



Legacy Bank of Florida
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November 9, 2007

Dear Shareholder:

I am pleased to report our third quarterly results ending September 30, 2007.

We ended the quarter with over \$147 million in assets. Our net loans at September 30, 2007 totaled \$85 million, while our total deposits were \$109 million. Our loan pipeline continues to be very strong. However, we continue to tread the South Florida real estate market cautiously. Our asset quality continues to be very strong and the Bank's extremely well-capitalized position creates a very healthy financial institution. Our income statement continues to track with our budget for the second quarter. I have enclosed a summary balance sheet for your review for the third quarter 2007.

As you may know, the Federal Reserve recently lowered interest rates. We wanted to pass this on to you by lowering the introductory rate on our Home Equity Line of Credit*. The APR is now 6.49% for the first six months and prime minus .50% thereafter. We will also pay all standard closing costs on loans up to \$250,000, and credit up to \$2,250 towards closing costs on loans of \$250,000 and greater. Please stop by one of our four offices or call us at (561) 544-8400.

We have just signed a lease and are awaiting regulatory approval to add our fifth office location in Pompano. The address is 6825 North Powerline Road (the southwest corner of Powerline and McNab). Pompano is a tremendous small business market and will match well with our focus on lending to small businesses. We think that this office location will bridge our geographic void between downtown Ft. Lauderdale and Boca Raton, while adding a great deal of value to our franchise. Watch out for further details on this new office in my February shareholder letter.

I have enclosed a copy of an article that appeared in the August 19, 2007 The Palm Beach Post. We continue to receive positive press coverage.

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

Respectfully yours,

A handwritten signature in black ink that reads "Dennis G. Bedley".

Dennis G. Bedley
Chairman & CEO

*6.49% APR discounted rate in effect for first 6 months. Reverts to prime minus .50% thereafter. As of November 9, 2007, current Prime minus .50% equals 7.00%. 18% maximum APR. No annual fee. No standard closing costs for loans up to \$250,000. Property insurance on home must be purchased and maintained by borrower. Consult your tax advisor on the deductibility of interest. No prepayment penalty. If the line is paid off and closed prior to 24 months, the full amount of the closing costs will be applied to the payoff amount. Maximum LTV 80%. Legacy Bank checking account required.