



HIGHLIGHTS FROM TERRAFIRMA AGGREGATE DATA

1. California, Florida and New Jersey have significantly higher numbers of challenges per conserved parcel than other states. Colorado has significantly fewer challenges per parcel.
2. California, Colorado and Washington have higher than average external challenge costs than other states.
3. The frequency of challenges dramatically rose from 2000 through 2011. In 2011, a parcel of land was more than twice as likely to have a challenge as that same parcel of land would have been in 2001.
4. The external costs of a challenge in 2006 over four times as costly as a comparable challenge from 2000 or prior. External costs continued a gradual rise from 2006 to date.
5. In urban and suburban service areas, challenge frequencies per parcel are almost fifty percent higher than rural areas and the average external challenge costs are almost ninety percent higher. Land in rural areas is less likely to lead to challenges.
6. Unaccredited land trusts are over twenty percent more likely to have a challenge per parcel and pay over fifty percent more in external costs per challenge than accredited land trusts.
7. Challenges brought by the original landowner have external cost severities that are approximately one third the external cost of successor landowner challenges.
8. Parcels of land held by organizations five years old and less are half as likely to produce a challenge as those that have been in existence for ten years or longer.
9. Land Trusts who have experienced even one challenge in the past five years are twice as likely "per parcel" to experience a challenge in the following year than a Land Trust that has experienced no challenges in its past five-year history. Organizations that have experienced over five challenges in the previous five years are four and a half times more likely per parcel to experience another challenge the following year than those trusts that have been challenge-free during that same time.
10. A challenge that has taken four or more calendar years to close is on average almost seven times as costly in regards to external expenses as a challenge that has closed in the same year it opened.

11. Anecdotally, the Alliance is aware of three legal challenges that cost in excess of one million dollars to resolve (CA, NY and PA) and is aware of several others that cost in excess of \$250,000 to resolve.
12. Data gathered under different assumptions, definitions and objectives over time by the Land Trust Alliance, while they cannot precisely forecast exact legal defense funding requirements, however, when considered together, do provide a framework for planning legal defense costs:
 - An average land trust can expect violations, including technical, minor and major violations, at a rate of around one easement violation per 20 easements held. (This rate is the total number of easements violated compared to the total number of easements held in the portfolio, as considered over the lifetime of the easement portfolio. It is not an annual rate of new violations.)
 - While many of these violations may be resolved without significant expense, roughly one-tenth of them may require an investment of \$1,000 or more.
 - Around one-hundredth of the violations may result in a major expense (costing more than \$5,000 to resolve) to the land trust for legal defense.
 - The trends suggest that the frequency and severity of violations will increase over time.