UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT HAVE 1934
For the fiscal year ended November 30, 1999
Commission file number 000-25349

HOOKER FURNITURE CORPORATION
(Exact name of registrant as specified in its charter)

Virginia	54-0251350
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

440 East Commonwealth Boulevard Martinsville, VA 24112
(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code: (540) 632-2133

Securities registered pursuant to Section 12(b) of the Act: None
Securities registered pursuant to Section 12(g) of the Act:

Common Stock, no par value
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes (x) No ( )

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Aggregate market value of common equity held by non-affiliates of the registrant: $56.2 million (based on the closing price as of February 14, 2000 as reported to the NASD by its member firms); there is no established public trading market for the Company's common stock.

Indicate the number of shares outstanding of each of the registrant's classes of common stock as of February 14, 2000:

Common Stock, no par value	7,617,298
(Class of Common Stock)	(Number of Shares)

Documents incorporated by reference: Portions of the registrant's Proxy Statement for its Annual Meeting of Stockholders scheduled to be held March 30, 2000 are incorporated by reference into Part III.

HOOKER FURNITURE CORPORATION

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ITEM 1. BUSINESS.

General

Incorporated in Virginia in 1924, Hooker Furniture Corporation ("Hooker" or the "Company") is a leading manufacturer and importer of residential furniture primarily targeted at the upper-medium price range. The Company offers diversified products, consisting primarily of home office, entertainment centers, imported lines, bedroom and wall systems, across many style categories within this price range. Its product depth and extensive style selections make the Company an important furniture resource for retailers in its price range and allows the Company to respond more quickly to shifting consumer preferences. The Company has established a broad distribution network that includes independent furniture stores, department stores, specialty retailers, catalog merchandisers and national and regional furniture chains. The Company emphasizes continuous improvement in its manufacturing processes to enable it to continue providing competitive advantages to its customers, such as quick delivery, reduced inventory investment, high quality, and value.

Products and Styles

The Company's product lines cover most major design categories. The Company believes that the diversity of its product lines enables it to anticipate and respond quickly to changing consumer preferences and provides retailers an important furniture resource in the upper-medium price range. The Company intends to continue expanding its product styles with particular emphasis on home office, entertainment centers, occasional furniture and bedroom. The Company believes that its products represent good value and that the quality and style of its furniture compare favorably with more premium-priced products.

The Company provides furniture products in a variety of materials, woods, veneers, and finishes. The number of patterns by product line are:

	Number of Patterns
Home office	43
Wall systems	26
Entertainment centers	50
Imported lines	86
Bedroom	16

These product lines cover most major design categories including European traditional, transitional, American traditional, and country/casual designs.

The Company designs and develops new product styles semi-annually to replace discontinued items or styles and, if desired, expand product lines. The Company's product design process begins with marketing personnel identifying customer needs and conceptualizing product ideas, which generally consist of a group of related furniture pieces. A variety of sketches are produced, usually by independent designers, from which prototype furniture pieces are built. The Company invites key dealers and independent sale representatives to view and critique the prototypes. From this input, changes in design are made and the Company's engineering department prepares a sample for actual full-scale production. The Company introduces its new product styles at the fall and spring international furniture markets.

Distribution

The Company has developed a broad domestic customer base and also sells to a limited international market. The Company sells its furniture through approximately 80 independent sales representatives to independent furniture retailers, catalog merchandisers, and national and regional chain stores. Representative customers include Federated Department Stores, Homelife, Neiman Marcus, Dillard's Department Stores, Nebraska Furniture Mart and Haverty's. The Company believes this broad network reduces its exposure to regional recessions, and allows it to capitalize on emerging channels of distribution. The Company offers tailored merchandising programs to address each channel of distribution.

The general marketing practice followed in the furniture industry is to exhibit products at international and regional furniture markets. In the spring and fall of each year, a nine-day furniture market is held in High Point, North Carolina, which is attended by most buyers and is regarded by the industry as the international market. The Company utilizes approximately 32,000 square feet of showroom space at the High Point market to introduce new products, increase sales of its existing products, and test ideas for future products.

The Company has sold to over 3,700 customers during the past fiscal year, and approximately 1.7% of the Company's sales in 1999 were to international customers. No single customer accounted for more than five percent of the Company's sales in 1999. No material part of the Company's business is dependent upon a single customer, the loss of which would have a material effect on the business of the Company. The loss of several of the Company's major customers could have a material impact on the business of the Company.

Manufacturing

The Company's manufacturing strategy is to produce products, which are on the leading edge of changing consumer demand for the home, such as home theater, home office and computer furniture, as well as traditional bedroom. The Company stresses strong customer relationships in developing new products as well as improving existing ones. The Company believes strongly in employee involvement with employee and management teams working and communicating in all areas of manufacturing to improve production and quality related issues, stressing quality improvement not quality control. To meet customer expectations of just-in-time inventory delivery, the Company's strategy has been to strike a balance between minimizing cutting size together with increasing the frequency of cuttings on the one hand, and the efficiencies gained from longer production runs on the other. In recent years, cutting sizes have been reduced, frequencies of cuttings increased, and finished goods inventory levels increased. The Company manufactures products using a flexible plant philosophy structure with all plants capable of making and sharing product lines according to customer demands and plant loads, which allows for quicker delivery of high demand products. The Company is in constant contact with key suppliers in forming partnerships which communicate both quality and delivery issues which are imperative for both the Company and supplier to adjust to ever changing customer requirements.

The Company operates manufacturing facilities in North Carolina and Virginia consisting of an aggregate of approximately 1.8 million square feet. The Company considers its present equipment to be generally modern, adequate and well maintained.

The Company schedules production of its various styles based upon actual and anticipated orders. The Company's backlog of unshipped orders was $33.6 million at November 30, 1999 and $32.8 million at November 30, 1998. With the emphasis in recent years on inventory-on-demand, dealers no longer find it necessary to place orders as far in advance as was once the case. In addition, it is the Company's policy and industry practice to allow order cancellation up to time of shipment, therefore customer orders are not firm until shipped. For these reasons, management does not consider order backlogs to be an accurate indicator of expected business. Historically, however, 92% of all orders booked are ultimately shipped. Backlogs are normally shipped within six months.

Imported Lines

The Company imports finished furniture in a variety of styles and materials, and markets the products under the Company name through its normal distribution channels. Product lines include occasional tables, consoles, chests, casual dining pieces, bedroom pieces and accent items. The Company imports products from China, the Philippines, Mexico, Indonesia, Honduras and Egypt from approximately 16 agents representing 35 factories. All transactions are in U.S. dollars. Because of the large number and diverse nature of foreign factories, the Company has flexibility in the placement of product in any particular country or factory. Factories located in China have become an important resource for the Company. The sudden disruption in the Company's supply chain from China could significantly impact the Company's ability to fill customer orders for products manufactured in that country for a three to six month period. However, the Company believes that such a disruption in supply would not have a material adverse effect on the Company's financial condition or results of operations.

Raw Materials

The principal materials used by the Company in manufacturing its products include lumber, veneers, plywood, particleboard, hardware, glue, finishing materials, glass products and fasteners. The Company uses a variety of species of lumber, including cherry, oak, poplar, pine and maple. The Company's five largest suppliers accounted for approximately 16.1% of its purchases in 1999.

The Company believes that its sources of supply for these materials are adequate and that it is not dependent on any one supplier.

Competition

The Company is the sixteenth largest furniture manufacturer in North America based on 1998 sales, according to Furniture/Today, a trade publication. The furniture industry is highly competitive and includes a large number of foreign and domestic manufacturers, none of which dominates the market. The markets in which the Company competes include a large number of relatively small manufacturers; however, certain competitors of the Company have substantially greater sales volumes and financial resources than the Company. Competitive factors in the upper-medium price range include style, price, quality, delivery, design, service and durability. The Company believes that its long-standing customer relationships, customer responsiveness, consistent support of existing diverse product lines that are high quality and good value and experienced management are competitive advantages.

Employees

At November 30, 1999, the Company had approximately 2,050 employees. None of the Company's employees are represented by a labor union. The Company considers its relations with its employees to be good.

The Corporation sponsors the Hooker Furniture Corporation Employee Stock Ownership Plan (the "ESOP") to provide ownership and retirement benefits for eligible employees. The ESOP covers substantially all the Company employees. The ESOP enables employees to share in the growth of the Company and to accumulate a beneficial ownership interest in the Company's Common Stock.

Patents and Trademarks

The trade name of the Company represents many years of continued business. The Company believes such name is well recognized and associated with quality in the furniture industry. The Company owns a number of patents, trademarks and licenses, none of which is considered to be material to the Company.

Governmental Regulations

The Company is subject to federal, state, and local laws and regulations in the areas of safety, health and environmental pollution controls. Compliance with these laws and regulations has not in the past had any material effect on the Company's earnings, capital expenditures, or competitive position; however, the effect of such compliance in the future cannot be predicted. Management believes that the Company is in material compliance with applicable federal, state, and local environmental regulations.

Regulations issued in December 1995 under the Clean Air Act Amendments of 1990 as part of the National Emission Standards for Hazardous Air Pollutants program and negotiated into the Furniture Maximum Achievable Control Technology Standard, requires the Company to reformulate certain furniture finishes and institute process and administrative changes to reduce emissions of hazardous air pollutants. The Company believes it is in compliance with these regulations by its use of compliant coatings and by training its associates in work practice standards. The Company cannot at this time estimate the future impact of these standards on the Company's operations and capital expenditure requirements. See "Item 8. Legal Proceedings."

Forward-Looking Statements

Certain statements made in this registration statement are not based on historical facts, but are forward-looking statements. These statements can be identified by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy. These statements reflect the Company's reasonable judgment with respect to future events and are subject to risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Such risks and uncertainties include the cyclical nature of the furniture industry, fluctuations in the price of lumber which is the most significant raw material used by the Company, competition in the furniture industry, capital costs and general economic or business conditions, either nationally or internationally.

ITEM 2. PROPERTIES.

Set forth below is certain information with respect to the Company's principal properties. The Company believes that all these properties are well maintained and in good condition. The Company believes its manufacturing facilities are being efficiently utilized. The Company estimates that its facilities are currently being operated at approximately 95% capacity, on a one-shift basis. Each manufacturing facility is flexible in regard to product lines manufactured, allowing the Company to shift products between plants according to customer sales and delivery demands. All Company plants are equipped with automatic sprinkler systems and modern fire and spark detection systems, which the Company believes are adequate. All facilities set forth below are active and operational.

Location	Primary Use	Approximate Facility Size (Square Feet)	Owned or Leased
Martinsville, VA	Corporate Headquarters	32,000	Owned
Martinsville, VA	Manufacturing	760,000	Owned
Martinsville, VA	Distribution/Imports	400,000	Owned (1)
Martinsville, VA	Distribution	189,200	Owned (2)
Martinsville, VA	Plywood Production	146,000	Owned
Kernersville, NC	Manufacturing	115,000	Owned
Roanoke, VA	Manufacturing	265,000	Owned
Pleasant Garden, NC	Manufacturing	300,000	Owned
Maiden, NC	Manufacturing	200,000	Owned
High Point, NC	Showroom	32,000	Leased (3)

(1) An additional 180,000 square feet is under construction at this location that will house the imports division. The addition will be completed by March 2000. The 100,000 square feet of the existing facility, currently housing the imports division, will then be utilized for distribution.

(2) The Company is presently contemplating the sale, lease or alternate utilization of this facility.

(3) Lease expires April 30, 2005.

ITEM 3. LEGAL PROCEEDINGS.

The Company owns a 50% interest in a joint venture that produced particleboard for furniture manufacturing. During 1998, the joint venture was cited by the U.S. Environmental Protection Agency ("EPA") for a violation of certain regulations under the Clean Air Act Amendments of 1990. The joint venture members determined that the cost of modification to the plant to come into compliance, together with other needed capital improvements, would be prohibitive and the joint venture elected to cease operations in November 1998. Effective June 1, 1999, the joint venture entered into a lease for the land and building owned by the joint venture with a third party lessee. The lease term is for two years with an option to purchase for $2.7 million. The Company believes the option will be exercised during the term of the lease. The Company's equity in the anticipated proceeds from the sale of the property, together with other net assets of the joint venture are approximately equal to the Company's carrying value of the investment at November 30, 1999. No final action has been taken by EPA in this matter, including the assessment of fines against the joint venture. The Company believes that any fines that might be levied by the EPA will not have a material adverse affect on the Company's financial condition or results of operations.

Based upon performance tests conducted in November 1998, the EPA issued the Company a Notice of Violation in March 1999 for the failure of two boilers at the Company's Martinsville facility to meet particulate emission limitations under the Clean Air Act. The Company made adjustments to one non-compliant boiler and conducted a second performance test in February 1999. The results of that second performance test indicated that the boiler was in compliance with its particulate limitations. The Company has forwarded those results to EPA. The Company has analyzed the operations of the second non-compliant boiler and has formulated a plan to bring that boiler into compliance with its particulate emission limitations. No final action has been taken by EPA in this matter, including the assessment of fines against the Company. Company management anticipates that costs incurred by the Company in connection with bringing both boilers into compliance, including any fines that might be levied by the EPA, will not have a material adverse affect on the Company's financial condition or results of operations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

HOOKER FURNITURE CORPORATION
Executive Officers of the Registrant

The Company's executive officers and their ages as of February 14, 2000 and the year each joined the Company or its Board are as follows:

Name	Age	Position	Year Joined Company
J. Clyde Hooker, Jr.	79	Chairman and Chief Executive Officer	1946
Paul B. Toms, Jr.	45	President and Chief Operating Officer	1983
Douglas C. Williams	52	Executive Vice President - Manufacturing	1971
Raymond T. Harm	50	Senior Vice President - Sales	1999
Henry P. Long, Jr.	48	Senior Vice President - Merchandising and Design	1983
E. Larry Ryder	52	Senior Vice President - Finance and Administration, Assistant Secretary, and Assistant Treasurer	1977

J. Clyde Hooker, Jr. has been Chairman of the Board since 1987 and Chief Executive Officer since 1966. He was President from 1960 to 1987 and again in 1999. Prior to 1960, Mr. Hooker held various positions in sales and marketing. Mr. Hooker joined the Company in 1946 and has been a Director since 1947. He is the first cousin of A. Frank Hooker, Jr. (a director of the Company) and the uncle of Paul B. Toms, Jr.

Paul B. Toms, Jr. has been President - Chief Operating Officer since December 1999. Mr. Toms was Executive Vice President - Sales & Marketing from December 1994 to December 1999, Senior Vice President - Sales & Marketing during 1993 and 1994 and Vice President - Sales from 1987 to 1993. Mr. Toms joined the Company in 1983 and has been a Director since 1993. Mr. Toms is the nephew of J. Clyde Hooker, Jr.

Douglas C. Williams was elected Executive Vice President - Manufacturing in December 1999. He was Senior Vice President - Manufacturing from 1987 to 1999 and Vice President - Manufacturing from 1986 to 1987. Prior to 1986, he held various positions in production. Mr. Williams joined the Company in 1971 and has been a Director since 1987.

Raymond T. Harm has been Senior Vice President - Sales since joining the Company in 1999. Prior to joining the Company, he served as Vice President - Sales for The Barcalounger Company from 1992 to 1999. Prior to 1992, Mr. Harm served in various sales management positions with The Barcalounger Company.

Henry P. Long, Jr. has been Senior Vice President - Merchandising and Design since 1994. He was Vice President - Sales from 1987 to 1994. Mr. Long joined the Company in 1983 and has been a Director since 1993.

E. Larry Ryder has been Senior Vice President - Finance and Administration since 1987, Assistant Treasurer since 1998 and Assistant Secretary since 1990. He was Treasurer from 1989 to 1998 and Vice President - Finance and Administration from 1983 to 1987. Prior to 1983, Mr. Ryder served in various financial capacities. Mr. Ryder joined the Company in 1977 and has been a Director since 1987.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The table below sets forth the high and low sales prices per share for the Company's Common Stock for the periods indicated as reported to the National Association of Securities Dealers, Inc. (the "NASD") by the NASD's member firms. The Company's Common Stock is not listed for trading on any securities exchange or on Nasdaq and there is no established public trading market for the Company's Common Stock. The stock price information reported in the tables below represents a limited number of transactions in the Company's Common Stock in the "over-the-counter" market during the periods indicated.

1999	High	Low
First Quarter......................	$15.75	$13.00
Second Quarter.....................	15.13	12.00
Third Quarter......................	15.00	11.00
Fourth Quarter.....................	14.50	9.00
1998		
First Quarter......................	$15.00	$12.50
Second Quarter.....................	17.00	13.88
Third Quarter......................	16.88	12.50
Fourth Quarter.....................	16.00	11.50

As of February 14, 2000 the Company had approximately 770 beneficial stockholders and 1,550 employees participating in the Company's ESOP. The Company pays quarterly dividends on its Common Stock on or about the last day of February, May, August and November, when declared by the Board of Directors, to stockholders of record approximately two weeks earlier. Although the Company presently intends to declare cash dividends at historical levels on a quarterly basis for the foreseeable future, the determination as to the payment and the amount of any future dividends will be made by the Board of Directors from time to time and will depend on the Company's then current financial condition, capital requirements, results of operations and any other factors then deemed relevant by the Board of Directors. The following table sets forth the dividends per share paid by the Company with respect to its Common Stock during the Company's two most recent fiscal years:

	1999	1998
First Quarter......................	$0.075	$0.070
Second Quarter.....................	0.075	0.070
Third Quarter......................	0.075	0.070
Fourth Quarter.....................	0.075	0.070

All per share information reflected above has been adjusted to reflect a two-for-one stock split distributed in the form of a stock dividend on January 31, 2000.

ITEM 6. SELECTED FINANCIAL DATA

The following selected financial data for each of the last five fiscal years ended November 30, 1999 has been derived from the Company's audited financial statements. The selected financial data should be read in conjunction with the Financial Statements, including the Notes thereto, and "Management's Discussion and Analysis" included elsewhere herein.

	For the Year Ended November 30, (In thousands, except per share data)				
	1999	1998	1997	1996	1995
Income Statement Data (1):					
Net sales	$227,785	$205,308	$175,385	$161,202	$144,689
Cost of goods sold	168,603	156,344	133,092	118,675	108,825
Selling and administrative expenses	35,648	32,051	26,685	25,172	22,474
Income from operations	23,534	16,913	15,608	17,355	13,390
Other income (expense), net	(358)	114	(31)	148	718
Income before income taxes	23,176	17,027	15,577	17,503	14,108
Income taxes	8,881	6,241	5,530	6,715	4,939
Net income	14,295	10,786	10,047	10,788	9,169
Per Share Data (2):					
Basic and diluted earnings per share	1.87	1.40	1.30	1.39	1.18
Cash dividends per share	0.30	0.28	0.26	0.22	0.18
Net book value per share (including common stock held by ESOP)	12.52	10.97	9.86	8.85	7.68
Weighted number of shares outstanding	7,636	7,692	7,734	7,750	7,753
Balance Sheet Data:					
Cash	157	3,625	827	1,997	2,543
Inventories	37,051	35,812	33,475	26,013	19,818
Working capital	54,557	51,793	47,153	37,555	33,840
Total assets	116,423	111,233	98,290	87,370	71,144
Long-term debt (including current maturities)	7,000	12,062	9,985	7,228	1,000
Common stock held by ESOP	10,129	10,213	10,044	9,230	6,740
Stockholders' equity	85,234	73,900	66,210	59,326	52,760

(1) Certain items in the financial statements for periods prior to 1999 have been reclassified to conform to the 1999 method of presentation.

(2) All share and per share data reflect the effect of a two-for-one stock split distributed in the form of a stock dividend on January 31, 2000.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Selected Financial Data above and the Financial Statements and Notes thereto contained elsewhere in this report.

Results of Operations

The following table sets forth the percentage relationship to net sales of certain items included in the statements of income:

	For the Year Ended November 30,		
	1999	1998	1997
Net sales	100.0%	100.0%	100.0%
Cost of sales	74.0	76.2	75.9
Gross profit	26.0	23.8	24.1
Selling & administrative expenses	15.7	15.6	15.2
Operating income	10.3	8.2	8.9
Other income (expense), net	(0.1)	0.1	
Income before income taxes	10.2	8.3	8.9
Income taxes	3.9	3.0	3.2
Net income	6.3%	5.3%	5.7%

1999 Compared to 1998

Net sales increased $22 million or 10.9% in 1999 compared to 1998. The increase was due principally to continued increased unit volume in two major product lines: imported furniture and home office furniture.

Gross profit margin for 1999 increased to 26.0% compared to 23.8% for 1998. The increase was due primarily to improved operating efficiencies, lower raw material costs offset partially by the higher delivered cost of imported furniture, and higher average unit selling prices.

Selling and administrative expenses rose $3.6 million to 15.7% of net sales compared to 15.6% for 1998. The increase was primarily due to increased costs of warehousing and shipping. During 1999, the Company moved to centralized finished goods warehousing, requiring a duplicity of facilities during much of the year. The Company anticipates that dual facilities will not be necessary by the beginning of the second quarter of 2000.

As a result of the above, operating income increased from 8.2% of net sales in 1998 to 10.3% of net sales in 1999.

The Company's effective tax rate increased from 36.6% in 1998 to 38.3% in 1999.

1998 Compared to 1997

Net sales increased $30 million or 17.1% in 1998 compared to 1997. The increase was due principally to higher unit volume, particularly in three major product lines: imported occasional furniture, home entertainment furniture and home office furniture.

Gross profit margin for 1998 decreased to 23.8% compared to 24.1% for 1997. The decline was due primarily to lower average unit selling prices.

Selling and administrative expenses rose from 15.2% of net sales in 1997 to 15.6% in 1998. The increase was primarily due to the Company's planned investment upgrades in year-2000 compliant hardware, software and network technology.

As a result of the above, operating income dropped from 8.9% of net sales in 1997 to 8.2% of net sales in 1998.

The Company's effective tax rate was 36.6% of income before taxes in 1998 and 35.5% in 1997.

Financial Condition, Liquidity and Capital Resources

As of November 30, 1999, assets totaled $116.4 million, up from $111.2 million in 1998 and $98.3 million in 1997. Stockholders' equity at November 30, 1999, was $85.2 million, rising from $73.9 million in 1998 and $66.2 million in 1997. Cash generated from operating activities was $13.3 million during 1999 compared to $15.1 million in 1998 and $4.6 million in 1997.

Investing activities consumed $8.6 million in cash during 1999 compared to $11.5 million during 1998 and $6.2 million in 1997. Cash absorbed by investing activities in all three years was for capital expenditures as the Company continued to invest in property, plant and equipment for expanded furniture manufacturing capacity and distribution. In 1999, the Company began construction of raw lumber grading, storage and drying facilities at the Maiden, North Carolina plant to enable the Company to improve control of lumber cost and availability. These facilities should be completed and operational during the second quarter of 2000. The Company also began a 180,000 square foot addition to the central distribution center ("CDC") in Martinsville, Virginia. The Company substantially completed the consolidation of finished inventory formerly kept in three separate warehouses into the CDC in 1999. One of the former warehouses was under lease, which expired in April 1999, management is considering the sale, lease or alternate utilization of one facility, and the final facility will be used for additional manufacturing needs. Management anticipates that the consolidation will provide improved inventory control, less handling and improved efficiency for the distribution of its product.

The Company used $8.1 million for financing activities in 1999 compared to using $850,000 in 1998 and provided cash from financing activities in the amount of $408,000 in 1997. During 1997, the Company incurred $2.8 million of additional debt through its revolving line of credit for working capital needs primarily to fund a $7.5 million increase in inventories. During 1998, total long-term debt increased $2.1 million, primarily to fund the purchase of additional warehouse capacity during the fourth quarter. In 1999, long-term debt was reduced by $5.1 million. The Company made dividend payments of $2.3 million, $2.2 million and $2.0 million in 1999, 1998 and 1997, respectively.

At November 30, 1999, the Company had $8 million available under its revolving line of credit and $10.8 million of availability under additional lines of credit to fund working capital needs. The Company believes it has the financial resources needed to meet business requirements in the foreseeable future, including capital expenditures for the expansion of manufacturing capacity, working capital requirements, and the Company's dividend program.

Environmental Matters

Hooker Furniture Corporation is committed to protecting the environment as evidenced by its products and its manufacturing operations. The Company's manufacturing sites generate both hazardous and non-hazardous wastes, the treatment, storage, transportation and disposal of which are subject to various local, state and national laws relating to protecting the environment. The Company is in various stages of investigation or remediation of alleged or acknowledged contamination at current manufacturing sites, and at its 50% owned subsidiary. The Company's policy is to record environmental liabilities when loss amounts are probable and can be reasonably estimated. The Company's assessment of the costs associated with its environmental responsibilities, compliance with federal, state and local laws regulating the discharge of materials into the environment, or otherwise relating to the protection of the environment, has not had, and in the opinion of management, will not have a material effect on the Company's financial position, results of operations, capital expenditures or competitive position.

Year 2000

Since 1996, the Company had been planning for the advent of the year 2000. Review and, where necessary, the upgrade or replacement of critical business system software and hardware, and other equipment was made prior to 2000, at a cost of approximately $3 million. These actions allowed the transition to occur without material disruption to the Company's business systems, supply of materials or the subsequent distribution of product. The Company will continue to monitor exposures both internally and with its business partners. Such ongoing costs are expected to be minimal and a part of normal operating costs.

Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133"), which establishes accounting and reporting standards for derivative instruments. SFAS 133 requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. SFAS 133 is effective for all fiscal quarters of fiscal years beginning after June 15, 2000 and requires application prospectively. Management believes that the adoption of SFAS 133 will not have a material impact on the Company's financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company's obligations under its lines of credit and industrial revenue bonds bear interest at variable rates. The Company has entered into an interest rate swap agreement that, in effect fixes the rate of interest on the industrial revenue bonds at 4.71% through 2006. At November 30, 1999 the Company had no debt outstanding under its lines of credit. A 10% fluctuation in market interest rates would not have a material impact on the Company's results of operations or financial condition.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The financial statements and schedule listed in Items 14(a)(1) and 14(a)(2) of this report are incorporated herein by reference and are filed as a part of this report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

Hooker Furniture Corporation
Part III

In accordance with General Instruction G(3) of Form 10-K, the information called for by Items 10, 11, 12 and 13 of Part III is incorporated by reference to the registrant's definitive Proxy Statement for its Annual Meeting of Stockholders scheduled to be held March 30, 2000, except for information concerning the executive officers of the registrant which is included in Part I of this report under the caption "Executive Officers of the Registrant."

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) Documents filed as part of this report on Form 10-K:

(1) The following financial statements are included in this report on Form 10-K:

Report of Independent Certified Public Accountants.

Balance Sheets as of November 30, 1999 and 1998.

Statements of Income for each of the three fiscal years ended November 30, 1999.

Statements of Cash Flows for each of the three fiscal years ended November 30, 1999.

Statements of Stockholders' Equity for each of the three fiscal years ended November 30, 1999.

Summary of Significant Accounting Policies.

Notes to Financial Statements.

(2) Financial Statement Schedules:

Report on Financial Statement Schedule.

Schedule II - Valuation and Qualifying Accounts for each of the three fiscal years ended November 30, 1999.

(b) The following reports on Form 8-K were filed by the registrant during the last quarter covered by this report:

None.

(c) Exhibits:

3.1 Amended and Restated Articles of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form 10 (Commission File No. 000-25349)).

3.2 Articles of Amendment to Amended and Restated Articles of Incorporation of the Company (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form 10 (Commission File No. 000-25349)).

3.3 Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.3 to the Company's Registration Statement on Form 10 (Commission File No. 000-25349)).

4.1 Amended and Restated Articles of Incorporation of the Company (See Exhibit 3.1).

4.2 Articles of Amendment to Amended and Restated Articles of Incorporation of the Company (See Exhibit 3.2).

4.3 Bylaws of the Company (See Exhibit 3.3).

Pursuant to Regulation S-K, Item 601(b)(4)(iii), instruments evidencing long-term debt less than 10% of the Company's total assets have been omitted and will be furnished to the Securities and Exchange Commission upon request.

10.1 Lease, dated August 11, 1999, between International Home Furnishings Center, Inc. and the Company. *

10.2 Form of Salary Continuation Agreement (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form 10 (Commission File No. 000-25349)). **

10.3 Form of Split Dollar Agreement (incorporated by reference to Exhibit 10.4 to the Company's Registration Statement on Form 10 (Commission File No. 000-25349)). **

10.4 Commitment Letter for line of credit ("BB&T Line of Credit") and related Promissory Note dated June 5, 1998 between Branch Banking & Trust Company and the Company. *

10.5 Commitment Letter dated March 23, 1999 between Branch Banking & Trust Company and the Company renewing BB&T Line of Credit. *

27.1 Financial Data Schedule. *

____

*Filed herewith.
**Management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HOOKER FURNITURE CORPORATION

February 14, 2000

/s/ J. Clyde Hooker, Jr.

J. Clyde Hooker, Jr.
Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ J. Clyde Hooker, Jr. J. Clyde Hooker, Jr.	Chairman, Chief Executive Officer and Director (Principal Executive Officer)	February 14, 2000
/s/ Paul B. Toms, Jr. Paul B. Toms, Jr.	President - Chief Operating Officer and Director	February 14, 2000
/s/ Douglas C. Williams Douglas C. Williams	Executive Vice President - Manufacturing and Director	February 14, 2000
/s/ Henry P. Long, Jr. Henry P. Long, Jr.	Senior Vice President - Merchandising and and Design and Director	February 14, 2000
/s/ E. Larry Ryder E. Larry Ryder	Senior Vice President - Finance and Administration and Director (Principal Financial and Accounting Officer)	February 14, 2000
/s/ W. Christopher Beeler, Jr. W. Christopher Beeler, Jr.	Director	February 14, 2000
/s/ John L. Gregory III John L. Gregory III	Director	February 14, 2000
/s/ Irving M. Groves, Jr. Irving M. Groves, Jr.	Director	February 14, 2000
/s/ A. Frank Hooker, Jr. A. Frank Hooker, Jr.	Director	February 14, 2000
/s/ L. Dudley Walker L. Dudley Walker	Director	February 14, 2000

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Stockholders of
Hooker Furniture Corporation
Martinsville, Virginia

We have audited the accompanying balance sheets of Hooker Furniture Corporation as of November 30, 1999 and 1998 and the related statements of income, stockholders' equity, and cash flows for each of the three years in the period ended November 30, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hooker Furniture Corporation at November 30, 1999 and 1998, and the results of its operations and its cash flows for each of the three years in the period ended November 30, 1999 in conformity with generally accepted accounting principles.

/S/ BDO Seidman, LLP

December 15, 1999, except for Note 7, which is as of January 10, 2000
Richmond, Virginia

Balance Sheets (In thousands, including share data) Hooker Furniture Corporation

As of November 30,	1999	1998
Assets		
Current Assets		
Cash, primarily interest-bearing deposits	$ 157	$ 3,625
Trade receivables, less allowance of $525 and $500	26,599	23,346
Inventories	37,051	35,812
Prepaid expenses and other	2,408	1,637
Total current assets	66,215	64,420
Property, plant and equipment, net	45,138	41,500
Other assets	5,070	5,313
Total assets	$116,423	$111,233
Liabilities and Stockholders' Equity		
Current liabilities		
Trade accounts payable	$ 3,776	$ 4,757
Accrued salaries, wages and benefits	5,387	4,464
Other accrued expenses	2,495	3,406
Total current liabilities	11,658	12,627
Long-term debt	7,000	12,062
Deferred liabilities	2,402	2,431
Total liabilities	21,060	27,120
Common Stock held by ESOP	10,129	10,213
Stockholders' equity		
Common stock, no par value, 10,000 shares authorized, 7,617 and 7,671 shares issued and outstanding	2,418	2,435
Retained earnings	82,816	71,465
Total stockholders' equity	85,234	73,900
Total liabilities and stockholders' equity	$116,423	$111,233

See accompanying Summary of Significant Accounting Policies and Notes to Financial Statements.

Statements of Income (In thousands, excluding per share data) Hooker Furniture Corporation

For The Year Ended November 30,	1999	1998	1997
Net sales	$227,785	$205,308	$175,385
Cost of sales	168,603	156,344	133,092
Gross profit	59,182	48,964	42,293
Selling and administrative expenses	35,648	32,051	26,685
Operating income	23,534	16,913	15,608
Other income (expense), net	(358)	114	(31)
Income before taxes	23,176	17,027	15,577
Income taxes	8,881	6,241	5,530
Net income	$ 14,295	$ 10,786	$ 10,047
Earnings per share:			
Basic and diluted	$ 1.87	$ 1.40	$ 1.30
Weighted average shares outstanding	7,636	7,692	7,734

See accompanying Summary of Significant Accounting Policies and Notes to Financial Statements.

Statements of Cash Flows (In thousands) Hooker Furniture Corporation

For The Year Ended November 30,	1999	1998	1997
Cash flows from operating activities:			
Cash received from customers	$ 225,167	$ 205,376	$ 173,398
Cash paid to suppliers and employees	(202,044)	(183,745)	(162,882)
Income taxes paid	(9,288)	(6,038)	(5,310)
Interest paid, net	(570)	(459)	(572)
Net cash provided by operating activities	13,265	15,134	4,634
Cash flows from investing activities:			
Purchase of property, plant and equipment, net	(8,626)	(11,486)	(6,212)
Net cash absorbed by investing activities	(8,626)	(11,486)	(6,212)
Cash flows from financing activities:			
Proceeds from long-term debt	4,738	6,877	6,757
Payments on long-term debt	(9,800)	(4,800)	(4,000)
Cash dividends paid	(2,290)	(2,152)	(2,011)
Purchase and retirement of common stock	(755)	(775)	(338)
Net cash provided (absorbed) by financing activities	(8,107)	(850)	408
Net increase (decrease) in cash	(3,468)	2,798	(1,170)
Cash at beginning of year	3,625	827	1,997
Cash at end of year	$ 157	$ 3,625	$ 827
Reconciliation of net income to net cash provided by operating activities:			
Net income	$ 14,295	$ 10,786	$ 10,047
Depreciation and amortization	4,988	4,900	4,770
Increase in trade receivables	(3,253)	(369)	(2,536)
Increase in inventories	(1,239)	(2,337)	(7,462)
Increase in prepaid expenses and other assets	(528)	(853)	(660)
Increase (decrease) in trade accounts payable	(981)	582	(331)
Increase (decrease) in other accrued expenses	12	2,192	(104)
Increase (decrease) in deferred liabilities	(29)	233	910
Net cash provided by operating activities	$ 13,265	$ 15,134	$ 4,634

See accompanying Summary of Significant Accounting Policies and Notes to Financial Statements.

Statements of Stockholders' Equity (In thousands)   Hooker Furniture Corporation

	Common Stock Shares	Common Stock Amount	Retained Earnings
Balance at November 30, 1996	7,749	$2,460	$56,866
Net income			10,047
Cash dividends on common stock ($0.26 per share)			(2,011)
Increase in fair value of shares held by ESOP			(814)
Purchase and retirement of common stock	(19)	(6)	(332)
Balance at November 30, 1997	7,730	2,454	63,756
Net income			10,786
Cash dividends on common stock ($0.28 per share)			(2,152)
Increase in fair value of shares held by ESOP			(169)
Purchase and retirement of common stock	(59)	(19)	(756)
Balance at November 30, 1998	7,671	2,435	71,465
Net income			14,295
Cash dividends on common stock ($0.30 per share)			(2,290)
Decrease in fair value of shares held by ESOP			84
Purchase and retirement of common stock	(54)	(17)	(738)
Balance at November 30, 1999	7,617	$2,418	$82,816

See accompanying Summary of Significant Accounting Policies and Notes to Financial Statements.

Nature of Business

The Company manufactures and imports household and office furniture for sale to wholesale and retail merchandisers located primarily throughout North America. The Company operates predominantly in one business segment. Substantially all revenues result from the sale of residential furniture products. Substantially all of the Company's trade accounts receivable are due from retailers in this market, which consists of a large number of entities with a broad geographical dispersion.

Certain items in the financial statements for periods prior to 1999 have been reclassified to conform to the 1999 method of presentation.

Inventories

Inventories are stated at the lower of cost, using the last-in, first-out (LIFO) method, or market.

Property, Plant and Equipment

Property, plant and equipment is stated at cost, less allowances for depreciation. Provision for depreciation has been computed (generally by the declining balance method) at annual rates that will amortize the cost of the depreciable assets over their estimated useful lives.

Income Taxes

Deferred income taxes reflect the future tax consequences of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year end.

Fair Value of Financial Instruments

The Company's financial instruments' (consisting of cash, accounts receivable, accounts payable and accrued salaries) carrying values approximate fair value because of the short-term nature of those instruments. The fair value of the Company's industrial development revenue bonds is estimated based on the quoted market rates for similar debt with remaining maturity. At November 30, 1999, the carrying value of the industrial revenue bonds approximated fair value.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Revenue Recognition

Sales are recognized when products are shipped to customers. Substantially all of the Corporation's trade accounts receivable are from customers in the retail furniture industry. Management periodically performs credit evaluations of its customers and generally does not require collateral. The Corporation uses credit insurance to minimize the risk on certain accounts.

Long-Lived Assets

Long-lived assets, such as property, plant and equipment, are evaluated for impairment when events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable through the estimated undiscounted future cash flows from the use of those assets. When any such impairment exists, the related assets will be written down to fair value. No impairment losses have been recorded through November 30, 1999.

Earnings Per Share

Basic earnings per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilutive effect of securities that could share in earnings of the Company. At November 30, 1999, there were no securities that had a dilutive effect. Earnings per share has been computed based upon the weighted average number of common shares outstanding during the year.

NOTES TO FINANCIAL STATEMENTS

(Dollar amounts in tables or text, in thousands unless otherwise indicated)

NOTE 1 - INVENTORIES

	November 30, 1999	November 30, 1998
Finished furniture	$31,673	$29,787
Furniture in process	1,665	1,663
Materials and supplies	13,244	13,628
Inventories at FIFO	46,582	45,078
Reduction to LIFO basis	9,531	9,266
Inventories	$37,051	$35,812

If the first-in, first-out (FIFO) method had been used in valuing all inventories, net income would have been $14,459, $11,357 and $10,757 for the three years ended November 30, 1999, 1998 and 1997, respectively.

NOTE 2 - PROPERTY, PLANT AND EQUIPMENT

	Depreciable Lives (In years)	November 30, 1999	November 30, 1998
Buildings	15 - 40	$ 40,047	$ 32,621
Machinery and equipment	8 - 20	40,888	37,007
Furniture and fixtures	5 - 10	6,323	6,082
Other	3 - 30	5,894	9,199
Total depreciable property at cost		93,152	84,909
Accumulated depreciation		(49,385)	(44,590)
Total depreciable property, net		43,767	40,319
Land		1,371	1,181
Property, plant and equipment, net		$ 45,138	$ 41,500

NOTE 3 - LONG-TERM DEBT

	November 30, 1999	November 30, 1998
Industrial development revenue bonds issued in 1996, secured by a $7 million letter of credit, maturing annually from 2004 through 2006 with a variable interest rate (4.0% at November 30, 1999)	$ 7,000	$ 7,062
Revolving line of credit, with a maximum of $8 million at November 30, 1999, variable rate (6.7% at November 30, 1999) unsecured, interest payable monthly		5,000
Long-term debt	$ 7,000	$ 12,062

During 1998, the Company entered into an interest rate swap agreement, which effectively provides a fixed interest rate of 4.71% on the industrial development revenue bonds through 2006.

Maturities of long-term debt are $2.4 million in 2004, $2.4 million 2005 and $2.2 million in 2006.

The debt instruments contain, among other things, certain restrictions as to minimum tangible net worth, net equity ratio, current ratio, and debt coverage ratio. The Company was in compliance with these restrictions as of November 30, 1999.

The Company has available additional lines of credit totaling $20 million to fund its working capital needs. The Company utilizes letters of credit to collateralize imported inventory purchases against these credit lines. Outstanding letters of credit at November 30, 1999 were $ 9.2 million. As of November 30, 1999, $10.8 million of additional borrowings were available under these lines of credit.

NOTE 4 - EMPLOYEE BENEFIT PLANS

Salary Continuation Agreements

The Company maintains a salary continuation plan for certain management employees. These are un-funded agreements with all benefits paid out of the general assets of the Company when the employee retires. The amount of benefits to be paid is specified in each individual agreement. The accrued liabilities relating to this plan of $2.3 million and $1.9 million at November 30, 1999 and 1998, respectively, are included in "accrued salaries, wages and benefits" and "deferred liabilities." The cost of the plan recognized in the statements of income was $406 in 1999, $218 in 1998 and $188 in 1997.

Employee Stock Ownership Plan

The Company sponsors the Employee Stock Ownership Plan (ESOP) to provide retirement benefits for eligible employees by allowing them to share on a noncontributory basis in the growth of the Company, and allow them to accumulate a beneficial ownership interest in the common stock of the Company. The ESOP covers substantially all employees. Shares contributed to the ESOP are valued at fair market value as determined by an independent appraisal. Dividends paid on shares held by the ESOP are charged to retained earnings. The Company is obligated under certain circumstances to repurchase shares covered by the ESOP. Therefore the estimated value of the allocated ESOP shares is classified outside of stockholder's equity. At November 30, 1999, 282,135 shares were allocated to participants. Contributions to the ESOP are at the discretion of the Board of Directors and amounted to $798 in 1999, $725 in 1998 and $359 in 1997.

Employee Savings Plan

The Company sponsors the Employee's Savings Plan (the "Plan") covering substantially all employees. The Plan is a qualified 401(k) savings plan that is designed to permit employees of the Company to meet their savings goals and share in the Company's profits as a way of providing them with funds for retirement. A participant in the Plan may contribute an amount not less than 1%, nor more than 16% of their compensation. The Company will contribute 50% of the amount contributed by the participant, up to 6% of their compensation, as a matching contribution. Contributions to the Plan by the Company amounted to $667 in 1999, $571 in 1998 and $549 in 1997.

NOTE 5 - INCOME TAXES

The provision for income taxes:

	For The Years Ended November 30, 1999	1998	1997
Federal	$7,917	$ 5,483	$ 5,009
State	964	758	521
Total	$8,881	$ 6,241	$ 5,530

Deferred income tax assets (liabilities):

	November 30, 1999	1998
Assets		
Deferred compensation	$ 869	$ 740
Inventory	90	94
Investment in 50% owned subsidiary	217	134
Other	109	
Total deferred tax assets	1,285	968
Liabilities		
Property	(1,445)	(1,302)
Allowance for bad debts	(35)	(162)
Other		(70)
Total deferred tax liabilities	(1,480)	(1,534)
Net deferred tax liability	$ (195)	$ (566)

The net deferred tax liability is included in the balance sheets under "deferred liabilities."

The effective tax rate on income before taxes differed from the federal statutory tax rate. The following table reconciles the federal statutory rate with the effective rate:

	For The Year's Ended November 30, 1999	1998	1997
Income taxes at statutory rate	35.0%	35.0%	35.0%
Increase (decrease) in tax rate resulting from:			
State taxes, net of federal benefit	2.7	2.5	2.5
Federal tax rate differential due to lower tax brackets		(0.2)	(0.5)
Contribution of land			(1.6)
Other	0.6	(0.7)	0.1
Effective income tax rate	38.3%	36.6%	35.5%

NOTE 6 - INVESTMENT IN 50% OWNED SUBSIDIARY

The Company owns a 50% interest in a joint venture, accounted for by the equity method, which produced particleboard for furniture manufacturing. During 1998, the joint venture was cited by the Environmental Protection Agency ("EPA") for a violation of certain regulations under the Clean Air Act Amendments of 1990. The joint venture members determined that the cost of modification to the plant to come into compliance, together with other needed capital improvements, would be prohibitive and the joint venture elected to cease operations in November 1998. Effective June 1, 1999, the joint venture entered into a lease for the land and building owned by the joint venture with a third party lessee. The lease term is for two years with an option to purchase for $2.7 million. The Company's equity in the anticipated proceeds from the sale of the property, together with other net assets of the joint venture are approximately equal to the Company's carrying value at November 30, 1999. The Company's carrying value of $2.1 million and $2.4 million at November 30, 1999 and 1998, respectively, are included in "other assets". The Company's proportionate share of income (loss) in the joint venture of $(218) in 1999, $68 in 1998 and $(1) in 1997 are included in "other income (expense), net."

NOTE 7 - SUBSEQUENT EVENT

Subsequent to November 30, 1999, the Board of Directors approved a two-for-one stock split, effected in the form of a 100% stock dividend. The record date for the split was January 10, 2000, and the dividend was distributed to stockholders on January 31, 2000. All share and per share data in the financial statements has been adjusted to reflect the split.

REPORT ON FINANCIAL STATEMENT SCHEDULE

The audits referred to in our report dated December 15, 1999, except for Note 7 dated January 10, 2000, relating to the financial statements of Hooker Furniture Corporation, which are contained in Item 8 of this Form 10-K included the audit of the financial statement schedule listed in the accompanying index. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statement schedule based upon our audits.

In our opinion such financial statement schedule presents fairly, in all material respects, the information set forth therein.

/S/BDO Seidman, LLP

Richmond, Virginia
December 15, 1999

HOOKER FURNITURE CORPORATION
SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS (In thousands)
For Each of the Three Fiscal Years Ended November 30, 1999

Year	Description	Balance at Beginning of Period	Charged to Costs and Expenses	Deductions(1)	Balance at End of Period
1999	Allowance for doubtful accounts.........	$500	$387	$362	$525
1998	Allowance for doubtful accounts.........	500	353	353	500
1997	Allowance for doubtful accounts.........	500	404	404	500

(1) Uncollectible receivables written off, net of recoveries.

Exhibit 10.1

LEASE OF SPACE IN INTERNATIONAL HOME FURNISHINGS CENTER

IHFC: International Home Furnishings Center, Inc. Post Office Box 828 High Point, North Carolina 27261	LESSEE: Hooker Furniture Corp. P0 Box 4708 440 East Commonwealth Blvd. Martinsville, VA 24115

DESCRIPTION OF PREMISES: Space No.W1047 including bays C1003, H1042, H1043, H1045 and W1041 in the International Home Furnishings Center, High Point, North Carolina

TERM: 5 Years

COMMENCEMENT DATE: May 1, 2000.
EXPIRATION DATE: April 30, 2005.

ANNUAL RENTAL: 31,865 sq. ft. @ $10.50 per sq. ft. per year $334,582.50

ADDITIONAL OR SUPPLEMENTAL TERMS AND PROVISIONS:

Addendum A for Hamilton Wing Leases is attached hereto and made a part of this lease.

IHFC, by this Agreement, leases to Lessee and Lessee leases from IHFC, the Premises described above, at the rental, for the term and upon the other terms and conditions contained on this page and in IHFC's Standard Terms and Conditions of Lease (IHFC Form No.900103) which are incorporated by reference in and made a part of this Lease.

IHFC and Lessee have caused this Lease to be executed by their duly authorized officers, this the 11th day of August, 1999.

IHFC:	EXHIBITOR:
International Home Furnishings Center, Inc.	Hooker Furniture Corporation ---------------------------------- Complete Formal Business Name
By: Signature appears here ----------------------------- Vice President	Corporation ---------------------------------- LEGAL FORM OF BUSINESS: CORPORATION, PARTNERSHIP OR INDIVIDUAL AND STATE OF PRINCIPAL OFFICE
	By: Edwin L. Ryder-Sr. VP Fin.& Admin. ------------------------------------ NAME TITLE PRESIDENT, VICE PRESIDENT, GENERAL PARTNER, OWNER
Attest: /S/ Jane S. Lain -------------------------- SECRETARY	Attest: Robert W. Sherwood CORPORATE SEAL ------------------ SECRETARY IF LESSEE IS A CORPORATION

CORPORATE SEAL

STANDARD TERMS AND CONDITIONS OF LEASE
IHFC FORM NO. 900103

1.0 PREMISES

(S)1.1. Description. Lessee acknowledges receipt of a drawing or floor plan showing the exact location of the Premises in the Intentional Home Furnishings Center showroom complex owned and operated by IHFC (the "Home Furnishings Center"). The Home Furnishings Center is more particularly described on a map or plat prepared by Davis-Martin-Powell and Associates, Inc. and designated Job No. S-18512, a copy of which is on file at the office of IHFC and is incorporated in this Lease by reference. The lease of the Premises includes the right of access to the Premises through the common areas of the Home Furnishings Center.

(S)1.2. Relocation. Lessee acknowledges and agrees that it is essential to the orderly and efficient operation of the Home Furnishings Center by IHFC that IHFC have the right from time to time to relocate lessees in order to achieve optimum utilization of all space in the Home Furnishings Center. Consequently, IHFC shall be entitled to relocate Lessee as provided in this section if IHFC determines that relocation of Lessee is in the best interest of the Home Furnishings Center in the conduct of its business. IHFC shall exercise its right to relocate Lessee in the following manner: (a) the premises to which Lessee is to be relocated (the "New Premises") shall be selected by IHFC and shall be equivalent (as determined by IHFC in its sole discretion) in size and value to the Premises; (b) IHFC shall notify Lessee of its intent to relocate Lessee within a time period prior to the commencement of the next regularly scheduled Market such that the Lessee has a reasonable period of time (as determined by IHFC in its sole discretion) to refixture, redecorate, and prepare to show at that Market and identify the proposed New Premises; (c) within ten (10) days after notice of relocation by IHFC, Lessee, at its option, may terminate this Lease by written notice to IHFC; (d) if Lessee fails to terminate this Lease as provided in (c) above, the New Premises shall be substituted for the original Premises, this Lease shall continue in full force and effect without any other change, and IHFC, at its expense, shall move Lessees property to the New Premises and shall pay the costs (less a reasonable allowance for depreciation) of replacing (as nearly as possible) all installations and improvements of Lessee which cannot be moved to the New Premises.

2.0 TERM

(S)2.1. Commencement and Expiration Date. The Commencement Date and Expiration Date of the Lease term are the dates set forth on the first page of this Lease.

(S)2.2. Holding Over. If Lessee remains in possession of the Premises after the expiration or termination of this Lease, Lessee shall be only a tenant at will but its occupancy shall otherwise be subject to all of the terms and provisions of this Lease, except that Lessee shall pay per diem rent for each day Lessee occupies the premises, in an amount equal to one hundred fifty percent (150%) of the then prevailing annual rates for comparable space charged by IHFC to new tenants, prorated on a daily basis.

3.0 RENT

(S)3.1. Annual Rental. Lessee shall pay to IHFC without offset or deduction the Annual Rental for the Premises set forth on the first page of this Lease, in semiannual installments, each such semiannual installment being due and payable in advance on or before the first day of November and on or before the first day of May (the "Rental Payment Dates") of each calendar year during the Lease term, except as provided in (S)3.2.

(S)3.2. No Reduction. If the Commencement Date is a day other than a Rental Payment Date, Lessee acknowledges and agrees that by receiving possession of the Premises on the Commencement Date, Lessee will be able to show its merchandise at the next ensuing Market and will receive the same benefits as would have been the case had the Lease term commenced on the Rental Payment Date next preceding the actual Commencement Date. Lessee therefore agrees to pay a full semiannual rental payment for the period of time beginning with the Commencement Date and ending on the day before the next Rental Payment Date.

(S)3.3. Rent Adjustment. In addition to the Annual Rental provided for in (S)3.1, Lessee agrees to pay IHFC, for each Lease Year, an amount determined by multiplying the Annual Rental by a percentage equal to the cumulative percentage increase, if any, in the CPI, determined as follows:

(a) "CPI" means the Consumer Price Index, All Urban Consumers -U.S. City Average - All items (1982-4=100) as published by the Bureau of Labor Statistics of the United States Department of Labor;

(b) If the Commencement Date is a Rental Payment Date, A Lease Year is the annual period commencing on the Commencement Date and on each anniversary thereof. If the Lease Term commences on any other date, a Lease Year is the annual period commencing on the Rental Payment Date next preceding the Commencement Date, and on each anniversary thereof;

(c) The cumulative percentage increase in the CPI shall be the percentage increase, if any, in the CPI for the sixth month prior to the Lease Year in question over the CPI for the same month next preceding the Commencement Date;

(d) If the CPI ceases to use the 1982-4 average equaling 100 as the basis of calculation, or if a change is made in the term or number of items contained in the CPI, or if the CPI is altered, modified, converted or revised in any other way, then the foregoing computations shall be made with the use of such conversion factor, formula or table for converting the CPI as may be published by the Bureau of Labor Statistics or, if the Bureau shall not publish the same, then with the use of a conversion factor which adjusts the modified CPI to the figure that would have been arrived at had the change in the manner of computing the CPI in effect on the date of this lease not been altered. If the Bureau shall cease publication of the CPI, then any substitute or successor index published by the Bureau or other governmental agency of the United States shall be used, similarly adjusted. If neither the CPI or a successor or substitute index similarly adjusted is available, then a reliable governmental or other reputable publication selected by IHFC and evaluating the information theretofore used in determining the CPI shall be used;

(e) IHFC shall bill the Lessee for the cumulative increase in the Annual Rental at the same time as its normal invoices for Annual Rental are sent prior to each Lease Year, and, upon request by Lessee, shall furnish Lessee with a statement explaining the method of computation of the CPI increase; and

(f) IHFC shall not be obliged to make any adjustments or recomputations, retroactive or otherwise, by reason of any revision which may later be made in the amount of the CPI first published for any month.

4.0 USE AND OCCUPANCY OF PREMISES BY LESSEE

(S)4.1. Use. Lessee shall use the Premises for the display, exhibition, and sale of home furnishings, furniture, accessories, carpeting and wall coverings, and for office or clerical purposes to the extent reasonably required for the conduct of such activities at the Premises, and for no other purpose.

(S)4.2. Operation During Markets. Lessee shall open the Premises, exhibit its products and staff the Premises with employees for the entire period of each regularly scheduled Market.

(S)4.3. Rules and Regulations. IHFC has established rules, regulations, guidelines and policies (the "Guidelines") regarding the operation of the Home Furnishings Center, and shall be entitled to establish Guidelines from time to time after the execution of this Lease. Lessee acknowledges receipt of a copy of the current Guidelines and agrees to comply, and to cause its employees, contractors, agents and others occupying the Premises to comply, with all current and future Guidelines, provided that (a) IHFC notifies Lessee of any Guidelines established after the date of this Lease and (b) the Guidelines established by IHFC do not unreasonably interfere with Lessee's use of the Premises for the purposes set forth in (S)4.1.

(S)4.4. Restriction on Other Operations of Lessee. Lessee agrees (insofar as and to the extent Lessee may lawfully do so) that during all regularly scheduled Markets or other times at which the Home Furnishings Center is officially open to buyers during the term of this Lease, Lessee will not, within a five (5) mile radius of the Home Furnishings Center (a) operate any other showroom under the same trade name or names under which Lessee does business from the Premises or (b) exhibit in any other location the same merchandise which Lessee exhibits in the Premises. Lessee acknowledges and agrees that it is in the best interest of Lessee and other tenants in the Home Furnishings Center as exhibitors, and in the best interest of the successful operation of the Home Furnishings Center as a national market for home furnishings, to maximize buyer traffic in, and the duration of buyer visits to, the Home Furnishings Center. Lessee agrees that the foregoing provisions are reasonably necessary to accomplish these purposes, and that a breach of these provisions by Lessee will constitute a material breach of the Lease.

(S)4.5. Property of Others. Lessee will not place or permit to be placed in the Premises property of any other person or entity, unless it has first secured the written consent of IHFC.

(S)4.6. Market Dates; Admission. IHFC shall have the sole right to prescribe the dates of regularly scheduled Markets applicable to Lessee's lines of merchandise, and qualifications, conditions and times of admission to the Home Furnishings Center. IHFC may restrict admission to accredited buyers and condition admission upon the presentation of credentials prescribed or provided by IHFC. Without limiting the generality of the foregoing, Lessee agrees not to admit any buyers to the Premises during the seven day period prior to each Market.

(S)4.7. Compliance. Lessee agrees not to use or occupy the Premises, or permit them to be used or occupied, in any manner which violates applicable laws or regulations affecting the Premises or the Home Furnishings Center established by any governmental or public authority having jurisdiction to promulgate such laws or regulations, or by any insurance carrier insuring the Premises, property located therein, or the Home Furnishings Center.

(S)4.8. Inspection by IHFC. IHFC and its representatives shall be entitled to enter the Premises at any reasonable time for the purpose of inspecting the Premises, performing any work required or permitted to be performed by IHFC under this Lease, and exhibiting the Premises to prospective mortgagees and tenants. IHFC agrees that to the extent practical, it will not unreasonably interfere with the operation of Lessee's business in the exercise of its rights under this Section.

5.0 ASSIGNMENT AND SUBLETTING

(S)5.1. Transfers by Lessee. Lessee agrees not to assign this Lease or sublet all or any part of the Premises without Lessor's prior written consent in each instance. In the event of an assignment or sublease, Lessee shall remain primarily liable for payment and performance of all obligations under this Lease upon default by the assignee or subtenant, notwithstanding the acceptance of rent or performance directly from the assignee or subtenant by IHFC.

(S)5.2. Subleasing Policy. All proposed subleases which IHFC is requested to approve pursuant to (S)5.1 must conform to subleasing policies established by IHFC from time to time, and Lessee acknowledges and agrees that IHFC's subleasing policies, among other things, may provide for selection of sublessees from a priority waiting list, the use of standard forms, direct billing by IHFC, the imposition of subleasing fees by IHFC, and the retention by IHFC of the excess of any amounts payable under the sublease over the rent and other charges payable under this Lease. Nothing in this section may be construed to create any inference that IHFC is obligated to approve any sublease which complies with the provisions of this section.

(S)5.3. Change of Ownership. For purposes of this Paragraph, an assignment includes: (1) one or more sales or transfers by operation of law or otherwise by which an aggregate of more than fifty percent (50%) of Lessee's shares or ownership shall be vested in a party or parties who are not shareholders or owners of Lessee as of the date of this Lease; (2) any transfer by operation of law; (3) any assignment among co-tenants; and (4) any assignment of a part interest in this lease.

6.0 REPAIRS AND MAINTENANCE

(S)6.1. Acceptance. Lessee has examined the Premises and accepts them in their present conditions, without any representation on the part of IHFC as to the present or future condition of the Premises except as otherwise specifically provided in this Lease.

(S)6.2. IHFC's Repair Obligations. IHFC shall at IHFC's expense maintain the exterior walls, roof, structural supports and common areas of the Home Furnishings Center in good order and repair; provided, however, that (a) IHFC is not an insuror and its responsibility to do so shall be confined to making the proper repairs within a reasonable time after it has received notice of the necessity, nature and location of the repairs and (b) Lessee shall repair any damage to the Home Furnishings Center caused by Lessee or its agents.

(S)6.3. Lessee's Repair Obligations. Lessee agrees to maintain the Premises in a neat and clean condition, in good order and repair, and in full compliance with applicable laws, ordinances, regulations, and codes.

(S)6.4. Surrender. At the expiration or termination of this Lease, Lessee agrees to quit and surrender the Premises to IHFC in as good a condition as when received, reasonable wear and tear and damage by fire or other casualty excepted.

7.0 LESSEE'S PROPERTY; ALTERATIONS AND IMPROVEMENTS

(S)7.1. Lessee's Property. Subject to the security interest granted in (S)12.4 of this Lease, all merchandise, office furniture and equipment, samples, inventory and other unattached movable property placed in the Premises by Lessee shall remain the property of Lessee, and Lessee, if it is not in default under this Lease, shall be entitled to remove such items from the Premises, provided Lessee repairs any damage to the Premises or the Home Furnishings Center caused by such removal.

(S)7.2. Placing Property in or Removing Property From Premises. Except as otherwise specifically permitted by IHFC's Guidelines, all property of Lessee shall be moved to or from the Premises by the employees or designated contractors of IHFC, at the expense and risk of Lessee, and Lessee agrees to pay IHFC upon receipt of IHFC's invoice, IHFC's standard charges for moving such items to and from the Premises. IHFC shall not be liable for any loss or damage to property of Lessee, unless caused by the negligence of IHFC or its employees.

(S)7.3. Alterations and Improvements. Lessee shall be entitled to make alterations, additions, and improvements to the Premises, provided Lessee first obtains IHFC's written consent, which IHFC will not unreasonably withhold. Any alteration, addition, improvement or other property attached to the Premises by Lessee (including, without limitation, electrical wiring, lighting fixtures, carpeting and track lighting) shall become the property of IHFC upon the expiration or termination of this Lease, unless IHFC elects to require Lessee to remove the same, repair any damages occasioned by such installation or removal, and restore the Premises to their original condition.

(S)7.4. Performance of Work. All work in connection with alterations, additions, or improvements to the Premises (a) shall be performed in a first class, workmanlike manner with all required governmental and utility permits obtained in advance by Lessee; (b) shall not weaken or impair the structural integrity of the Home Furnishings Center; and (c) shall be in accordance with plans and specifications, and performed by contractors, approved by IHFC. All contractors performing such work shall carry insurance satisfactory to IHFC and shall execute lien waivers, and indemnity agreements satisfactory to IHFC. IHFC shall have no duty to Lessee or anyone else to enforce these requirements or inspect the work of Lessee's contractors.

8.0 TAXES

IHFC agrees to pay all ad valorem taxes and assessments levied, assessed or charged against the Home Furnishings Center. Lessee agrees to list and pay all license, privilege, ad valorem or other taxes levied, assessed or charged against Lessee or IHFC on account of the operation of Lessee's business in the Premises or on account of property owned by Lessee.

9.0 UTILITIES

IHFC agrees to furnish heat, electricity, air conditioning, and elevator service to the Premises for a period beginning thirty (30) days prior to the commencement of each regularly scheduled Market, and ending fourteen (14) days following the close of each such Market; provided, however, that IHFC shall not be liable for interruptions in service due to breakdowns or other causes beyond its control. If Lessee uses the Premises at any other times, Lessee agrees to pay such additional charges as may be imposed by IHFC for such excess utility use.

10.0 INSURANCE; INDEMNITY

(S)10.1. Insurance. Lessee agrees to keep its property located in the Premises, including all alterations, additions and improvements made by it, insured against loss or damage by fire or other casualty, under an "all risks" policy in an amount equal to full replacement cost value thereof. Lessee agrees to maintain in force comprehensive general liability insurance coverage on the Premises, with a minimum combined single limit of $500,000 for death, personal injury or property damage, naming IHFC as an additional insured. This general liability coverage may be either on an "occurrence" or a "claims made" basis. If on a "claims made" basis, Lessee must either:

(a) Agree to provide certificates of insurance evidencing the above coverages for a period of three years after expiration of the lease, which certificate shall evidence a "retroactive date" no later than the Commencement Date; or

(b) Purchase the extended reporting period endorsement for the policy or policies in force during the term of this lease and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance or a copy of the endorsement itself.

All policies shall provide that unless IHFC is given ten (10) days written notice of any cancellation, failure to renew, or material change, the insurance shall remain in full force and effect, without change. On or before the Commencement Date, Lessee agrees to provide IHFC with satisfactory evidence that all required insurance is in force. Lessee may provide any insurance required under this Article through its corporate or blanket policies.

(S)10.2. Waiver of Subrogation. To the extent that any business interruption or loss or damage to property occurring in the Premises or in the Home Furnishings Center, or in any manner growing out of or connected with Lessee's occupation of the Premises or the condition thereof (whether or not caused by the negligence of IHFC or Lessee or their respective agents, employees, contractors, tenants, licensees, or assigns) is covered by insurance (regardless of whether the insurance is payable to or protects IHFC or Lessee, or both) neither IHFC nor Lessee, nor their respective officers, directors, employees, agents, invitees, assignees, tenants, or subtenants, shall be liable to the other for such business interruption or loss or damage to property, it being understood and agreed that each party will look to its insuror for reimbursement. This release shall be effective only so long as the applicable insurance policies contain a clause to the effect that it shall not affect the right of the insured to recover under the policies. Such clauses shall be obtained by the parties wherever possible. Nothing in this Section may be construed to impose any other or greater liability upon either IHFC or Lessee than would have existed in its absence.

(S)10.3. Assumption of Risks, Release, and Indemnity. Lessee (1) assumes all risks with respect to, (2) releases IHFC from liability for, and (3) agrees (except to the extent IHFC is effectively protected by insurance) to protect, indemnify and save harmless IHFC from and to defend IHFC (through counsel acceptable to IHFC) against any claim liability, loss, or damage arising out of or connected with the following, however caused and wherever originating and regardless of whether the cause or means of repairing the same is accessible to or under the control of Lessee:

(a) Damage to property of Lessee, or its agents, employees or subtenants occurring in or about the Home Furnishings Center;

(b) Damage to property of anyone occurring in or about the Premises;

(c) Any injury to or interruption of business or loss of profits attributable to or connected with any damage to property referred to in subparagraphs (a) or (b), above.

(d) Death or personal injury occurring in or about the Premises (unless resulting from the negligence of IHFC or its employees); or(e) Any other risks with respect to which Lessee is required to insure by the terms of this Lease (whether or not such insurance is actually in force).

In addition to and without limiting the generality of the foregoing. Lessee's assumption of risk, release, and indemnity obligations as set forth above shall apply to any claim, liability, loss or damage arising out of or in connection with (1) Lessee's occupancy of or conduct of business in the Premises; (2) the condition of the Premises; (3) any default of Lessee under this Lease; and (4) mechanic's or materialmen's liens asserted by persons claiming to have dealt with Lessee or Lessee's contractors.

11.0 DAMAGE OR DESTRUCTION

(S)11.1. Option to Terminate. If the Premises are damaged or destroyed by fire or other casualty to such extent that they are completely untenantable, or if the area of the Home Furnishings Center in which the Premises are located is so severely damaged that IHFC elects to demolish, or completely rebuild it, IHFC may terminate this Lease by notifying Lessee within thirty (30) days following the damage or destruction, and rent and other charges payable by Lessee under this lease shall be apportioned to the date of the damage or destruction.

(S)11.2. Obligation to Repair or Restore. If the Premises are damaged by fire or other casualty, unless IHFC has exercised its right to terminate, if any, under (S)11.1, IHFC shall with reasonable dispatch, and in any event within one hundred eighty (180) days, repair and restore the Premises to their condition existing at the date of the damage or destruction (except for alterations and improvements installed by Lessee and other property of Lessee, which Lessee shall repair and restore within that time) and this Lease shall remain in full force and effect except that rent shall abate as provided in (S).11.3.

(S)11.3. Rent Abatement. If the Premises are damaged or destroyed by fire or other casualty and this Lease is not terminated, rent and other charges under this Lease shall abate in the same percentage as the rentable area of the Premises available for use bears to the entire rentable area of the Premises; provided, however, that if the Premises are damaged or destroyed to such extent that it is unreasonable to expect Lessee to continue to operate the Premises as a showroom, all rent shall abate from the date of the damage or destruction until the earlier of the date the Premises are repaired and restored, or the date Lessee reopens the Premises as a showroom. Notwithstanding the foregoing, if IHFC is able to repair and restore the Premises within such time as to permit Lessee (in the exercise of reasonable dispatch and considering the time required for Lessee to complete Lessee's restorations to the Premises and redecorate them) to use the Premises for a showroom at the next ensuing Market after the damage or destruction, there shall be no abatement of rent.

12.0 DEFAULT

(S)12.1. Events of Default. Lessee shall be in default under this Lease if any one of the following Events of Default occurs:

(a) Lessee fails to pay when due any installment of rent or other amount due under the terms of this Lease;

(b) Lessee fails to pay when due any other amount owed to IHFC; or

(c) Lessee repudiates or fails to perform any obligation under (S).1.2 (Relocation), (S).4.0 (Use), (S).5.0 (Assignment and Subletting), (S).7.3 (Alterations), (S).13.0 (Subordination) or (S).14.0 (Estoppel Certificates).

(d) Lessee vacates or abandons the Premises;

(e) Lessee becomes insolvent, executes an assignment for the benefit of creditors, is adjudicated a bankrupt, files for relief under the reorganization provisions of any Federal bankruptcy law or state insolvency law, or a permanent receiver of the property of Lessee is appointed by any court of competent jurisdiction.

(f) Lessee repudiates or, within ten (10) days after notice of nonperformance by IHFC, fails to perform any other obligation which it is required to perform under the terms of this Lease or, if performance cannot reasonably be had within ten (10) days after notice from IHFC, Lessee fails to commence performance within that period and diligently proceed to completion of performance.

(S)12.2. Remedies. If an Event of Default occurs, IHFC, at its option and without further notice to Lessee, may pursue any remedy now or hereafter available to IHFC under the laws of the State of North Carolina. Without limiting the generality of the foregoing, IHFC shall be entitled to reenter the Premises by force, summary proceedings or otherwise, expelling Lessee and removing all property from the Premises, all without liability to Lessee or anyone else and either:

(a) attempt to relet the Premises for such term and rental and upon such other terms and conditions as IHFC in its sole discretion deems advisable. All rentals received by IHFC from such reletting shall be applied, first, to payment of any indebtedness other than rent due from Lessee to IHFC; second, to payment of any expenses of reletting, including, without limitation, the costs of recovering the Premises, such alterations or repairs as may be necessary to relet the Premises, brokerage fees, and reasonable attorney's fees; third to payment of any rent unpaid under the terms of this Lease; and the residue, if any, to the payment of rent as the same becomes due and payable under this Lease. If the amount received from such reletting and applied to rent during any semiannual period is less than the rent reserved under this Lease, Lessee agrees to pay the deficiency to IHFC. The deficiency shall be calculated and paid semiannually. No reentry or taking possession of the Premises by IHFC shall be construed as an election upon its part to terminate this Lease unless IHFC so notifies Lessee or this Lease is terminated by order of a court of competent jurisdiction; or

(b) notwithstanding any reletting without termination, at any time after an Event of Default occurs, elect to terminate this Lease, and, in addition to IHFC's other remedies, recover from Lessee all damages incurred by reason of Lessee's default, including, without limitation, the costs of recovering the Premises, reasonable attorney's fees, and the worth, at the time of the termination, of the excess, if any, of the amount of rent reserved under this Lease over the then reasonable rental value of the Premises for the remainder of the term of the Lease, all of which amounts shall be immediately due and payable from Lessee to IHFC.

(S)12.3. Late Charges. If any installment of rent or any other amount due under this Lease is not received by IHFC within ten (10) days after the date such payment was due, then Lessee shall be obligated to pay, in addition to the amount due, a late charge equal to five percent (5%) of the overdue amount. Lessee agrees that this late charge represents a fair and reasonable estimate of the additional processing, accounting and other costs IHFC will incur by reason of late payment by Lessee, the exact amount of which would be difficult to ascertain. Notification by IHFC to Lessee that a late payment charge has been added to the amount of overdue rent or other charges shall not constitute a waiver of Lessee's default, nor preclude IHFC from exercising any other remedy.

(S)12.4. Security Interest. As security for performance and payment of all present and future rents and other obligations required to be paid or performed by Lessee under the terms of this Lease, and for any other amounts owed IHFC by Lessee, Lessee hereby grants unto IHFC a security interest in all installations, samples, goods, merchandise, furniture, fixtures, and other property of Lessee, now owned or hereafter acquired, located in the Premises or the Home Furnishings Center. If an Event of Default occurs, IHFC at any time thereafter may exercise, in addition to its other remedies, the rights of a secured party under Chapter 25 of the North Carolina General Statutes. The proceeds from any sale of the collateral pursuant to such remedies shall be applied in the following order: (a) the expense of taking, removing, holding for sale, and preparing for sale, specifically including IHFC's reasonable attorney's fees; (b) the expense of liquidating any liens, security interests or other encumbrances superior to this security interest; and (c) amounts owed by Lessee to IHFC under the terms of this Lease or otherwise, in the order herein provided for. Lessee agrees to execute such financing statements and other documents as may be required to perfect the security interest granted to IHFC under this Section.

(S)12.5. Partial Payment. IHFC shall not be obligated to accept partial payments of rent or other charges due under this Lease. If IHFC accepts any such payment, IHFC shall not be deemed to have waived the default of Lessee by reason of non-payment of such charges in full, nor to have waived its right to collect late charges. IHFC will hold any partial payment so received as a deposit against full payment of such amounts. At any time prior to full payment by Lessee of such amounts, IHFC may exercise any one or more of its remedies on default, and apply the deposit to any amounts or damages owed IHFC as of the date IHFC elects to exercise such remedies, including, without limitation, pro rata rent and other charges payable under this Lease for the current lease period up through the date of the exercise by IHFC of its remedies upon default. The acceptance of such deposit by IHFC shall be entirely without prejudice to IHFC's right thereafter, at any time prior to payment in full, to assert such default, apply the deposit as provided in this section, and pursue all remedies available to IHFC under this Lease or applicable law.

(S)12.6. Default Under Prior Lease. If this Lease is to take effect at the expiration of an earlier lease between IHFC and Lessee for space in the Home Furnishings Center (the "Prior Lease"), then this Lease is subject to Lessee's performing its obligations under the Prior Lease up through the date of its expiration. If an Event of Default occurs under the Prior Lease and IHFC, pursuant to its rights under the Prior Lease, either (a) terminates Lessee's right to possession of the Premises or (b) terminates the Prior Lease, then this Lease shall be automatically terminated, whether or not such termination is expressly stated in any notice from IHFC to Lessee.

13.0 SUBORDINATION

At the election of IHFC, this Lease shall be subordinate to a first mortgage or deed of trust held by a lending institution and secured by the Home Furnishings Center; provided, however, that IHFC agrees to use reasonable efforts to secure from the mortgagee a nondisturbance agreement providing that in the event of foreclosure the mortgagee will recognize the validity of this Lease, and, provided Lessee is not in default, will not disturb Lessee's possession hereunder.

14.0 ESTOPPEL CERTIFICATES

Upon ten (10) days prior written notice from IHFC, Lessee agrees to execute, acknowledge and deliver to IHFC, Lessee's certificate: (a) stating whether this Lease is in full force and effect; (b) stating whether this Lease has been modified, and if so, the nature of such modification; (c) stating the date through which rent and other charges are paid in advance; (d) stating whether, to Lessee's knowledge, there are any uncured defaults of IHFC under this Lease, specifying the nature of any claimed default; and (e) providing such other information as IHFC may reasonably request with respect to the status of the Lease. Any such certificate may be conclusively relied upon by IHFC or any prospective purchaser or mortgagee of the Home Furnishings Center.

15.0 NOTICES

All notices required or permitted by the terms of this Lease shall be deemed given when deposited in the United States Registered or Certified Mail, Postage Prepaid, or with verification of delivery by telegram, cable, telex, commercial courier or any other generally accepted means of business communication, to either party, at the address set forth for such party on the first page of this Lease. Either party may change the address to which notices must be sent by giving notice to the other party in accordance with this Section.

16.0 MISCELLANEOUS

(a) This Lease shall be governed, construed, and enforced under the laws of North Carolina and the parties submit to the jurisdiction of the courts of North Carolina and stipulate that Guilford County, North Carolina, is proper venue for the purpose of all controversies which may arise under this Lease;

(b) This Lease contains the entire understanding of the parties and there are no conditions precedent to its effectiveness or collateral understandings with respect to its subject matter;

(c) It may not be modified except by writing signed by both parties;

(d) it shall not be construed strictly against either party, but fairly in accordance with their intent as expressed herein;

(e) Lessor's remedies are cumulative and not exclusive of other remedies to which Lessor may be legally entitled;

(f) No waiver of any breach of a provision of this Lease may be construed to be a waiver of any succeeding breach of the same or any other provision, nor shall any endorsement or statement on any check or letter accompanying payment be deemed an accord and satisfaction, and IHFC may accept payment without prejudice to its rights to pursue any remedy provided for in this Lease;

(g) Time is of the essence in every particular, especially where the obligation to pay money is involved;

(h) Amounts not paid IHFC when due will bear interest on the unpaid balance at the lower of one and one-half percent (1-1/2%) per month or the maximum lawful rate; and

(i) This Lease binds the parties, their respective heirs, personal representatives, successors and assigns.

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ADDENDUM A

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This Addendum contains provisions which modify and supplement the provisions contained in the standard IHFC Lease and in IHFC's Standard Terms and Conditions of Lease. If there is any conflict between the terms of this Addendum and the terms of IHFC's standard Lease or Standard Terms and Conditions of Lease, this Addendum controls.

1. SIGNAGE

- Lessee agrees to pay for and maintain the standard exterior signage in accordance with signing specification on all fascias. (Signs are required on all fascias.) Lessee agrees not to place any other signs, banners, or other material of any kind on the exterior of the premises.

2. DESIGN STATEMENT

- This Lease is contingent upon Lessee making a professionally designed showroom statement both interiorly and exteriorly.

3. WINDOWS

- Lessee agrees that draperies, blinds, paper, curtains, or any other device that limits vision in the Premises will not be installed upon or near any window or door of the Premises.

[GRAPHIC OF FLOOR PLAN APPEARS HERE]

Wrenn, Commerce & Hamilton Wings

Exhibit 10.4

June 5, 1998

Mr. Edwin L. Ryder
Senior Vice President - Finance and Administration
Hooker Furniture Corporation
Post Office Box 4708
Martinsville, VA 24112

Dear Larry:

Branch Banking and Trust Company ("Bank") is pleased to increase its formal line of credit to the amount of $15,000,000 to accommodate the issuance of Letters of Credit on behalf of Hooker Furniture Corporation. Terms and conditions of this commitment are as follows:

Borrower: The Borrower shall be Hooker Furniture Corporation.

Purpose: The line of credit shall be used exclusively for the issuance of Commercial Letters of Credit as required in normal operations.

Amount: The maximum amount of this line of credit shall be Fifteen Million Dollars ($15,000,000.00).

Term: This commitment shall be outstanding until March 31, 1999, at which time it will expire and be subject to review. All Letters of Credit issued under this line shall remain in force until their respective dates of expiration.

Advances/ Repayment: Each Letter of Credit will be issued under a $15,000,000 Promissory Note, which is enclosed for execution. Any advance of funds by BB&T resulting from the issuance of Letters of Credit shall be repayable upon demand. Please note that two signatures are required according to the Certificate of Corporate Resolutions we have on file. Any of the following Corporate Officers may execute the Promissory Note: Chairman, President, Sr. Vice President - Finance and Administration, and Secretary.

Interest Rate: The promissory Note backing Letters of Credit issued under this line shall bear interest at BB&T's Prime Rate adjusted daily as prime changes.

Collateral: Unsecured.

Fees: All fees shall be agreed upon by Hooker Furniture Corporation and BB&T International Services Division.

Financial Reporting: The borrower shall furnish to BB&T an audited Annual Report within 60 days of each fiscal year end and quarterly unaudited financial statements within 45 days of each fiscal quarter end.

Other: The borrower must at all times maintain a financial condition
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satisfactory to BB&T, including no events of default with other lenders. Any such event of default, notice of which must be given to BB&T immediately, constitutes and event of default under this commitment.

Larry, we sincerely appreciate your business and look forward to continuing our mutually beneficial relationship with Hooker Furniture. If the terms of our commitment described above are acceptable, please indicate by signing, dating, and returning the original of this letter to my attention before June 30, 1998.

Thank you for your immediate attention to this matter. If you have any questions or concerns, please give me a call at 336-733-3259.

Sincerely,

/S/ Cory Boyte

Cory Boyte
Vice President

Accepted this 11th day of June, 1998

HOOKER FURNITURE CORPORATION

By: /S/ Edwin L. Ryder

Title: Sr. VP Finance & Administration

Enclosure

BB&T
PROMISSORY NOTE

Borrower:	Hooker Furniture Corporation	Account Number: 499-0001192
Address:	Post Office Box 4708	Note Number: 90003
	Martinsville, VA 24112	Date: June 5, 1998

THE UNDERSIGNED REPRESENTS THAT THE LOAN EVIDENCED HEREBY IS BEING OBTAINED FOR BUSINESS/COMMERCIAL OR AGRICULTURAL PURPOSES. For value received, the undersigned, jointly and severally, if more than one, promises to pay to BRANCH BANKING AND TRUST COMPANY, a North Carolina banking corporation (the "Bank"), or order, at any of Bank's offices in the above referenced city (or such other place or places that may be hereafter designated by Bank), the sum of Fifteen Million Dollars and no/100th ($15,000,000.00), in immediately available coin or currency of the United States of America.

Interest shall accrue from the date hereof on the unpaid principal balance outstanding from time to time at the:

. Variable rate of the Bank's Prime Rate per annum to be adjusted daily as the Bank's Prime Rate changes.

Principal and interest is payable as follows:

. Principal plus accrued interest is due in full at maturity on demand.

. Prior to an event of default, Borrower may borrow, repay, and reborrow hereunder pursuant to the terms of the Commitment Letter, hereinafter defined.

In addition, the undersigned promises to pay to Bank, or order, a late fee in the amount of four percent (4%) of any installment past due for fifteen (15) or more days. When any installment payment is past due for fifteen (15) or more days, subsequent payments shall first be applied to the past due balance. All interest shall be computed and charged for the actual number of days elapsed on the basis of a year consisting of three hundred sixty (360) days. In the event periodic accruals of interest shall exceed any periodic fixed payment amount described above, the fixed payment amount shall be immediately increased, or additional supplemental interest payments required on the same periodic basis as specified above (increased fixed payments or supplemental payments to be determined in the Bank's sole discretion), in such amounts and at such times as shall be necessary to pay all accruals of interest for the period and all accruals of unpaid interest from previous periods. Such adjustments to the fixed payment amount or supplemental payments shall remain in effect for so long as the interest accruals shall exceed the original fixed payment amount and shall be further adjusted upward or downward to reflect changes in the variable interest rate. In no event shall the fixed payment amount be reduced below the original fixed payment amount specified above.

This note ("NOTE") is given by the undersigned in connection with the following agreements (if any) between the undersigned and the Bank:

. Commitment Letter dated June 5, 1998 executed by Hooker Furniture Corporation.

All of the terms, conditions and covenants of the above described agreements (the "Agreements") are expressly made a part of this Note by reference in the same manner and with the same effect as if set forth herein at length and any holder of this Note is entitled to the benefits of and remedies provided in the Agreements and any other agreements by and between the undersigned and the Bank.

In addition to collateral pledged pursuant to the terms of the Agreements (if any) described above, the undersigned, as collateral security for the indebtedness evidenced by this note, hereby grants the Bank a security interest and lien in and to all deposit accounts, certificates of deposit, securities and stocks now or hereafter in Bank's possession or on deposit with the Bank.

If any stock or securities are pledged to Bank herein, the security interest includes all stock splits, reissued shares, substituted shares, and all proceeds thereof, which the undersigned promises to deliver to Bank.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right of such holder, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or of any other right on any future occasion. Every one of the undersigned and every endorser or guarantor of this note regardless of the time, order or place of signing waives presentment, demand, protest and notices of every kind and assents to any one or more extensions or postponements of the time of payment or any other indulgences, to any substitutions, exchanges or releases of collateral if at any time there be available to the holder collateral for this note, and to the additions or releases of any other parties or persons primarily or secondarily liable.

The failure to pay any part of the principal or interest when due on this Note or to fully perform any covenant, obligation or warranty on this or on any other liability to the Bank by any one or more of the undersigned, by any affiliate of the undersigned (as defined in 11 USC Section (101) (2)), or by any guarantor or surety of this Note (said affiliate, guarantor, and surety are herein called Obligor), or if any financial statement or other representation made to the Bank by any of the undersigned or any Obligor shall be found to be materially incorrect or incomplete, or in the event the default pursuant to any of the Agreements or any other obligation of any of the undersigned or any Obligor in favor of the Bank, or in the event the Bank demands that the undersigned secure or provide additional security for its obligations under this Note and security deemed adequate and sufficient by the Bank is not given when demanded, or in the event one or more of the undersigned or any Obligor shall die, terminate its existence, allow the appointment of a receiver for any part of its property, make an assignment for the benefit of creditors, or where a proceeding under bankruptcy or insolvency laws is initiated by or against any of the undersigned or any Obligor, or in the event the Bank should otherwise deem itself, its security interest, or any collateral unsafe or insecure; or should the Bank in good faith believe that the prospect of payment or other performance is impaired, or if there is an attachment, execution, or other judicial seizure of all or any portion of the Borrower's or any Obligor's assets, including an action or proceeding to seize any funds on deposit with the Bank, and such seizure is not discharged within 20 days, or if final judgment for the payment of money shall be rendered against the Borrower or any Obligor which is not covered by insurance and shall remain undischarged for a period of 30 days unless such judgment or execution thereon is effectively stayed, or the termination of any guaranty agreement given in connection with this Note, then any one of the same shall be a material default hereunder and this Note and other debts due the Bank by any one or more of undersigned shall immediately become due and payable without notice, at the option of the Bank. From and after any event of default hereunder, interest shall accrue on the sum of the principal balance and accrued interest then outstanding at the variable rate equal to the Bank's Prime Rate plus 5% per annum ("Default Rate"), provided that such rate shall not exceed at any time the highest rate of interest permitted by the laws of the State of North Carolina; and further provided that such rate shall apply after judgment. In the event of any default, the then remaining unpaid principal amount and accrued but unpaid interest then outstanding shall bear interest at the Default Rate called for hereunder until such principal and interest have been paid in full. In addition, upon default, the Bank may pursue its full legal remedies at law or equity, and the balance due hereunder may be charged against any obligation of the Bank to any party including any Obligor.

Bank shall not be obligated to accept any check, money order, or other payment instrument marked "payment in full" on any disputed amount due hereunder, and Bank expressly reserves the right to reject all such payment instruments. Borrower agrees that tender of its check or other payment instrument so marked will not satisfy or discharge its obligation under this Note, disputed or otherwise, even if such check or payment instrument is inadvertently processed by Bank unless in fact such payment is in fact sufficient to pay the amount due hereunder.

The term "Prime Rate," if used herein, means the rate of interest per annum announced by the Bank from time to time and adopted as its Prime Rate. The Prime Rate is one of several rate indexes employed by the Bank when extending credit. Any change in the interest rate resulting from a change in the Bank's Prime Rate shall become effective as of the opening of business on the effective date of the change. If this Note is placed with an attorney for collection, the undersigned agrees to pay, in addition to principal and interest, all costs of collection, including but not limited to reasonable attorneys' fees. All obligations of the undersigned and of any Obligor shall bind his heirs, executors, administrators, successors, and/or assigns. Use of the masculine pronoun herein shall include the feminine and the neuter, and also the plural. If more than one party shall execute this Note, the term "undersigned" as used herein shall mean all the parties signing this Note and each of them, and all such parties shall be jointly and severally obligated hereunder. Wherever possible, each provision of this Note shall be interpreted in such a manner to be effective and valid under applicable law, but if any provision of this Note shall be prohibited by or invalid under such law, such provision shall be ineffective but only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Note. All of the undersigned hereby waive all exemptions and homestead laws. The proceeds of the loan evidenced by this Note may be paid to any one or more of the

undersigned. From time to time the maturity date of this Note may be extended, or this Note may be renewed in whole or in part, or a new note of different form any be substituted for this Note, or the rate of interest may be modified, or changes may be made in consideration of loan extensions, and the holder hereof, from time to time may waive or surrender, either in whole or in part any rights, guaranties, secured interest, or liens, given for the benefit of the holder in connection with the payment and the securing the payment of this Note; but no such occurrence shall in any manner affect, limit, modify, or otherwise impair any rights, guaranties or security of the holder not specifically waived, released, or surrendered in writing, nor shall the undersigned makers, or any guarantor, endorser, or any person who is or might be liable hereon, either primarily or contingently, be released from such event. The holder hereof, from time to time, shall have the unlimited right to release any person who might be liable hereon, and such release shall not affect or discharge the liability of any other person who is or might be liable hereon. No waivers and modifications shall be valid unless in writing and signed by the Bank. The Bank may, at its option, charge any fees for the modification, renewal, extension, or amendment of any of the terms of the Note permitted by N.C.G.S.(S)24-1 .1. In case of a conflict between the terms of this Note and the Loan Agreement or Commitment Letter issued in connection herewith, the priority of controlling terms shall be first this Note, then the Loan Agreement, and then the Commitment Letter. This Note shall be governed by and construed in accordance with the laws of North Carolina; provided however that any Mortgage encumbering the Borrower's property in South Carolina shall be governed by and construed in accordance with the laws of South Carolina, and the Borrower hereby submits to the jurisdiction of South Carolina in connection with any foreclosure or enforcement proceeding undertaken in connection with the Borrower's property situated in South Carolina.

Sharing of Information with Affiliates. Applicable law permits us to share information with third parties about our credit and account history with you. Applicable law also permits us to share additional information about you and your accounts with companies related to BB&T by common ownership or control ("affiliates"). We provide this additional information to our affiliates so that you may receive special offers and promotions from our affiliates. You may request that we not furnish this additional information (other than credit and account history) to our affiliates by writing to Branch Banking and Trust Company. Client Services Administration, P.O. Box 1847, Wilson, North Carolina 27684-1647. Please include your name, address, telephone number, account number (if known), and social security (tax identification) number. Due to marketing programs already in progress, please allow a reasonable period of time for your request to take affect. In order for us to communicate important loan or deposit account information, we will continue to notify you through occasional statement inserts or other customer service mailings. Please be aware that state and federal laws impose certain mandatory disclosures of customer information by financial institutions. We must comply with laws that require mandatory production or disclosure.

IN WITNESS WHEREOF, the undersigned, on the day and year first written above, has caused this note to be executed under seal.

HOOKER FURNITURE CORPORATION

ATTEST: /S/ Robert G. Sherwood

Title: Secretary

By: /S/ Edwin L. Ryder

Title: Sr. VP Finance & Administration

By: A. Frank Hooker, Jr.

Title: President

[Corporate Seal]

EXHIBIT 10.5

March 23, 1999

Mr. Edwin L. Ryder
Senior Vice President - Finance and Administration
Hooker Furniture Corporation
Post Office Box 4708
Martinsville, VA 24112

Dear Larry:

Branch Banking and Trust Company ("Bank") is pleased to renew its formal line of credit in the amount of $15,000,000 to accommodate the issuance of Letters of Credit on behalf of Hooker Furniture Corporation. Terms and conditions of this commitment are as follows:

Borrower: The Borrower shall be Hooker Furniture Corporation.

Purpose: The line of credit shall be used exclusively for the issuance of Commercial Letters of Credit as required in normal operations.

Amount: The maximum amount of this line of credit shall be Fifteen Million Dollars ($15,000,000.00).

Term: This commitment shall be outstanding until March 31, 2000, at which time it will expire and be subject to review. All Letters of Credit issued under this line shall remain in force until their respective dates of expiration .

Advances/ Repayment: Each Letter of Credit will be issued under the $15,000,000 Promissory Note that was previously executed by Borrower. Any advance of funds by BB&T resulting from the issuance of Letters of Credit shall be repayable upon demand.

Interest Rate: The promissory Note backing Letters of Credit issued under this line shall bear interest at BB&T's Prime Rate adjusted daily as prime changes.

Collateral: Unsecured.

Fees: Hooker Furniture Corporation and BB&T International Services Division shall agree upon all fees.

Financial Reporting: The borrower shall furnish to BB&T an audited Annual Report within 60 days of each fiscal year end and quarterly unaudited financial statements within 45 days of each fiscal quarter end.

Other: The borrower must at all times maintain a financial condition satisfactory to BB&T, including no events of default with other lenders. Any such event of default, notice of which must be given to BB&T immediately, constitutes and event of default under this commitment.

Larry, we sincerely appreciate your business and look forward to continuing our mutually beneficial relationship with Hooker Furniture. If the terms of our commitment described above are acceptable, please indicate by signing, dating, and returning the original of this letter to my attention before April 1, 1999.

Thank you for your immediate attention to this matter. If you have any questions or concerns, please give me a call at 336-733-3259.

Sincerely,

/s/ Cory Boyte

Cory Boyte
Vice President

Accepted this 26th day of March, 1999

HOOKER FURNITURE CORPORATION

By: /s/ Edwin L. Ryder

Title: Sr. VP Finance & Administration

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1.87

Represents Common Stock held by ESOP