30 October 2026, the state highway operator announced the first tender for tenants to contract directly, implementing the government's July reform plan. The announced pilot spans eight rest areas and ten business licences.

What changed in the 30 October 2026 tender

Contract	Host → tenant Intermediary removed from the letting chain
Selection	Capacity + service + price Entirely external review committee
Operation	Winner operates directly No third-party delegation
Budget café	₩2,000 or less Tender requirement; not a measured national price

Source: Financial News, 30 October 2026; reform plan reported 9 July 2026

Food courts and snack counters are combined in the tender. Budget cafés and convenience stores are bundled across four sites. A low-priced café is therefore part of a multi-site commitment, with staffing and logistics that cannot be read from the price of a cup alone. The tender changes the procurement design.

Selection combines contract-performance capacity, service operation and price. Service operation includes price, service, hygiene and safety. The review committee is entirely external. The winning operator must run the business directly and cannot delegate it to a third party. Removing an intermediary is therefore a contractual obligation, rather than a hope that a winning bidder will choose a shorter chain.

The July plan envisaged rents of 8-9% of sales before management charges and a public management company in early 2027. The October notice advances that plan to an actual competition. It does not establish the eventual all-in occupancy cost, the winning operators' economics or the prices of every item sold at the pilot sites.

The first evidence to request after award is the signed fee schedule, including management charges, followed by opening dates and comparable menu prices. Until then, comparing the policy rent target directly with an existing all-in tenant fee overstates what has been demonstrated. October supplies a dated implementation milestone; the next stage must supply operating results.

Plan, procurement and outcome are different stages

Stage	Evidence at the cut-off
Policy	July rent target: 8-9%, before management fees
Procurement	October tender: ten licences, eight-site pilot

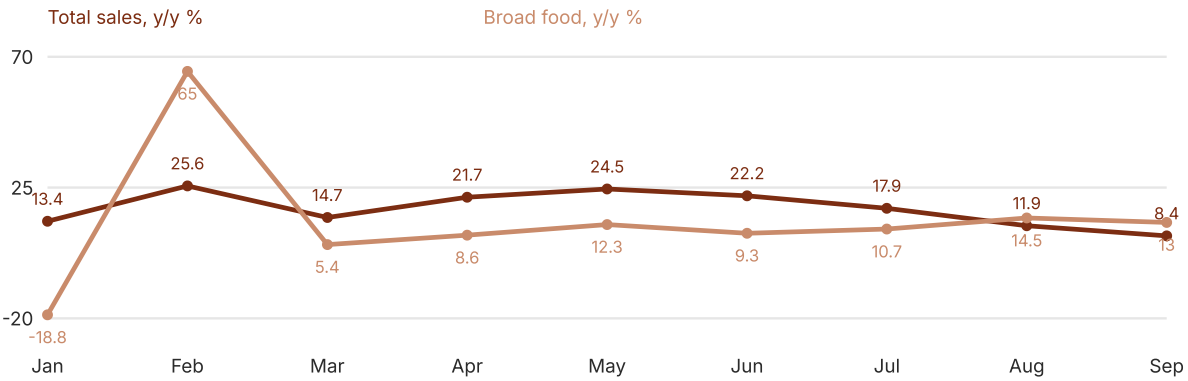
Sources: Financial News, 30 October 2026; reform plan reported 9 July 2026

02 · CURRENT TRADING

Retail growth cooled into September; food followed its own calendar.

The trade ministry's 28 October release covers September, not October. Department-store sales grew 8.4% year on year in September, after quarterly gains of 17.4%, 22.9% and 12.6% in the first three quarters of 2026.

Department-store sales growth by month, January-September 2026, year on year (%)



Source: Trade ministry, September retail release (28 October 2026)

The sequence of results by month shows why an annual growth label would conceal the trading pattern. Total growth was strong through spring and slowed over the summer. September was still a growing month, but its pace was well below the second quarter. For a tenant considering a guaranteed minimum, the difference between a strong opening half and a slower autumn matters more than a single headline about recovery.

Broad food behaves differently. January fell 18.8% and February rose 65.0%; September rose 13.0%, ahead of the store total. Holiday timing and the food category's composition complicate these comparisons. The ministry explicitly attributes part of September's food performance to an earlier Chuseok than in the preceding year. Gift sets and groceries belong to this series alongside other food sales.

These figures cannot establish restaurant-and-café growth or an improvement in food-hall margins. They measure sales in the ministry's department-store sample, rather than tenant profit, visitor counts or contract terms. A higher percentage of takings paid to the landlord would require separate evidence from contracts or a commission survey; the trading release contains no such current rate.

For underwriting, use the pattern across months to challenge the sales path behind a proposed lease. Ask whether the tenant's own seasonal peak matches the host's calendar, and what happens to the fixed floor in a weaker month. The chart is observed trading through September, not a forecast for the remaining quarter.

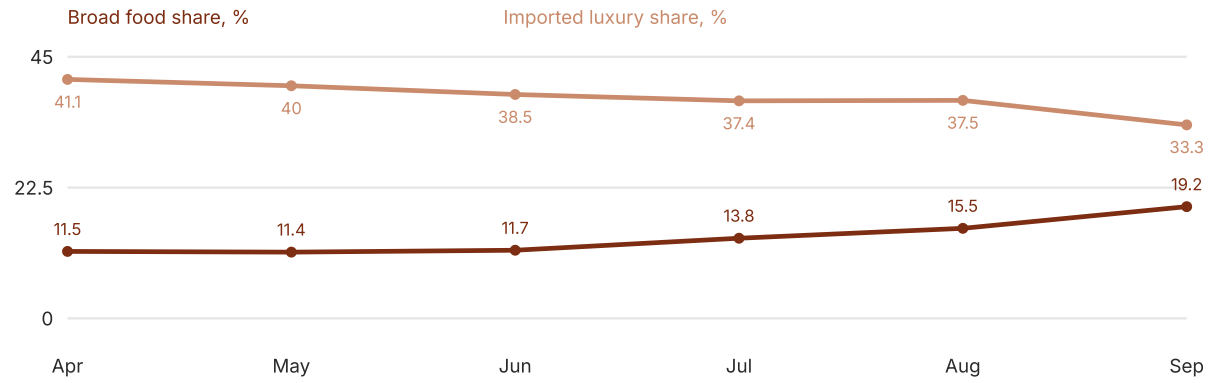
> **+12.6%**
>
> Third-quarter department-store sales growth, year on year. The quarterly value comes from the ministry; it is not the mean of individual month growth rates.

03 · THE FOOD MIX

September food share rose with the holiday, not just the food-hall strategy.

Broad food accounted for 19.2% of department-store sales in September 2026, compared with 11.7% in June. Imported luxury's share moved from 38.5% to 33.3% over those months. These figures show the sales mix for each month, not floor-area or lease shares.

Department-store sales mix by month, April-September 2026 (%)



Source: Trade ministry, September retail release (28 October 2026)

The rise in food's share is real within the ministry's sample, but its interpretation needs restraint. Chuseok fell on September dates in 2026 and October dates in 2025. Gift purchases therefore moved between months in the year-on-year comparison. A holiday-heavy month cannot stand in for a normal food-hall sales mix, or prove a permanent transfer of shoppers from luxury to meals.

The same release records food growth ahead of total department-store growth in August and September, while food trailed the total in several earlier months. Imported luxury had led the store's expansion through much of the year. Both can be true: food can draw repeat visits and still be a smaller part of sales than luxury. Traffic contribution and recorded revenue share answer different questions.

Restaurant-and-café F&B offers another lens. A September press report put first-half F&B growth across the three largest groups at roughly 20-29%, against total growth of roughly 15-24%. Those figures describe a narrower category and a different period. They should not be spliced into the ministry's broad-food line or used to replace its weaker food months.

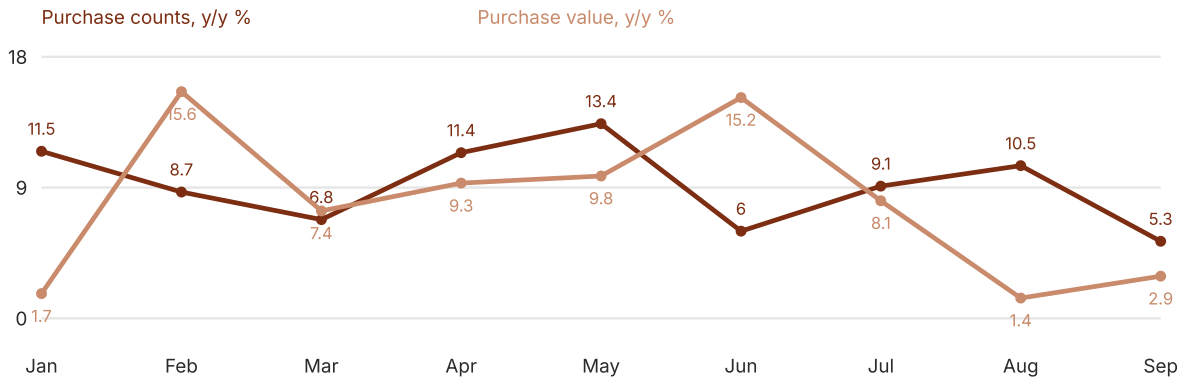
The October food-hall investment coverage describes a common ambition: draw visitors, extend their stay and encourage purchases elsewhere in the building. It does not establish the return on those projects. For a landlord, the evidence needed is conversion beyond the meal; for a tenant, it is whether the promised extra traffic reaches its own counter at a sustainable cost.

Sources: Trade ministry (28 October 2026); Segye Ilbo (6 September 2026); CEO Score Daily (27 October 2026)

More purchases supported sales, but purchases are not footfall.

September department-store purchase counts rose 5.3% year on year and the average purchase value rose 2.9%. The ministry's sample contained 56 stores in September 2026. Neither measure identifies customers who came specifically for a food counter.

Department-store purchases and value per purchase, January-September 2026, year on year (%)



Source: Trade ministry, September retail release (28 October 2026)

Purchase counts give a useful check on the idea that sales growth is only a higher ticket. Counts grew throughout the first nine months in the published series. The spring peak was followed by a slower September. The average purchase value also grew, but its contribution varied substantially from month to month. A host selling access to shoppers should be able to discuss both parts of its sales story.

A purchase is not a visitor. The same person can transact more than once, and a visitor who buys nothing is absent from the count. This distinction matters when food is pitched as the engine of a department store. Aggregate transactions can support a story of active demand, but cannot show that restaurant visits caused purchases in other departments or that every food tenant benefited equally.

Nor should the two growth percentages simply be added to recreate the published sales growth. The measures have their own aggregation and rounding. Their purpose here is to separate transaction activity from spend per purchase, not to construct a new sales estimate. The official total remains the ministry's figure; a food-hall contract still needs site-level sales and customer evidence.

A prospective tenant can turn the distinction into diligence questions. Does the landlord report entries, transactions or distinct shoppers? Are counts available by floor, daypart and weekday? Does the proposed guarantee assume that the busiest gift-shopping month is repeatable? The current public series helps frame those questions, while leaving the answers to local operating evidence.

> **56 stores**
>
> Department-store sample size in September 2026; aggregate purchases are not food-hall-specific footfall.

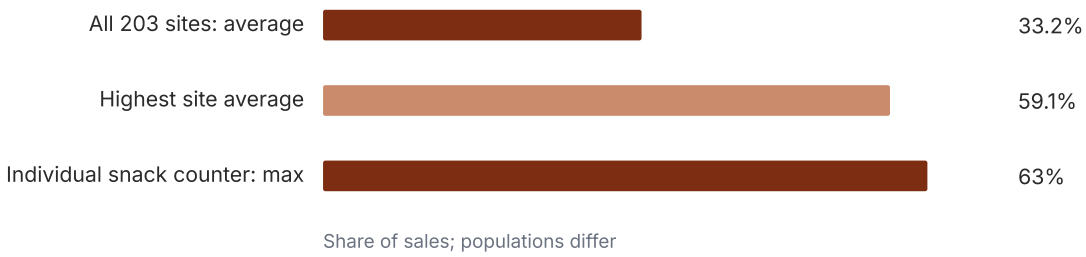
Sources: Trade ministry, September retail release (28 October 2026)

05 · OCTOBER FEE DISCLOSURE

The average fee is a third of sales; the upper tail is much heavier.

An October 6 report of National Assembly analysis of state highway operator data puts the 2026 average tenant fee at 33.2% across 203 non-direct-operated rest areas. Twenty-eight sites averaged at least 40%.

2026 fee disclosure: national mean and separate maxima; not a distribution



Source: National Assembly analysis of state highway operator data, reported by Economist (Korea), 6 October 2026

The highest site average was 59.1%. Individual snack counters reached 63%. These are different levels of observation: the national average, a count of high-fee sites, a maximum site average and a maximum individual-counter fee. Treating the last as a national rate would exaggerate the burden; quoting only the national average would hide the difficult contracts in the tail.

The disclosure is newer and more detailed than the July reform announcement, which described an average near a third and a lower peak. The figures need their dates and populations attached. This report uses the October disclosure for the current burden, while retaining July only to explain the reform's intended direction. It does not infer a change in fees between the two reports from their different maxima.

The comparison with the proposed rent is also incomplete without management costs. The government's intended 8-9% rent is a narrower charge than a tenant's eventual all-in bill. Direct contracting can remove the intermediary's claim, yet services, maintenance and common operations still need to be paid for. The signed contract determines who pays them and how their cost changes over time.

For a bidder, the question is how the replacement contract allocates costs now covered by the operating company. Separate rent, management, common services and investment, then compare their combined claim on sales. The disclosure documents today's burden; signed terms and operating results will show how much disappears.

Keep the measurement levels separate

Observation	Meaning
33.2%	Average tenant fee across the 203-site population
28 sites	Site-average fee at least 40%

06 · THE PRICE EVIDENCE

Selected rest-area prices were up by a fifth to more than a quarter.

The same October disclosure compares average menu prices in August 2021 and August 2026. Pork cutlet rose 27.5%, walnut cakes 23.4% and Americano 19.2%. These are five-year comparisons, not price increases during October.

Selected rest-area menu price changes, five years to August 2026 (%)



Change in average price, August 2021-August 2026

Source: National Assembly analysis of state highway operator data, reported by Economist (Korea), 6 October 2026

Pork cutlet moved from ₩8,984 to ₩11,454, walnut cakes from ₩4,391 to ₩5,420, and Americano from ₩4,066 to ₩4,845. The source reports the percentage changes at one decimal place; small differences arise when calculations use the rounded won prices. The comparison documents the consumer's bill, rather than a tenant's cost of ingredients, labour or rent.

High tenant fees give a reason to examine the operating structure, but the price series alone does not identify how much of each increase the fees caused. Wage costs, ingredients, product mix and other expenses also matter. The public evidence does not supply a controlled comparison with identical street-front products or a counterfactual price under direct contracts. We do not assign a causal percentage to the intermediary.

The October tender's budget-café requirement makes the next comparison tangible: prices of ₩2,000 or less at that format. That should be assessed against the product and service actually offered, not presented as an achieved reduction from the existing average Americano. A national average and a low-price pilot format are different populations. A cheaper specified product does not establish that every traveller's meal has become cheaper.

The reform's test is whether lower occupancy costs coexist with service quality and viable operations. Track like-for-like menu prices, portion sizes, opening hours and tenant continuity alongside the total fee. A price promise can be satisfied narrowly; evidence of a better operating model requires the wider set of results. At the October cut-off, those results are still ahead of the first tender.

> **KRW 4,845**
>
> Average Americano price in August 2026. The pilot budget-café requirement is a separate format, not an observed replacement for this average.

Sources: National Assembly analysis of state highway operator data, reported by Economist (Korea), 6 October 2026

07 · TRAVEL DEMAND

International travel was above both the prior year and the pre-pandemic period.

National airport data reported on 12 October put January-September 2026 international passenger traffic at 76.72 million, up 9.9% from the same period in 2025 and 12.1% from the same period in 2019. These are comparable nine-month windows.

Korean airports: international passengers, January-September in each year



International passengers, millions; same-period comparisons

Source: Airportal statistics, reported by Money Today, 12 October 2026

The comparison avoids an easy error in travel-concession analysis: setting a partial year against an earlier full year. The published counts show a larger international passenger pool over the same months. They provide a current demand backdrop for food businesses in travel venues without implying that every terminal, route, concourse or counter shared the increase equally.

A higher passenger count does not translate mechanically into the same increase in food sales. Dwell time, flight schedules, traveller mix and the location of an outlet affect how much of that traffic reaches a till. The public national count cannot tell a bidder what a specific site earns, whether its customer queue is growing, or how much sales are captured before and after security.

Contract structure governs who benefits and who bears a reversal. With a plain sales percentage, the host's receipts move with tenant takings. A minimum guarantee adds a floor: the tenant can owe the same sum in a weaker month. Growth can make that floor look affordable without changing its downside. This is a general contract distinction, not a claim about a particular airport's current lease terms.

For the outlook, use the measured passenger gain as a starting condition, then stress the conversion from traffic to sales and from sales to cash after occupancy costs. No airport commission rate is inferred here. The national series supports a larger travel-demand pool through September; it supplies neither a measured October concession-market total nor a reason to assume every travel tenant can absorb a higher guarantee.

08 · A CURRENT PUBLIC TENDER

Some hosts want a cheap meal more than rent, and write it into the tender.

A Seoul university's August 2026 cafeteria tender waived rent to secure good-quality meals. The host sought an affordable service from its space rather than the highest rental income. This is one dated tender, not a national campus rate.

An August 2026 campus tender: rent waived, service obligations retained

Host provides	Space and basic fixtures Dining furniture; rent waived
Operator provides	Food, staff and equipment Further fit-out and running costs
Meal price	₩5,500-6,000 Held at the campus cafeteria level
Selection	Operating and service plan Zero rent entered in the price section

Source: University tender document, August 2026

The tender waives rent outright, saying it wants good-quality meals for the campus. Under it, the university provides a room of 362 m² with about 130 seats, the basic fixtures and the dining furniture. The operator brings the rest: further fit-out, kitchen equipment, food, staff and running costs, plus a ₩30m deposit. It is a narrow business: two meal services on weekdays, none at weekends and none on public holidays.

Meal prices are fixed in advance at the level of the campus's existing cafeteria, ₩5,500-6,000. Bidders must enter zero rent in the price section, which carries 10 points; certifications and a credit rating are worth another 10 points. The contract is decided on operations, management, hygiene and service.

Waiving rent is still a use of bargaining power. The university trades rental income for a lunch its students and staff can afford, and holds the operator to that bargain through the price cap, the scoring and its contract rights. For bidders, the contest turns on menus, staffing, hygiene and the ability to operate within the specified meal price.

Read beside the October rest-area tender, the campus example shows why the host's objective belongs in a rent comparison. A private store can buy traffic, a campus can buy an affordable lunch, and a road authority can seek lower prices and service quality. Zero rent does not make the operator's food, labour or equipment free. It changes which party bears the property cost and what the host expects in return.

Sources: University cafeteria tender document (August 2026)

09 · HISTORICAL CONTRACT BENCHMARK

The FTC maps contracts, not an October food-hall rate.

The FTC's survey published in 2025 covers 2024 transactions. Department-store effective commission averaged 19.1%, against a 24.9% contract rate. These historical aggregates do not measure October 2026 restaurant-and-café contracts.

Historical FTC benchmarks: retailer-wide effective/lease rates and category contract rates



2024 transactions; published 2025. Measures differ.

Source: FTC, 2025 survey and detailed tables (2024 transactions)

The detailed tables explain why rates differ. A contract rate is written into an agreement; an effective rate measures what was actually paid relative to sales. Sales-linked leases are a separate transaction type, averaging 18.5%. Mixed contracts pair a percentage with a fixed minimum. Comparing these labels as though they were interchangeable would misprice the bargain.

Food's category rates also differ. Ready-to-eat food averaged 20.3%, fresh food 19.5% and processed food 18.7%, compared with 29.1% for cosmetics and 20.5% for imported luxury. These are contract-category averages, not a schedule offered to a new food tenant. They include goods outside restaurant-and-café service, and do not isolate the food hall or its best-known brands.

Mixed contracts illustrate the risk hidden by a lower percentage. The historical department-store averages were 15.5% and a fixed component per month near ₩7.9m, with the larger amount collected. A tenant can therefore pay a higher effective share when sales are weak even though the quoted percentage looks attractive. Those average components are illustrative benchmarks; no current tenant should be valued as though it holds that synthetic average contract.

The October rest-area data and tender belong to another population and year. They examine a current reform, rather than provide a league table against old retail averages. For a live decision, obtain the contract, fees, guarantee, fit-out obligations and sales definition. The survey tells the reader which questions to ask; it cannot answer them for a current site.

> **2024 transactions**
> Historical supporting evidence. No 2026 food-hall commission survey is asserted.

Sources: FTC, 2025 survey and detailed tables (2024 transactions)

The next milestone is a comparable all-in bill.

The October tender supplies an implementation baseline. The following paths are decision frameworks, not forecasts of a national average fee or evidence that the rent target has already been achieved.

Implementation sequence at the October 2026 cut-off: observed and prospective stages

Observed	30 October: tender posted Ten licences; announced eight-site pilot
Next evidence	Awards and openings Dates and signed charges required
Planned	Early 2027 management company Policy intention; not yet an operating result
Outcome test	Total occupancy cost and service Measure after implementation

Source: Financial News, 30 October 2026; reform plan reported 9 July 2026

DIRECT OPERATION WORKS	Pilot outcome to observe	The winner opens directly, management costs are disclosed and comparable menu prices fall while service holds. Expansion then has operating evidence behind it.
RENT FALLS; OTHER CHARGES REMAIN	Cost transfer to test	A lower rent percentage is partly offset by management charges or operating obligations. Compare the total bill and the service delivered before calling the saving.
IMPLEMENTATION SLOWS	Timing risk	Awards, openings or the planned public management company slip. Existing contracts continue to determine the burden until replacement agreements take effect.

SIGNPOSTS

Award and opening dates, followed by evidence of direct operation.

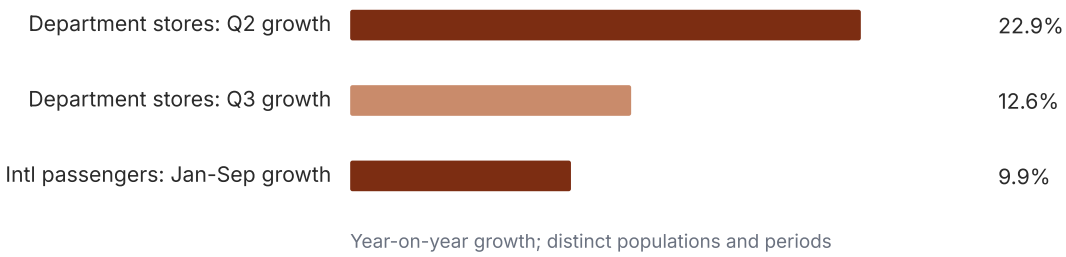
Signed rent and management-fee schedules on the same sales base.

Comparable menu prices, hours, portion sizes and tenant continuity.

Price the guarantee against the latest trading, then test the tenant.

September retail growth slowed while international passenger demand remained above comparable earlier periods. Those are current starting conditions for diligence, not a forecast of the next commission rate.

Observed 2026 starting conditions; no rate or market-share projection



Source: Trade ministry, September retail release (28 October 2026); Money Today, 12 October 2026

FOOD EARNS BARGAINING POWER	Conversion evidence	A brand can demonstrate repeat visits and spending beyond its own counter. Its case for a lower rate rests on that contribution, rather than an aggregate food-growth headline.
GROWTH MEETS A BINDING FLOOR	Downside cash flow	A guarantee set during stronger trading becomes costly in a weaker month. Stress sales by month, seasonal mix, fit-out recovery and every charge alongside the quoted percentage.
TRAVEL EXPANDS UNEVENLY	Site-level capture	Higher national passenger traffic enlarges the demand pool. Terminal location, schedules and traveller spend determine who captures it; a national count is insufficient to price a site.

SIGNPOSTS

- Food-hall visits that convert to purchases elsewhere in the building.
- Tenant-specific sales by month and the guarantee under a weak trading case.
- Like-for-like sales and passenger-to-purchase conversion in travel venues.

METHOD

How this report was built.

Information cut-off: 31 October 2026. Sources checked on 4 November 2026; the cover's data-as-of date records checking, not an October observation period. The trade ministry release dated 28 October observes September; the aviation report dated 12 October covers January-September. The menu-price comparison ends in August 2026. We do not supply October trading actuals or full-year 2026 outcomes.

Current figures come from the trade ministry's retail release and tables, published reporting of national aviation statistics, National Assembly analysis of state highway operator data as reported by the business press, the July reform plan and October tender reporting, and an August university tender document. The parliamentary submission was not independently obtained. Press accounts are distinguished from primary tables and tender documents. The FTC material covers 2024 transactions and was published in 2025; it is supporting historical context.

Broad food in the ministry series includes groceries and gift purchases; it is not restaurant-and-café F&B. By-month food growth and mix are affected by holiday timing. Retailer-wide rates, category contract rates, site-average fees and individual-counter maxima have different denominators. They are not interchangeable observations of a food-hall lease.

NRG calculation means arithmetic from cited public inputs, such as checking price changes from rounded won values. The report uses source-reported growth rates and does not average individual month rates to manufacture quarterly growth. NRG estimate means a research judgement rather than a measured official total. No current market-size estimate, national post-reform fee estimate or venue-share scenario is used in this revision.

The outlook gives conditional decisions and evidence to watch from the October baseline. Plans, tender requirements and achieved operating results remain separate. The 8-9% rent target excludes management fees. Companies are described rather than named. This is business and market research, not investment advice.

WORKING WITH NATHAN RESEARCH GROUP

Partner With Nathan Research Group

The Fair Trade Commission publishes average rates and public hosts publish their tender rules, but neither shows how a rate is negotiated, or what a minimum guarantee costs a tenant in a slow year. That knowledge sits with the people on both sides of these contracts. Reaching them, compliantly, is what we do.

WHO WE PUT IN THE ROOM

Retail-property and shopping-centre advisers	Percentage-rent, minimum-guarantee and fit-out terms across department stores, malls and outlets.
Travel-retail concession advisers	How rents are set in travel venues, and how traffic-indexed rents behave over a contract.
F&B brand finance teams	Site selection and lease negotiation for multi-site food brands.
Transport and public-procurement policy analysts	Public tender rules and the published 2026 rest-area reform plan.
Distribution-law and fair-trade counsel	The Large-Scale Retail Business Act, commission disclosure and what a host may charge.
Foodservice market analysts	Market sizing across travel, leisure and retail venues, and the definitions behind it.

If your team is evaluating Korean food-hall leasing, the concession market, or the broader Korean retail-property and foodservice market, tell us the decision you're trying to make.

START THE CONVERSATION

Web	nathanrg.com
Email	team@nathanrg.com General enquiries nathan@nathanrg.com Nathan Choi · CEO
Phone	+82 10 3059 3630 Nathan Choi · CEO +82 2 939 3630 Office · Seoul

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