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Families and seniors to get decent, more affordable housing

State Farm® increases National Equity Fund (NEF) by \$25 million; helps build 250-300 rental homes with green features

CHICAGO (April 9, 2009)—Neighborhoods in need will soon be able to get more affordable housing thanks to an expanded commitment of \$25 million by State Farm Insurance Cos. to the National Equity Fund, Inc. (NEF). Capitalizing the fund will help revitalize low-income communities by financing affordable housing for disadvantaged families and seniors.

State Farm has joined forces with NEF, a nonprofit syndicator of low-income housing tax credits (LIHTCs), to support high-impact developments that create healthy living environments, eliminate blighted and vacant lots, anchor broad plans for community improvement and generate local jobs.

“In any economic environment, affordable housing is critical,” commented Joe Hagan, NEF president and CEO. “But in today’s climate, the implications of State Farm’s investment are even more significant. It ensures that hundreds of at-risk families will be able to raise their children in safe, decent homes that contribute to a better quality of life in their neighborhoods and that low-income seniors can afford to age in place, in the communities where they have lived so much of their lives.”

State Farm’s affordable housing fund builds on the company’s long-standing focus on neighborhoods in need. In recent years, the company has contributed more than \$80 million in community development grants and loans to the Local Initiatives Support Corporation (LISC) to support restored commercial corridors, parks and recreational programs, after-school programs and other initiatives in low-income areas. LISC is NEF’s parent.

“By investing in affordable housing developments for disadvantaged families and seniors, State Farm is improving the lives of many residents in our communities across the country,” says Barbara Cowden, executive vice president at State Farm. We are thrilled to build upon our long-standing partnership with LISC by creating and investing in the *Good Neighbor Fund* with NEF.”

State Farm's investment will support development projects that are expected to create 250-300 affordable rental homes with green features. The first project has been slated for Milwaukee, and additional projects will be identified in the months to come.

About State Farm®:

State Farm, founded in 1922, insures more cars and homes than any other insurer in the U.S., is the leading insurer of watercraft and is also a leading insurer in Canada. State Farm's 17,700 agents and 68,600 employees serve 81 million policies and accounts - more than 78.7 million auto, fire, life and health policies in the United States and Canada, and more than 1.9 million bank accounts. State Farm also offers customers banking, annuities and mutual fund products. State Farm Mutual Automobile Insurance Company is the parent of the State Farm family of companies. State Farm is ranked No. 31 on the Fortune 500 list of largest companies. For more information, please visit statefarm.com® or in Canada statefarm.ca®.

About National Equity Fund, Inc.

National Equity Fund, Inc. is a nonprofit Chicago-based affiliate of the Local Initiatives Support Corporation (LISC) and one of the nation's largest syndicators of Low-Income Housing Tax Credits, Historic Tax Credits and New Markets Tax Credits. Since 1987, NEF has invested \$7.5 billion in nearly 1,800 projects that have built and preserved 109,000 homes affordable to low-income families and individuals. For more information, visit www.nefinc.org.