Chapter 3. How to Manage Terraform State

In Chapter 2, as you were using Terraform to create and update resources, you might have noticed that every time you ran `terraform plan` or `terraform apply`, Terraform was able to find the resources it created previously and update them accordingly. But how did Terraform know which resources it was supposed to manage? You could have all sorts of infrastructure in your AWS account, deployed through a variety of mechanisms (some manually, some via Terraform, some via the CLI), so how does Terraform know which infrastructure it's responsible for?

In this chapter, you're going to see how Terraform tracks the state of your infrastructure and the impact that has on file layout, isolation, and locking in a Terraform project. Here are the key topics I'll go over:

- What is Terraform state?
- Shared storage for state files
- Limitations with Terraform's backends
- State file isolation
    - Isolation via workspaces
    - Isolation via file layout
- The `terraform_remote_state` data source

> **EXAMPLE CODE**
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> As a reminder, you can find all of the code examples in the book on GitHub.