



NEWS RELEASE

Capitol Bancorp Limited
200 Washington Square North
Lansing, MI 48933
www.capitolbancorp.com
NASDAQ: CBCL

Contact: Michael M. Moran
Phone: 877-884-5662

FOR IMMEDIATE RELEASE

Lansing, Michigan, May 4, 2000 --- Today Capitol Bancorp Ltd. announced that in conjunction with shareholders' approval of Capitol's 2000 stock incentive plan, effective July 1, 2000 the Corporation will implement a 100 % stock-option compensation program for each of its directors at both the Corporation level and at each of its current 23 affiliate bank boards. This program will replace the existing cash compensation that directors are currently receiving. It is anticipated that this change will result in cost savings to Capitol of approximately \$500,000 pre-tax. In making this announcement, Chairman and CEO Joseph D. Reid commented "This initiative serves to reinforce our efforts to ensure that the interests of our directors continue to be clearly aligned with those of our shareholders, while also providing an ongoing incentive for this Company to continue to produce both outstanding operating performance and a competitive and attractive return for our shareholders."

* * * * *

About the Corporation

Capitol Bancorp is a bank development company and the only company of its kind headquartered in Michigan. Capitol Bancorp is a uniquely structured affiliation of community banks. Each of its banks typically has only one location, and is focused on meeting the banking needs of entrepreneurs, professionals and other individuals seeking individually-tailored service. Each bank has full local decision-making authority in making loans and delivery of other banking services. Each bank is managed by an on-site president and management team under the direction of its local board of directors which is comprised of business leaders from that bank's community.

Capitol's bank development philosophy is one of *'shared vision'* which encompasses a commitment to community banking emphasizing local leadership and investment, with the shared resources of efficient management.

Capitol's Banks include:

In Michigan: Ann Arbor Commerce Bank, Brighton Commerce Bank, Capitol National Bank, Detroit Commerce Bank, Grand Haven Bank, Kent Commerce Bank, Macomb

Community Bank, Clinton Twp.; Muskegon Commerce Bank, Oakland Commerce Bank, Farmington Hills; Paragon Bank & Trust, Holland and Portage Commerce Bank.

In Arizona: Bank of Tucson, Camelback Community Bank, Phoenix; East Valley Community Bank, Chandler; Mesa Bank, Southern Arizona Community Bank, Tucson; Sunrise Bank of Arizona, Phoenix; and Valley First Community Bank, Scottsdale

In Indiana: Elkhart Community Bank

In Nevada: Black Mountain Community Bank, Henderson; Desert Community Bank, Las Vegas and Red Rock Community Bank, Las Vegas

In New Mexico: Sunrise Bank of Albuquerque

In addition to the banks listed above, bank development activities are currently conducted by Sun Community Bancorp Limited, Nevada Community Bancorp Limited, Indiana Community Bancorp Limited and Sunrise Capital Corporation, which are majority-owned through Capitol Bancorp Limited. Additionally, bank development strategies in California are being implemented by recently-formed affiliates, First California Northern Bancorp and First California Southern Bancorp.