



LIMITED

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**CAPITOL BANCORP ANNOUNCES ITS PARTICIPATION IN TWO SEPARATE POOLED TRUST PREFERRED PROGRAMS, RECEIVING \$25 MILLION IN PROCEEDS**

**Lansing, Michigan: August 7, 2001** - Capitol Bancorp Limited (NASDAQ:CBCL) announced that within the past few weeks it has participated in two separate pooled trust preferred programs, receiving approximately \$25 million in proceeds to be used for debt repayment, bank development, and general corporate purposes. The proceeds, which are expected to qualify as capital for regulatory purposes, will also support Capitol Bancorp’s future growth.

In the first program, which funded in mid-July, Capitol Bancorp received \$10 million in proceeds as part of a pooled trust preferred offering co-managed by Salomon Smith Barney, Stifel Nicolaus and Sandler O’Neill. In the second program, which funded last week, Capitol Bancorp received \$15 million in proceeds from a pooled trust preferred offering co-managed by Keefe Bruyette & Woods and First Tennessee Capital Markets. Capitol Bancorp’s participation in these offerings represents a portion of two approximately \$500 million pools that were distributed in separate institutional private placements.

Commenting on the transactions, Capitol Bancorp Chairman and CEO, Joseph D. Reid, stated “We view these transactions as an opportunistic means of accessing capital in a favorable interest rate environment, in the process augmenting our existing solid capital base, which at June 30, 2001 measured approximately \$166 million for our growing \$1.9 billion franchise.”

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Capitol Bancorp is a bank development company and the only company of its kind headquartered in Michigan. In an era of bank consolidation, Capitol’s business is the development of community banks.

Capitol Bancorp is a uniquely structured affiliation of community banks. Each bank 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 'community banking', which encompasses a commitment to community banking emphasizing local leadership and investment, with the shared resources of efficient management.

Capitol Bancorp's affiliate banks include:

	<u>Year Formed or Acquired</u>	<u>Community</u>
<i>I M</i> :		
Ann Arbor Commerce Bank	1990	Ann Arbor
Brighton Commerce Bank	1997	Brighton
Capitol National Bank	1982	Lansing
Detroit Commerce Bank	1998	Detroit
Grand Haven Bank	1995	Grand Haven
Kent Commerce Bank	1998	Grand Rapids
Macomb Community Bank	1996	Clinton Township
Muskegon Commerce Bank	1997	Muskegon
Oakland Commerce Bank	1992	Farmington Hills
Paragon Bank & Trust	1994	Holland
Portage Commerce Bank	1988	Portage
<i>I A</i> :		
Arrowhead Community Bank	2000	Glendale
Bank of Tucson	1996	Tucson
Camelback Community Bank	1998	Phoenix
East Valley Community Bank	1999	Chandler
Mesa Bank	1998	Mesa
Southern Arizona Community Bank	1998	Tucson
Sunrise Bank of Arizona	1998	Phoenix
Valley First Community Bank	1997	Scottsdale
Yuma Community Bank	2000	Yuma
<i>I C</i> :		
Sunrise Bank of San Diego	2001	San Diego
<i>I I</i> :		
Elkhart Community Bank	1999	Elkhart
Goshen Community Bank	2000	Goshen
<i>I N</i> :		
Black Mountain Community Bank	2000	Henderson
Desert Community Bank	1999	Las Vegas
Red Rock Community Bank	1999	Las Vegas
<i>I N M</i> :		
Sunrise Bank of Albuquerque	2000	Albuquerque