



Capitol Bancorp Center
200 Washington Square North
Lansing, MI 48933

2777 East Camelback Road
Suite 375
Phoenix, AZ 85016
www.capitolbancorp.com

Analyst Contact: **Michael M. Moran**
Chief of Capital Markets
877-884-5662

Media Contact: **Stephanie Swan**
Director of Shareholder
Services
517-487-6555

FOR IMMEDIATE DISTRIBUTION

Capitol Bancorp Opens First Bank in New York State

USNY is 54th Community Bank for Largest Holder of Individual Bank Charters in the U.S.

LANSING, Mich. and PHOENIX, Ariz.: August 6, 2007: Capitol Bancorp Limited (NYSE: CBC), a \$4.4 billion national community bank development company, announced today the opening of its 54th individually chartered community bank, USNY Bank, located in upstate New York. USNY Bank represents the 15th state in which Capitol Bancorp has bank operations.

USNY Bank is Capitol Bancorp's first community bank in the state of New York and represents Capitol Bancorp's continued plan to establish a nationwide presence and geographically diversify its bank operations. Including USNY Bank, Capitol Bancorp has opened five *de novo* community banks in 2007 and currently has applications pending for 11 *de novo* banks in eight states.

Earlier this month Capitol Bancorp announced the opening of its 53rd community bank, Issaquah Community Bank in Washington.

"We see opportunity for growth in upstate New York based on our talented team and staff who know the area well and have deep roots in their community," said Capitol Bancorp Chairman and CEO Joseph D. Reid. "The USNY Bank affirms our business model of building a bank around a successful team."

Reid added that Capitol Bancorp's entry into New York offers great opportunity since USNY will be servicing Capitol Bancorp's core audience of small and medium-sized businesses. "There are many small businesses—from agribusiness enterprises, farm operations to professional services—in upstate New York that need a reliable, dependable bank where lending decisions are made locally," Reid said.

-more-

Page -2-

Capitol Bancorp Opens First Bank in Upstate New York

Leading USNY is Mike Briggs, a 25-year veteran of upstate New York banking. He has been in charge of commercial lending at two upstate New York banks and has also worked in the area of business development. Briggs, who is a graduate of Cornell University, currently serves as a member of the Yates County legislature.

About Capitol Bancorp Limited

[Capitol Bancorp Limited](#) (NYSE: CBC) is a \$4.4 billion national community bank development company, with a network of 54 separately chartered banks and bank operations in 15 states. It is the holder of the most individual bank charters in the country. Capitol Bancorp Limited identifies opportunities for the development of new community banks, raises capital for and mentors new community banks through their formative stages, and provides efficient services to its growing network of community banks. Each community bank has full local decision-making authority and is managed by an on-site president under the direction of a local board of directors, composed of business leaders from the bank's community. Founded in 1988, Capitol Bancorp Limited has executive offices in Lansing, Michigan, and Phoenix, Arizona.

###