

For Immediate Release

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**UNIVERSITY BANCORP PRESIDENT APPOINTED TO THE TOP FINANCIAL SERVICES
INDUSTRY STANDARDS ORGANIZATION, ASC X9, BOARD OF DIRECTORS**

Ann Arbor, Michigan, November 1, 2004 – University Bancorp, Inc. (NASDAQ: UNIB) announced that Stephen Lange Ranzini, President & CEO of University Bancorp, Inc. and President and Chairman of University Bank®, has been elected to the board of directors of Accredited Standards Committee X9, Inc., the U.S. financial industry standards setting body under the International Standards Organization (ISO). Geneva, Switzerland based ISO is the de jure global standards setting body that has pioneered such famous standards as ISO 9000 (quality control) and ISO 14000 (environmentally friendly business activities). In the U.S. X9 has pioneered such everyday items as credit card magnetic stripe standards and ATM machine standards, so that Americans can use credit cards and ATM cards in millions of locations everyday without interoperability problems that would otherwise hinder their widespread use. Other important X9 standards include DES and Triple DES the current encryption security algorithm used in securing banking transactions worldwide.

Mr. **Ranzini** commented, "I am honored to be able to serve the financial services industry in this additional capacity and look forward to working with the board to make it easier for consumers and businesses to use new financial services technology in their daily life. I have set a personal goal of making University Bank the single most secure bank for online business in the U.S. and working closely with some of the smartest and innovative people in the business will enable us to be on the leading edge as better security solutions are innovated."

Outside of his role as President and CEO of University Bancorp, Inc. and as President and Chairman of University Bank, and as Chairman of University Bank's University Insurance & Investment Services and Midwest Loan Services subsidiaries, Ranzini serves as President and Chairman of both the Michigan Business Development Company and Northern Michigan Foundation, which are economic development organizations funded by the state of Michigan Economic Development Corporation and the U.S. Department of Agriculture, respectively.

His other civic and professional associations include:

Industry Associations:

United Nations CEFAC TGB5, New York, NY, the U.S. delegate to the committee representing the United States, the de jure Standards Setting
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Body of the United Nations establishing standards for international Internet payment instructions in harmonization with the International Standards Organization (ISO).

International Standards Organization (ISO) Technical Committee (TC) 68 (Financial Services), U.S. observer to the ISO de jure global standards setting body for the global financial services industry.

Financial Services Technology Consortium, Deputy Director of FSTC's UVX (Universal Value Exchange) Project. FSTC is the collaborative research and development arm of the nation's largest banks, the IT vendors to

the banking industry and government agencies involved in banking. The UVX project is facilitating the creation of an industry utility to make it easier to pay and be paid using the Internet. Member, FSTC's Security Committee and member, FSTC's Counter-Phishing Project Steering Committee. The counter-phishing project is analyzing potential financial industry response to the proliferation of electronic identity theft attacks, including email based identity theft attacks.

Civic Associations:

Member of the Board of Directors, City of Ann Arbor Economic Development Corporation
President of the Yale Alumni Association of Michigan;
Member of the Kingsley Trust Association, New Haven, Connecticut;
Member of Legatus, a worldwide, non-profit civic association of Catholic Company CEOs.

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Ann Arbor based University Bancorp owns 100% of University Bank. University Bank is an FDIC-insured, locally owned and managed Community Bank primarily serving the cities of Ann Arbor and Ypsilanti of Washtenaw County. The Community Banking operation focuses on local businesses, minorities and the non-profit communities. University Bank is the only financial institution located in Washtenaw County to be rated "Outstanding" by the FDIC for Community Service and Community Reinvestment. Other Community Banking specialties include highly competitive deposit products for business owners, residential mortgages, commercial real estate lending and insurance, investments and money management through its wholly-owned subsidiary University Insurance & Investments, Inc. In addition to its Community Banking operations, University Bancorp specializes in mortgage subservicing and mortgage origination primarily serving the credit union industry through the Bank's Houghton-based 80%-owned subsidiary, Midwest Loan Services.

Any prediction of the future is inherently not assured. Investors should read the risk factors listed on pages 21 and 22 in the Company's report on Form 10K for the year ended December 31, 2003 and any prediction in this release is intended to be covered by the Safe Harbor provisions of Section 21E of the Securities Exchange Act of 1934.

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