



Legacy Bank of Florida
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November 6, 2006

Dear Shareholder:

I am pleased to report our second quarterly results ending September 30, 2006. As you recall, Legacy Bank of Florida opened on May 15, 2006, so our results reflect 138 days of operations versus a traditional 180 days.

We ended the quarter with \$63 million in assets. Over \$21 million of loans were booked during the quarter, as well as \$21 million of deposits were generated. Our loan pipeline continues to be very strong. However, we continue to tread the South Florida real estate market cautiously. The Bank continues to be extremely well capitalized with a capital-to-assets ratio in excess of 47%. Our income statement continues to track with our budget at this early stage of operation. I have enclosed a summary balance sheet for your review.

Due to our aggressive growth, we are offering some very attractive promotional products at this time. Our Investment Checking account is paying 5.00% APY.¹ We are guaranteeing that promotional rate until March 31, 2007. In addition, we continue to offer the following attractive CD rates:²

	Rate	APY
3 Month CD	3.05 %	3.10 %
6 Month CD	4.50 %	4.60 %
9 – 13 Month CD	5.12 %	5.25 % *
12 Month CD	4.88 %	5.00 %
18 – 60 Month CD	5.26 %	5.40 %

** Please note that the nine-to-thirteen month CD is a special rate offered exclusively to shareholders.*

One of our primary goals as we head into the final months of 2006 is to have all of our shareholders do some type of business with us. We want to grow your investment in Legacy Bank, and we value the opportunity to be of service to you.

I also wanted to mention to you that we have added a new Director to help us with our business development in Broward County. Michael Moskowitz became a director on September 15, 2006. He is an attorney with Moskowitz, Mandell, Salim & Simowitz, PA and has lived and worked in Broward County for 27 years. We welcome Michael on his appointment to the Board and know that he will be a valuable asset to the Bank.

Thank you for your continued support. I look forward to seeing you in one of our offices or speaking to you soon.

Respectfully yours,

Dennis G. Bedley
 Chairman & CEO

¹ Annual Percentage Yield (APY) is based on minimum average daily collected balance (ADCDB) of \$5,000 and an interest rate of 4.88%. This is a tiered variable rate account and the rate is subject to change after opening. The Interest Rate on ADCDB of \$5,000 or greater will be 50% of the bank's current prime rate. ADCDB under \$5,000 will earn interest at the Tier One level interest rate of the bank's current Legacy Checking account rate – which is .15% APY as of November 2, 2006. No monthly fee on accounts with ADCDB of \$5,000 or greater. \$15 monthly fee for accounts with ADCDB of less than \$5,000. Fees may reduce earnings on the account. 5.00% Annual Percentage Yield is offered through March 31, 2007.

² Annual Percentage Yield (APY) is accurate as of November 2, 2006. Minimum balance of \$1,000 is required to obtain the disclosed APY. Penalty for early withdrawal.