

## Letter of Intent and Plan of Consolidation

Hampton Roads REALTORS® Association and Virginia Peninsula Association of REALTORS®

*During 2025 and 2026, representatives of the Hampton Roads REALTORS® Association and the Virginia Peninsula Association of REALTORS® met and agreed to unify their operations into a single entity. These decisions were based on creating enhanced services, better member value, greater efficiency, stronger advocacy with local and state entities, and elimination of excess fees and redundant services.*

### Agreement to Consolidate

The Hampton Roads REALTORS® Association (HRRRA) and Virginia Peninsula Association of REALTORS® (VPAR) hereby agree to consolidate their jurisdictions and unify their operations and services to REALTOR® members in their respective areas into a single, non-profit corporate entity within the state of Virginia, pursuant to the National Association of REALTORS® (NAR) guidelines. The proposed date for this consolidation is July 1, 2026.

Upon consolidation, VPAR will cede its current jurisdiction, granted under its charter from NAR, to the combined corporate entity through the NAR “merger” process. The combined geographic jurisdiction for the organization shall then be

*The Cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk, Virginia Beach, Newport News, Hampton, Poquoson and Windsor, Virginia; and the Counties of Southampton and Isle of Wight, the County of York, Virginia and any other towns or cities situated therein, except the town of Yorktown and the Bruton District, York County.*

### Services

All REALTORS® within the jurisdiction of the newly unified/consolidated REALTOR® organization shall be entitled to the same services currently provided to members of VPAR and HRRRA, including professional staffing, dues collection and processing, legal counsel, accounting services, educational opportunities, advocacy and PAC reporting, community outreach, Core Standards programs, the right to use the term REALTOR®, and professional standards administration, training and enforcement.

### Governance

*To integrate the governance structures of the two Associations of REALTORS®, leverage the strengths and minimize the weaknesses of each, and to build ongoing trust in the consolidated entities, a transitional plan of leadership for the New Organization has been agreed.*

### Board of Directors – Sixteen Members

The Officers and Directors of the consolidated Board of REALTORS® shall be as follows:

- Four Officers – President, President-Elect, Vice President and Treasurer
- Past Officer – Immediate Past President
- Chief Staff Executive Officer (non-voting)

## Letter of Intent and Plan of Consolidation

Hampton Roads REALTORS® Association and Virginia Peninsula Association of REALTORS®

- Ten Directors – Four from the Peninsula Area (Peninsula Directors) and Six from South of the Peninsula (Southside Directors) with rotating terms as defined in the updated bylaws.
- As part of this agreement, 2026 (half year) Officers and Directors will be appointed by the joint boards of directors and will take office upon formal organization, estimated for July 1, 2026. The 2026 **Vice President** shall be appointed from the current jurisdiction of VPAR, and will automatically ascend to the office of **President-Elect** in 2027, and thereafter, will automatically ascend to the office of **President in 2028**. The proposed Officers and Directors appointments appear as Addendum A, attached.
- Open positions for 2027 Directors and Officers will be nominated by the new joint board of directors with a term beginning January 1, 2027. Directors will be elected by the membership in 2026, and Officers will be elected by the joint board of directors in 2026.
- Thereafter, nomination and election for open positions of officers and directors shall be as described in the proposed bylaws, attached.

### Association of REALTORS® Committees

All standing committees for the consolidated organization are defined in the proposed bylaws, attached.

### NAR Large Board Directors

Upon consolidation of the REALTOR® boards, should additional NAR large board directors be allocated by the National Association of REALTORS®, the parties agree to strive for geographic representation from across the entire new jurisdiction in filling additional seats.

### Consolidated Association Name

The newly-consolidated Association will seek a name change pursuant to the requirements of the National Association of REALTORS® and the Virginia State Corporations Commission (e.g. as a dba for HRRRA). The name for the consolidated REALTOR® organization shall be chosen in such a manner as to better reflect the entirety of the geography it serves. The proposed name is :

- Southeastern Virginia Association of REALTORS®

Name changes for REALTOR® organizations are subject to NAR's approval process. Finalization of this agreement is not contingent on receiving approval of the name change from NAR.

### Assets

Upon the successful completion of the consolidation, 1) any and all financial, real property and personal property assets and stock ownership held by VPAR shall be transferred to HRRRA for joint use by the consolidated entity. If necessary, a separate holding company or LLC, wholly owned and controlled by the newly consolidated Association of REALTORS®, may be created to hold and manage the real property assets of the consolidated organization.

Not later than 60 calendar days after the approval of this consolidation by the National Association of REALTORS®, all remaining financial assets of VPAR, less any ongoing operational costs and required

## **Letter of Intent and Plan of Consolidation**

Hampton Roads REALTORS® Association and Virginia Peninsula Association of REALTORS®

payments, shall be transferred directly to HRRRA in the manner required by their respective banks or other financial institutions. Thereafter, upon approval of by NAR of its name change and approval of a dba (if required) by the Virginia State Corporation Commission and/or Secretary of State, all of the assets of the combined organization shall be appropriately re-titled.

### **Budgets and Taxes**

To provide a sound fiscal footing for the consolidated entity, operating budgets for 2026 and 2027, including funding for dedicated reserves, have been reviewed and approved by both boards of directors.

Each Association of REALTORS® shall be responsible to pay the cost of closing out their 2026 books and filing of 2026 tax returns as needed. For operational, accounting and tax purposes, a 2026 tax return shall be filed for the unified REALTOR® organization in the NAR-approved name of the consolidated entity.

### **Bylaws and Policy Manual Revisions**

The Bylaws and Policy Manual of the newly consolidated REALTOR® entity shall be revised and restated to reflect the jurisdiction, governance changes and other items identified herein. Draft versions of these documents have been approved by both boards of directors and bylaws will be submitted to the memberships for their approval. Approval of bylaws revisions shall be at the same meeting as the vote for approval of the consolidation by the membership of both organizations.

### **Contractual and Employment Agreements**

Any cooperative agreements signed between VPAR and any other Board of REALTORS® shall be terminated as part of this agreement. In the event these existing agreements are deemed to be in the interests of all the members of the consolidated entity, new agreements will be created after the consolidation has been completed.

Upon completion of the consolidation, HRRRA shall become the employer of record for all employees. Authority for the management of employees shall be vested in the HRRRA Chief Staff Executive Officer. All insurance coverage and retirement plans shall be transferred to HRRRA. VPAR shall be responsible for any tax withholding and employment costs, including insurance and retirement funding, prior to the completion of the consolidation.

Leases in the VPAR headquarters building shall be assigned to HRRRA, and VPAR shall provide estoppel agreements from all tenants.

### **Strategic and Business Plans**

The new Association of REALTORS® Board of Directors shall determine the timing for creation and implementation of new strategic and business plans (estimated for August 2026).

## Letter of Intent and Plan of Consolidation

Hampton Roads REALTORS® Association and Virginia Peninsula Association of REALTORS®

### Compliance with NAR Core Standards and REALTOR® Trademark Requirements

As part of this plan of consolidation, the newly consolidated entity will certify that it will comply with the National Association of REALTORS® Core Standards and REALTOR® trademark requirements, as may be amended from time to time.

### Compliance with § 13.1-896. Virginia Not-for-Profit Law

The parties, through their attorneys, shall properly comply with all aspects of Virginia State Corporations Commission law related to mergers of non-profit organizations within the state.

### Consultant, Attorneys and CPAs

The parties shall be individually responsible to hire any consulting professionals deemed necessary and to execute all documents required to enact this consolidation, both with the National Association of REALTORS® and with the state of Virginia.

VPAR and HRRRA shall each be individually responsible to evaluate the legal and/or financial ramifications to their respective organizations in completing this consolidation, and to be solely responsible to pay for such legal, financial and organizational experts as they deem necessary to provide professional advice and accomplish the agreements herein.

### Boards of Directors and Memberships Approval

To accomplish this consolidation, a series of votes by the merging organizations is required. The Boards of Directors and Membership of both Virginia Peninsula Association of REALTORS® and Hampton Roads REALTORS® Association must approve this Plan of Consolidation, pursuant to voting requirements in the bylaws of each organization and Virginia non-profit statutes. Both Boards of Directors have approved this agreement for submission to their memberships as follows:

Upon the vote of the members present and qualified to vote, a quorum being present, VPAR agrees to: a) approve this plan of merger by simple majority vote; b) approve the proposed bylaws by simple majority vote; and c) by 2/3 majority vote, relinquish its Charter granted by the National Association of REALTORS®, to assign all its territorial jurisdiction, transfer all of its assets (including cash, real and personal property) to HRRRA®, to dissolve VPAR as a corporation and to immediately recommend to its members that they join the newly consolidated organization.

- a. The Virginia Peninsula Association REALTORS® meeting quorum required for this action is **fifty members (plus presiding officer)** of the REALTOR® members eligible to vote.
2. Upon the vote of the members present and qualified to vote, a quorum being present, HRRRA agrees to: a) approve this plan of merger by simple majority vote; b) approve the proposed bylaws by simple majority vote; and c) by 2/3 majority vote, to accept and include the territorial jurisdiction granted by NAR to VPAR with its own, to transfer-in all designated brokers, agents, appraisers and affiliates of VPAR to **HRRRA** without transfer fees, and to provide REALTOR® services to all members in the combined jurisdiction of the new Association of REALTORS® as

## Letter of Intent and Plan of Consolidation

Hampton Roads REALTORS® Association and Virginia Peninsula Association of REALTORS®

required by NAR. Upon wrapping up all final business issues related to VPAR, HRRRA will file an Articles of Merger agreement with VPAR pursuant to Virginia law.

- a. The Hampton Roads REALTORS® Association meeting quorum required for this action is **one (1%) percent** of the members eligible to vote. HRRRA current eligible membership count is **3,829, so a 1% quorum is 38.**


Upon acceptance by the memberships of both organizations, this Plan of Consolidation shall be submitted to NAR and the Virginia State Corporate Commission for approval.

Agreed this \_\_\_\_28th\_\_\_\_ day of April, 2026

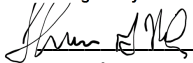
Hampton Roads REALTORS® Association, Inc.

Virginia Peninsula Association of REALTORS®, Inc.

DocuSigned by:

  
By: Phil Kazmierczak, President

DocuSigned by:

  
By: Shavonne Miles, President

4/28/2026

4/28/2026