

ment or Health Department against or affecting either of the premises above described at the date hereof, shall be complied with by the respective sellers thereof, and the premises shall be conveyed free of the same. The sellers shall furnish the purchasers with an authorization to make the necessary searches therefor.

This contract covers all right, title and interest of the respective sellers, of, in and to any lands lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the premises to be conveyed, to the centre line thereof, or all right, title, and interest of the respective sellers in and to any awards made or to be made in lieu thereof, and the sellers will execute and deliver to the purchasers, on closing of title or thereafter, on demand, all proper instruments for the conveyance of such title and the assignment and collection of such awards.

Each of the parties agrees to convey the property hereinbefore described as sold by such party respectively, free from all encumbrances, except as above specified, and to execute, acknowledge and deliver to the other party, or to the assigns of the other party, a deed in proper statutory short form for record containing the usual full covenants and warranty, so as to convey to the grantee the fee simple of said premises free from all encumbrances except as herein stated, and except restrictions imposed by City of New York under resolution of the Board of Estimate and Appointment, adopted July 25, 1916, and acts amendatory and supplemental thereto. The deed, in each case, shall be drawn at the cost of the party of the first part thereto.

The stipulations aforesaid are to apply to and bind the heirs, executors, administrators, successors and assigns of the respective parties.

Witness the signatures and seals of the above parties.

In Presence of

(L. S.)

(L. S.)

(L. S.)

(L. S.)

Divisions of the contract.—An analysis of this form shows that it is similar in many respects to the contract of sale, except that the price is paid wholly or partly in property instead of cash. The instrument is dated and contains the names of the parties just as the contract of sale, except that for convenience they are termed “party of the first part” and “party of the second part.” Usually the person who pays no cash whatever is designated as the first party.

Since the properties are being exchanged and no cash or only a small amount passing, the parties may set any value they wish upon the properties to be exchanged. They may agree on any values just so they do not affect the cash difference to be paid. They might recite a nominal value for each property. Usually the values agreed upon are inflated. Following the names of the parties, are set forth the agreed value of the first party's realty, its description and the encumbrances subject to which it is sold. Then follows a similar statement with reference to the second party's property. As in the contract of