

Date: [Current Date]

To: [Recipient Name / Seller Name]

Address: [Property Address]

Escrow Number: [Escrow Number]

RE: URGENT NOTICE - CLOUD ON TITLE AND ESCROW HOLD

Dear [Recipient Name],

This letter is to formally notify you that a title search conducted on the property located at [Property Address] has revealed an encumbrance or "cloud" on the title. Specifically, the following issue has been identified:

[Description of issue: e.g., Unresolved lien, judgment, boundary dispute, or missing heir signature]

Due to this finding, the title insurance company is unable to issue a clean title policy at this time. As a result, escrow is currently on hold and cannot proceed to closing until this matter is fully resolved and cleared from the public record.

To move forward with the sale, the following actions are required:

- [Action Item 1: e.g., Provide proof of payment for lien]
- [Action Item 2: e.g., Obtain a Quitclaim Deed]
- [Action Item 3: e.g., Contact the title officer to provide additional documentation]

Please address this matter immediately to avoid further delays or the potential cancellation of the purchase agreement. Once the cloud is cleared, please provide the necessary documentation to [Escrow Officer Name] at [Escrow Company Name].

If you have questions regarding the specific nature of this title defect, please contact the title company directly at [Title Company Phone Number].

Sincerely,

[Your Name/Signature]

[Your Title/Company Name]

[Your Phone Number]