

For Immediate Release

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**UNIVERSITY BANK ELECTS FORMER SENATOR ALMA WHEELER SMITH TO ITS  
BOARD OF DIRECTORS**

Ann Arbor, Michigan, March 15, 2004 - University Bank (NASDAQ:UNIB) announced that former State Senator Alma Wheeler Smith was appointed to its board of directors.

University Bank® Chairman Stephen Lange **Ranzini** commented, "We are honored to have such a talented and capable individual as former Senator Smith on our board of directors. Her experience with the appropriation and oversight of the state's \$39 billion budget will be invaluable to us." Alma resides in Salem Township.

Mrs. Smith stated, "I have long been impressed with University Bank's dedication to this community, as evidenced by it being selected by the Federal Deposit Insurance Corporation as the only bank in Washtenaw County rated by it as Outstanding for Community Service and Community Reinvestment, and am enthused about being able to take a more active role in support of the bank as a director."

Alma spent eight years in the Michigan Senate, and left the State Senate after being term-limited in December 31, 2002, capping an 18-year period of service as a local elected public official. She then became the first ever black candidate for governor in the history of the state of Michigan. In the Senate, Alma was the Democratic Vice-Chair of the Appropriations Committee. She was the first woman to hold a leadership position on that powerful committee and was, unquestionably, one of the most respected members of the legislature. Alma was honored to have her comments from a Senate floor speech included in a Michigan amicus brief to the United States Supreme Court successfully arguing against the so-called partial birth abortion laws. "How did she get that done in a Republican legislature" became a hallmark question among Capitol operatives and testified to how well Alma worked across party lines. Alma was responsible for hundreds of amendments that modified and improved policy and appropriations bills.

Besides her new role as a director of University Bank, Alma currently holds positions with the following organizations:

Member of the board of directors of: Planned Parenthood of Michigan, Michigan Campaign Finance Network, Student Advocacy Center and the Ecology Center. Alma is also on the steering committee for the Detroit Community Development Credit Union, the first low income, community development credit union in the city.

Alma received her B.A. in Journalism from the University of Michigan and took advanced degree work in Journalism and Business Administration. Before joining Senator Lana Pollock's staff in 1986, Alma was a senior producer at the University of Michigan Television Center.

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. University Bank's vision is "Everyday we create an enriching experience where everyone's personal fortune is highly valued." The Community Banking operation focuses on serving local businesses, minorities and non-profit organizations. 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 through the Bank's Houghton-based 80% owned subsidiary, Midwest Loan Services. Midwest currently subservices over \$2.0 billion in mortgage loans.

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