

2026 Community Reinvestment Act Statement

Aspire Bank with its main office located at 5195 45th St S, Fargo , ND 58104, with a branch office located at 415 7th St, Hatton, ND 58240, adopts and establishes this Community Reinvestment Act Statement in compliance with the Community Reinvestment Act.

LOCAL COMMUNITY

The bank seeks to meet the credit needs of individuals and firms living and doing business within its community and delineated by the attached map. Our assessment areas include Census Tracts (CT) 9701 and 9702 in Traill County, ND; CT 9687 in Steele County, ND in addition to the Fargo-Moorhead Metropolitan Statistical Area in Cass County, ND and Clay County, MN. The Hatton office is located in CT 9701; the Fargo office is located in CT 0405. On June 16, 2017 the Fargo Office moved from 902 28th St S. Suite 1, Fargo ND 58103 to 5195 45th St S, Fargo ND 58104.

CREDIT PRODUCTS

The bank seeks to meet the credit needs of individuals and firms living and doing business within its assessment area by making the following types of loans available to qualified borrowers on the basis of demonstrated proper purpose and borrower qualifications:

- Agricultural Loans
- Commercial Loans
- Construction Loans
- Small Business Loans
- Housing Rehabilitation Loans
- Home Purchase Loans, including:
 - 1-4 Family dwellings
 - 5 or more family dwellings
- Home Improvement Loans
- Home Equity Loans
- Community Development Loans
- Consumer Loans, including but not limited to:
 - Vehicle Loans
 - Debt Consolidation/Personal Loans

The bank also makes available for the customer's convenience Internet Banking, Mobile Banking, Bill Pay, including Account to Account transfers and Person to Person transfers and Remote Deposit.

COMMUNITY CREDIT NEEDS

The Bank currently participates in and will continue to participate in a broad range of community-based programs designed to meet the credit needs of its local community through credit services, direct personal involvement of its employees, and cooperation with community officials and agencies.

DEPOSIT PRODUCTS

The bank seeks to make available Deposit products that would be available to segments of our assessment area. The following are the products the bank offers:

Free Checking

\$50 minimum deposit to open the account.

NOW Account

\$1,500 minimum deposit to open the account.

You must maintain a minimum balance of \$1,500 in the account each day of the cycle to obtain the disclosed annual percentage yield (APY).

If the account falls below \$1,500 any day of the statement cycle, a \$10 service charge in addition to a per item charge of \$0.15 will be assessed.

Executive Checking

\$100 minimum deposit to open the account

If the account falls below \$5,000 any day of the cycle, a \$10 service charge will be assessed

Passbook Savings Account

\$50 minimum deposit to open the account.

Money Market Savings Account

\$2,500 minimum deposit to open the account.

You must maintain a minimum balance of \$2,500 in the account each day of the cycle to obtain the disclosed annual percentage yield (APY).

If the account falls below \$2,500 any day of the statement cycle, a \$10 service charge in addition to a per item charge of \$0.15 will be assessed.

Certificates of Deposit

\$1,000 minimum deposit to open certificates with a maturity of 3 and 6 Months.

\$1,000 minimum deposit to open certificates with a maturity of 9 Months.

\$1,000 minimum deposit to open certificates with a maturity of 12 Months and greater.

FEES

Statement Reconciliation	\$20/hour
Records Research	\$30/hour
Statement Reprinting	\$ 10.00
Stop Payment	\$ 25.00
Overdraft Fee	\$30/Occurrence
Returned Item Fee	\$30/Occurrence
Return Deposit Item Fee	\$ 5.00
Debit Card Replacement	\$ 10.00
Pin Number Replacement	\$ 5.00
Collection/Bond Item	\$35/item
Bank Bag (Locking)	\$ 25.00
Bank Bag (Non-locking)	\$ 5.00
Cashier's Check Fee	\$ 5.00
Money Order Fee	\$ 3.00
Outgoing Wire Fee (Domestic)	\$ 25.00
Outgoing Wire Fee (Intl)	\$ 60.00
Incoming Wire Fee	\$ 10.00
Legal Processing (Levy Garnishments... Etc)	\$ 50.00
Photo Copy	\$.25/Copy
Fax (Send or Receive)	\$ 5.00
Notary (Non-Customer)	\$ 5.00
Coin Counting (Customer Only)	No Charge
Safe Box Rental (Annual Based on Size)	\$ 25-80
Safe Box- Replacement Key	\$ 25.00
Drill Safe Box	Min \$300 – Varies
Safe Deposit Late Fee	\$2/Month
Dormant Fee	\$5/Month
Escheatment Fee	\$ 50.00
Undeliverable Statement	\$5/Month
External Transfer Set-Up	\$ 5.00

LOAN FEES

Consumer Loan Origination Fee	\$100.00
Home Equity Origination Fee	\$250
First Mortgage Origination Fee	1%
Filing Fee	Exact cost of filing.
Late Payment Fee	5% of Payment
Mortgage Loans	Exact cost of Abstract, Attorney's Opinions, etc.

LOAN TO DEPOSIT RATIO

03-31-2026	109.17%	03-31-2025	96.92%	03-31-2024	89.09%
06-30-2026	110.88%	06-30-2025	110.41%	06-30-2024	92.90%
		09-30-2025	112.05	09-30-2024	97.86%
		12-31-2025	105.77%	12-31-2024	102.22%

HOURS

The bank is available to conduct transactions and for assistance for its customers and the community during the following hours.

Hatton Office

Lobby

Monday – Friday

9:00 A.M. to 4:00 P.M.

Fargo Office

Lobby & Drive-up

Monday – Friday

8:00 A.M. to 5:00 P.M.

The bank also offers access to its accounts via its website, <http://aspirebanks.com>.

COMPLAINTS

None in the last 36 months

CLOSED AND OPENED BRANCHES

None in the last 36 months

COMMUNITY REINVESTMENT ACT NOTICE

Under the federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The Federal Deposit Insurance Corporation also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA Performance Evaluation, prepared by the Federal Deposit Insurance Corporation; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each quarter, the Federal Deposit Insurance Corporation publishes a list of the banks that are scheduled for CRA examination by the Federal Deposit Insurance Corporation in that quarter. This list is available from the FDIC Regional Director, Division of Depositor and Consumer Protection, 1100 Walnut Street, Suite 2100, Kansas City, MO 64106. You may send written comments about our performance in helping to meet community credit needs to the President, at Aspire Bank located at 5195 45th St So, Fargo ND 58104 and the FDIC, Regional Director. You may also submit comments electronically through the FDIC's Website at www.fdic.gov/regulations/cra. Your letter, together with any response by us, will be considered by the Federal Deposit Insurance Corporation in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of Aspire Bancshares located at 5195 45th St So, Fargo ND 58104, a bank holding company. You may request from the Officer in Charge of Supervision, Federal Reserve Bank of Minneapolis, 90 Hennepin Ave, Minneapolis, MN 55480-0291, an announcement of applications covered by the CRA filed by bank holding companies.

2020 CENSUS - CENSUS TRACT REFERENCE MAP: Clay County, MN

[illegible]

All legal boundaries and names are as of January 1, 2025. This boundary shows the area that is part of the National Wildlife Refuge System and includes adjacent lands; it does not show or represent ownership or management jurisdiction. It is not a determination of individual authority or rights of ownership or entitlement.

Geographic Name: 2025 Census Tract Data Summary
Data Source: U.S. Census Bureau's TIGER database
Map Created by: National Wildlife Refuge System

Project no. 14889, Equal Area Cont.
Customer: NAD 83
Collection: GPS RT
1st Standard Point: 44 20 52
2nd Standard Point: 46 24 11
Control Point: 45 21 30
Elevation of 1st point: 298m, 42 12 00
Elev. Error: 0
Elev. Station: 0.0

Sheet 1 of 1 PARENT sheets
Total Sheets: 1 (Index 0; Parent 1; Inset 0)

NAME: Clay County (027)
 INT3 FIPS: County or statistically equivalent entity
 ST: Minnesota (27)

POST-GRADUATE STUDY 2014

2020 CENSUS - CENSUS TRACT REFERENCE MAP: Steele County, ND

The map displays the census tracts of Steele County, North Dakota, for the 2020 census. The county is divided into a grid of tracts, with several tracts highlighted in green, yellow, and red. The map includes labels for surrounding counties (Willow, Grand Forks, Cavalier, Traill, and Ward) and cities (Minot, Grand Forks, and Traill). The map is titled "2020 CENSUS - CENSUS TRACT REFERENCE MAP: Steele County, ND".

[illegible]

All legal boundaries and names are as of January 1, 2015. The boundaries shown on this map are for Census Bureau data collection and statistical purposes only; their depiction and description for statistical purposes does not constitute a determination of jurisdictional authority or rights of ownership or entitlement.

Geographic Manager: 2025 Census Information Data (January 1, 2025)
 Data Source: U.S. Census Bureau's NAIP Tiger Database (TIGER)
 Map Created by Geographic Information Systems, Census Bureau

Project: *Adams Equid Area Corridor*
Between NAD 83
Subsided: GPS RT
2nd Standard Parallel: 46 20 45
3rd Standard Parallel: 46 29 30
Central Meridian: -120 14 00
Latitude of Projection: 46 54 58
False Easting: 0
False Northing: 0

Sheet 1 of 1 PARENT sheets
Total Sheets: 1 (Index 0, Parent 1; Inset 0)
NAME: Steele County (091)
(NTP's PPM). County or statistically insignificant entity
ST: North Dakota (18)

[illegible]

All legal boundaries and names are as of January 1, 2025. This boundary shows on the map are for (1) the National Wetlands data collection and (2) the National Wetlands Inventory. The data is for the National Wetlands Inventory. It does not constitute a determination of jurisdictional authority or rights of ownership or entitlement.

Copyright: Copyright 2025 United States Department of the Interior, Bureau of Land Management
 Data Source: U.S. Census Bureau's NAIP Tiger database (2020)
 Year Created by Lemnatech: January 2025
 Year Created by Lemnatech: January 2025

Proprietors: **Alfred E. Quigley, Frank C. Gurn,**
 Delivery: **NAD 25**
 Subscribed: **GPB 20**
 1st Standard Parcel: **No 20 45**
 2nd Standard Parcel: **No 29 30**
 Central Version: **400 14 4**
 1st Grade of **Highway 2000**, **45 1**
 1st **Letter 2**
 1st **North 1**

Sheet 1 of 1 PARENT sheets
Total Sheets: 1 (Index 0; Parent 1; Inset 0)

NAME: Trail County (097)
 (NTP) FIPS, County or statistically equivalent entity
 (U.S. Census Bureau, 1998)

3-1. 200000 200000 200000 200000

2010-2015 TRACT RISK MAP/PARENT



2020 CENSUS - CENSUS TRACT REFERENCE MAP: Cass County, ND

[illegible]

PUBLIC DISCLOSURE

April 15, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Aspire Bank
Certificate Number: 3934

5195 45th St S
Fargo, North Dakota 58104

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Kansas City Regional Office

1100 Walnut St, Suite 2100
Kansas City, Missouri 64106

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The following points summarize the bank's Community Reinvestment Act (CRA) performance:

- The loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and credit needs of the assessment areas.
- The institution made a substantial majority of small business loans within its assessment areas.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas.
- The distribution of borrowers reflects reasonable penetration among businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DESCRIPTION OF INSTITUTION

Aspire Bank is a full-service financial institution operating from its main office in Fargo and a branch in Hatton, North Dakota. The bank is controlled by Aspire Bancshares, Inc., a one-bank holding company located in Fargo, North Dakota. The institution received a Satisfactory rating at its previous FDIC Performance Evaluation dated June 25, 2019, based on Interagency Small Institution Examination Procedures.

The bank offers a variety of credit products, including commercial, home mortgage, agriculture, and consumer loans. Commercial loans continue to represent the institution's primary lending focus. The bank also offers a variety of deposit services, including checking, savings, and certificates of deposit. Alternative banking services include internet and mobile banking, mobile check deposit, electronic periodic statements, and an ATM. Additionally, the bank has teamed up with MoneyPass® to give customers access to over 37,000 free ATMs across the country.

Based on December 31, 2024, Consolidated Reports of Condition and Income, the bank reported total assets of \$61.5 million, total loans of \$54.9 million, and total deposits of \$53.7 million. Since June 30, 2019, total assets, net loans, and deposits increased by 94.4, 101.3, and 92.9 percent, respectively. Other than lending limit restrictions, examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet the credit needs of its assessment areas. The following table illustrates the bank's loan portfolio distribution.

Loan Portfolio Distribution as of 12/31/2024		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	3,372	6.1
Secured by Farmland	5,005	9.1
Secured by 1-4 Family Residential Properties	9,450	17.2
Secured by Multifamily (5 or more) Residential Properties	1,814	3.3
Secured by Nonfarm Nonresidential Properties	20,380	37.1
Total Real Estate Loans	40,021	72.8
Commercial and Industrial Loans	12,797	23.3
Agricultural Production and Other Loans to Farmers	841	1.6
Consumer Loans	1,249	2.3
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	9	<0.1
Total Loans	54,917	100.0
<i>Source: Reports of Condition and Income</i>		

DESCRIPTION OF ASSESSMENT AREAS

Aspire Bank has designated two assessment areas: the Fargo Assessment Area located in the Fargo, ND-MN Metropolitan Statistical Area (MSA) and the Hatton Assessment Area located in nonmetropolitan North Dakota. Additional information regarding the assessment areas is presented later in the evaluation.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated June 25, 2019, to the current evaluation dated April 15, 2025. Examiners used Interagency Small Institution Examination Procedures to evaluate Aspire Bank's CRA performance. These procedures are used to determine the bank's overall rating. Examiners used full-scope examination procedures to assess the bank's performance in each assessment area. To assess overall performance, examiners gave significantly greater weight to the bank's performance in the Fargo Assessment Area since this is where most of its deposit and lending activity occurs. The following table depicts lending and deposit activity along with branch locations for each assessment area.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Hatton	511	0.9	9,500	17.7	1	50.0
Fargo	54,405	99.1	44,278	82.3	1	50.0
Total	54,916	100.0	53,778	100.0	2	100.0
<i>Source: Bank Data</i>						

Activities Reviewed

Bank records indicated that the lending focus and product mix remained relatively consistent throughout the evaluation period. The bank's primary lending focus is commercial lending. Therefore, examiners analyzed all 29 small business loans totaling \$5.9 million that were originated, renewed, extended, or purchased in 2024 for the Assessment Area Concentration, Geographic Distribution, and Borrower Profile criterion. No small business loans were originated within the Hatton Assessment Area in 2024, and further review of loans originated in 2023 and 2022 revealed an insufficient number of loans within this assessment area to conduct a meaningful analysis. The bank made no small farm loans and very few home mortgage loans in 2024, and agricultural and home mortgage lending are not a focus of the bank. Therefore, small farm and home mortgage loans were not analyzed in the evaluation. Further, examiners did not identify any specialized lending requiring a separate analysis, including within the Hatton Assessment Area.

D&B data for 2024 provided a standard of comparison for the small business loans. Although both the number and dollar volume of loans are presented, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of businesses served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Aspire Bank demonstrated satisfactory performance under the Lending Test, which is primarily attributed to the bank's performance in the Fargo Assessment Area. The lack of small business loans in the Hatton Assessment Area demonstrates poor performance; however, this performance did not adversely impact the overall conclusion.

Loan-to-Deposit Ratio

Aspire Bank's loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and assessment areas' credit needs. As shown in the table below, the bank's net loan-to-deposit ratio averaged 94.5 percent over the past 23 calendar quarters, which is higher than the ratio of the comparable institution. The bank's loan-to-deposit ratio reflects the bank's willingness to lend. Examiners selected the comparable institution based on its asset size and geographic location.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 12/31/2024 (\$000s)	Average Net LTD Ratio (%)
Aspire Bank, Fargo, North Dakota	61,505	94.5
Kindred State Bank, Kindred, North Dakota	44,597	50.5
<i>Source: Reports of Condition and Income 6/30/2019 – 12/31/2024</i>		

Assessment Area Concentration

Aspire Bank made a substantial majority of its small business loans within its assessment areas. As noted in the following table, all loans were originated within the assessment areas.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000)				Total \$
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	29	100.0	0	0.0	29	5,910	100.0	0	0.0	5,910
Source: Bank Data										

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas, which is supported by the bank's performance in the Fargo Assessment Area. Examiners focused on the percentage of loans in low- and moderate-income census tracts as applicable. While no small business loans were originated in the Hatton Assessment Area, there are no low- or moderate-income census tracts in this assessment area. Detailed discussion of the bank's performance under this criterion is included in the Fargo Assessment Area section of the evaluation.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses of different sizes, which is supported by the bank's performance in the Fargo Assessment Area. Examiners focused on the percentage of small business loans to businesses with gross annual revenues of \$1 million or less. This criterion was poor for the Hatton Assessment Area given the lack of small business loans. Detailed discussion of the bank's performance under this criterion is included in the Fargo Assessment Area section of this evaluation.

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

FARGO ASSESSMENT AREA– Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE FARGO ASSESSMENT AREA

The Fargo Assessment Area consists of the entire Fargo, ND-MN MSA, which includes all of Cass County, North Dakota, and Clay County, Minnesota. There were no material changes to the assessment area since the previous evaluation. Per 2020 U.S. Census data, the assessment area consists of 5 low-, 12 moderate-, 28 middle-, and 15 upper-income census tracts. The bank operates its main office and one ATM in this assessment area.

Economic and Demographic Data

The following table provides select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Fargo						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	60	8.3	20.0	46.7	25.0	0.0
Population by Geography	249,843	7.0	18.3	48.7	26.0	0.0
Housing Units by Geography	110,404	8.6	22.7	48.7	20.0	0.0
Owner-Occupied Units by Geography	56,879	2.2	14.5	55.2	28.1	0.0
Occupied Rental Units by Geography	44,843	14.8	32.0	41.4	11.9	0.0
Vacant Units by Geography	8,682	18.3	28.1	44.1	9.5	0.0
Businesses by Geography	32,008	10.3	23.2	42.6	24.0	0.0
Farms by Geography	1,448	3.0	9.7	65.9	21.3	0.0
Family Distribution by Income Level	58,291	18.8	18.4	23.4	39.4	0.0
Household Distribution by Income Level	101,722	23.6	15.9	18.9	41.6	0.0
Median Family Income MSA - 2020 Fargo, ND-MN MSA		\$90,450	Median Housing Value			\$224,364
			Median Gross Rent			\$838
			Families Below Poverty Level			6.2%
Source: 2020 U.S. Census and 2024 D&B Data (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition

The Fargo Assessment Area is highly competitive for financial services. Per Reports of Condition and Income data, 45 financial institutions operate 104 offices within the assessment area. Of these institutions, Aspire Bank ranked 24th with less than 1.0 percent of the deposit market share. Bell Bank maintains first in terms of market share at 39.2 percent, while 30 institutions have less than 1.0 percent of market share. As previously noted, the bank operates one location in this assessment area.

Community Contact

Examiners conducted a community contact interview with an individual active in economic development in the assessment area. The contact felt the overall economy is doing well. He stated there are well over 1,000 open positions in the area and employers struggle to find enough skilled people to fill the positions.

The contact stated that it would be difficult to find a local business with gross annual revenues under \$1 million. He further stated there are numerous financial institutions in the area and has not heard that any businesses are having trouble finding financing. Finally, he was not familiar with all the potential lending needs in the assessment area but based on the numerous financial institutions located in the Fargo Assessment Area, he assumed all types of lending are needed.

Credit Needs

Considering information from bank management and demographic and economic data, examiners determined that commercial and home mortgage lending are credit needs in the assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE FARGO ASSESSMENT AREA

LENDING TEST

Aspire Bank demonstrated reasonable performance under the Lending Test in the Fargo Assessment Area, which is supported by the bank's Geographic Distribution and Borrower Profile performance.

Geographic Distribution

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area when compared to D&B data, which is depicted in the table below. While the bank's performance lags D&B data in the low- and moderate-income census tracts, it is reasonable considering the significant level of the bank's location and area competition. Aspire Bank's main office is in the southern part of a middle-income census tract that borders a moderate-income census tract to the north; however, there are numerous financial institutions located in or in closer proximity to the low- and moderate-income census tracts. Therefore, businesses in these tracts would be more likely to obtain financing from an institution closer than Aspire Bank.

Geographic Distribution of Small Business Loans					
Assessment Area: Fargo					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	10.3	1	3.4	28	0.5
Moderate	23.2	4	13.8	1,042	17.6
Middle	42.6	13	44.8	2,001	33.9
Upper	24.0	11	37.9	2,839	48.0
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	29	100.0	5,910	100.0
<i>Source: 2024 D&B Data; Bank Data</i>					

Borrower Profile

The distribution of small business loans reflects reasonable penetration among businesses with gross annual revenue of \$1 million or less. As shown in the following table, the bank's lending to businesses with revenues of \$1 million or less is significantly less than D&B data. However, the demographic data is from a voluntary survey request to businesses, and it is only used as a general indicator of business demographics within the assessment area. In addition, examiners considered CRA aggregate data, even though the bank is not a reporter. Aggregate data for 2023, the most recent available, indicates that 54.8 business loans were originated to businesses with gross annual revenues of \$1 million or less in the assessment area. Although this is not a direct comparison, Aspire Bank's lending performance is similar to aggregate data. Further, 5 of the 14 loans to businesses with revenues greater than \$1 million were originated to the same entity, resulting in the data being somewhat skewed. Lastly, as previously noted, the Fargo Assessment Area is highly competitive for small business loans.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Fargo					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	88.1	15	51.7	2,905	49.2
>\$1,000,000	3.7	14	48.3	3,005	50.8
Revenue Not Available	8.2	0	0.0	0	0.0
Total	100.0	29	100.0	5,910	100.0
Source: 2024 D&B Data, Bank Data.					

HATTON ASSESSMENT AREA– Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE HATTON ASSESSMENT AREA

The Hatton Assessment Area consists of all of Steele County and the northern portion of Trail County, in North Dakota. There were no material changes to the assessment area since the previous evaluation. Per 2020 U.S. Census data, the assessment area consists of two middle- and one upper-income census tracts. The bank operates its Hatton office in this assessment area.

Economic and Demographic Data

The Hatton Assessment Area is rural in nature with sparsely located cities throughout the assessment area. The following table provides select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Hatton						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	3	0.0	0.0	66.7	33.3	0.0
Population by Geography	6,665	0.0	0.0	73.0	27.0	0.0
Housing Units by Geography	3,486	0.0	0.0	66.2	33.8	0.0
Owner-Occupied Units by Geography	2,056	0.0	0.0	68.7	31.3	0.0
Occupied Rental Units by Geography	768	0.0	0.0	79.2	20.8	0.0
Vacant Units by Geography	662	0.0	0.0	43.2	56.8	0.0
Businesses by Geography	878	0.0	0.0	67.4	32.6	0.0
Farms by Geography	193	0.0	0.0	61.7	38.3	0.0
Family Distribution by Income Level	1,839	14.1	17.6	22.4	45.9	0.0
Household Distribution by Income Level	2,824	21.7	15.3	17.7	45.3	0.0
Median Family Income Nonmetropolitan North Dakota		\$81,182	Median Housing Value			\$128,363
			Median Gross Rent			\$627
			Families Below Poverty Level			3.8%
Source: 2020 U.S. Census and 2024 D&B Data (*) The NA category consists of geographies that have not been assigned an income classification.						

Competition

The Hatton Assessment Area is highly competitive for financial services. Per Reports of Condition and Income data, 8 financial institutions operate 10 offices within the rural assessment area. Of these institutions, Aspire Bank ranked 6th with 4.0 percent of the deposit market share. The top two financial institutions in the assessment area make up 62.4 percent of the market share.

Community Contact

Examiners contacted a representative from an economic development organization in the Hatton Assessment Area. The contact stated that the economic conditions are strong for both farming operations and small businesses in the area. He noted that local farmers are in very solid financial standing. He also noted that some residents commute to Grand Forks and Fargo for employment. Lastly, he noted there is competition amongst local banks. The contact indicated that financial institutions are adequately serving the communities; however, he would like to see them be less conservative and more aggressive with lending activities.

Credit Needs

Considering information from bank management, the community contact, and demographic and economic data, examiners determined that agriculture and commercial lending are credit needs in the assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE HATTON ASSESSMENT AREA

LENDING TEST

The bank demonstrated poor performance under the Lending Test in the Hatton Assessment Area. A significant majority of Aspire Bank's lending and deposit activity is in the Fargo Assessment Area, while activity in the Hatton Assessment Area is minimal. The bank did not originate any loans within the Hatton Assessment Area that met the definition of small business loans in 2024. Examiners further reviewed 2023 and 2022 lending in the Hatton Assessment Area and determined there were too few loans to draw meaningful conclusions.

Limited lending occurs in the assessment area due to the lack of a lender in this office and competition from other financial institutions. Specifically, there is one additional financial institution in Hatton and numerous others in surrounding cities. Bank management noted they continue to advertise the bank's presence in the community at local school events. Since the previous evaluation, management specifically hired an agricultural lender with ties to the Hatton community to meet with farmers to seek out lending opportunities; however, this did not provide any additional loans or relationships in the area. That lender has since left so lending staff in Fargo meet with customers at this location by appointment and are willing to work with individuals remotely. The bank has not denied many loans applications in this assessment area, revealing a low level of lending requests. Although the bank has taken measures to increase lending in the Hatton Assessment area, the bank still demonstrated poor performance due to a low level of lending in the assessment area.

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The institution's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the institution under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited-scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA**): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.