Cross-Border Land Transaction: Conservation Easement

A step-by step guide to conserving Canadian land

American Friends of Canadian Conservation

Canadian Conservation Organization (CCO)	Resources	Landowner	AFCC
Grantee Application			
Timeline: 30-60 days — **Cost: $500 USD**			
Submit Land Grantee Application and Fee One-time requirement. Existing land grantees can skip this step *Grantee will need to be an IRS recognized publicly-supported organization or obtain such recognition before recording of the conservation easement	Land Grantee Application		**Board reviews application**
AFCC Board approval of application required before proceeding			
Phase I - Project Feasibility Assessment			
Timeline: 30-60 days — **Cost: $3,000 USD**			
Submit Phase I Feasibility Assessment Package:			**AFCC US Legal Counsel and Director of Conservation reviews Phase I** Will follow up with CCO on any question or missing information
Project Description Maps, photos, conservation value & ecological significance, etc.			
Letter of Intent Obtain from landowner	Letter of Intent Template	**Letter of Intent** Provide to CCO	**Board reviews Phase I**
Copy of land deed or title			
AFCC Board approval of Phase I required before proceeding			
Pay Phase I fee — $3,000 USD			
Phase II - Due Diligence			
Timeline: ~90-180 days — **Cost: $7,500 USD**			
Work with AFCC to help landowner secure accountant & lawyer practicing in relevant province		**Secure accountant & lawyer practicing in relevant province** CCO & AFCC will help!	**Help landowner secure accountant & lawyer practicing in relevant province**
Procurement & Management Agreement (PMA) Negotiate terms and create draft PMA with AFCC	PMA Agreement Template		**PMA** AFCC & AFCC US legal counsel collaborate with CCO on creating draft PMA
Appraisal Coordinate with landowner to commission an appraisal — Goal: July 31	Appraisal Fact Sheet	**Appraisal** Work with CCO & AFCC to commission an appraisal	**Lands Committee and Board Reviews PMA**
AFCC Board approval of PMA is required			
All steps in Phase II can happen concurrently with PMA			
PMA Executed		**Have your Canadian lawyer draft Title Opinion Letter**	**Have landowner direct their Canadian lawyer to draft Title Opinion Letter**
Pay 1st half of Phase II Fee — $3,750 USD			**Review draft of appraisal** AFCC & AFCC US legal counsel will review draft and provide any comments they may have
Confirm No Mineral Rights Have Been Severed From Fee Title Ownership If severed, obtain geologist letter stating the likelihood of future extraction is "so remote as to be negligible".			
Draft Conservation Easement Work with landowner and AFCC to complete draft conservation easement		**Draft Conservation Easement** Work with CCO and AFCC to complete draft conservation easement	**Review Conservation Easement** AFCC legal counsel reviews draft and provides any comments they may have
T2062 Application Package Prep Coordinate with landowner to provide final appraisal report to their Canadian accountant for inclusion in the T2062 application package to CRA — Goal: August 31	T2062 Application Package	**Provide final appraisal to your Canadian Accountant** For inclusion in T2062 application package to CRA	**Letter of Undertaking** AFCC & AFCC US Legal Counsel will prepare & provide a signed letter of undertaking & the PMA to the landowner's accountant
Appraisal must be finalized to complete T2062 Application			
Environmental Site Visit Coordinate completion — Goal: Oct 31	Environmental Site Visit Template	**Have your Canadian accountant prepare draft Form T2062**	**Review draft Form T2062** AFCC US legal counsel will review
Stewardship/Management Plan Complete a draft — Goal: Oct 31	Stewardship/ Management Plan Template	**Have your Canadian accountant submit Form T2062 package to CRA** After AFCC reviews	**AFCC US Legal Counsel reviews:** • Environmental Site Visit • Stewardship/Management Plan • Title Opinion Letter • Baseline Documentation Report • Certificate of Compliance (T2068) if received
Baseline Documentation Report Coordinate completion			
AFCC Lands Committee & Board approval of Phase II required to proceed			
Pay 2nd half of Phase II Fee — $3,750 USD			**AFCC Lands Committee & Board reviews Phase II**
Phase III - Closing			
Timeline: ~30 days — **Cost: $4,500 USD + Stewardship**			
Phase III Invoice — $4,500 USD			**Donor or AFCC Canadian counsel will prepare closing/registration documents for review of the other** US legal counsel reviews this too
Pay Stewardship Funds As outlined in PMA — TBD			**AFCC ensures Certificate of Compliance (T2068) is received from CRA**
Certificate of Compliance, Phase III payment, and Stewardship payment needed to close			**AFCC and Landowner Canadian counsel closes the donation**
Pay AFCC's 3rd Party Costs i.e. Canadian legal counsel — TBD			**AFCC prepares Gift Acknowledgement Letter and Canadian tax receipt for donor**
	Form 8283	**Donor will receive Gift Acknowledgement letter and Canadian tax receipt from AFCC via email and snail mail**	**AFCC and US legal counsel reviews Form 8283 and US IRS Qualified Appraisal** Will provide any comments to donor's accountant
		Provide draft Form 8283 & accompanying IRS qualified appraisal to AFCC — Goal: March 15	**AFCC signs final Form 8283 (after appraiser)**
		Direct your accountant to send final Form 8283 to appraiser to sign, then to AFCC to sign	
		File signed Form 8283 (and US IRS Qualified Appraisal) with your US tax return	

Property Protected in Perpetuity

CCO FAQ

What is a Procurement & Management Agreement?

A legal agreement between CCO and AFCC that defines each party's roles, responsibilities, and costs for the project.

What is a Certificate of Compliance (T2068)?

A certificate issued by the Canada Revenue Agency confirming the non-resident donor has met their Canadian tax obligations. Must be received before the transaction can close.

Donor FAQ

What is a letter of intent?

A signed statement from the landowner confirming their interest in donating the property to AFCC. Not legally binding - it simply signals commitment to proceed.

What is a Title Opinion Letter?

A formal document written by a lawyer, based on a detailed examination of public records, that confirms a property's ownership, identifies liens or encumbrances, and declares whether the title is clear and marketable.

What is a Form T2062 Package?

An application submitted to the CRA by the landowner's Canadian accountant requesting the Certificate of Compliance (T2068). Requires the finalized Canadian appraisal and AFCC's Letter of Undertaking.

What is a Form 8283?

A US IRS form required for non-cash charitable contributions over $500. The appraiser signs first, followed by AFCC. The donor files it with their US tax return.

"Goal" dates are recommended deadlines to keep the project on track for donors seeking a same-year U.S. tax receipt.

AFCC - American Friends of Canadian Conservation
CCO - Canadian Conservation Organization
PMA - Procurement & Management Agreement
IRS - Internal Revenue Service
CRA - Canadian Revenue Agency