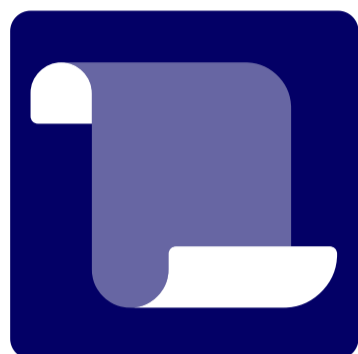


Slander of Title of Property

Involves False Statements Stated With Malice Causing Stigma Injury to Property

Helpful Guide to Understanding the Tort of Slander of Property Including Stigma Injury



Slander of person, known as defamation, is more commonly understood; however, slander of property, also known as slander of title, can also occur. Generally, slander of title of property occurs when statements or documents, including documents usual to a legal process, such as liens or encumbrances, are improperly and maliciously used to cast a stigma upon property thereby making the property less valuable or less saleable. Examples of slander of property can involve the spread of rumours that a house is haunted; *Manitoba Free Press Co. v. Nagy*, 39 S.C.R. 340 or the registration of a security interest on an automobile; *Osman Auction Inc. v. Murray*, 1994 CanLII 8911.

The elements of the common law cause of action of slander of title of property are found in *Almas, et al, v. Spenceley*, 1972 CanLII 609 where it was said by the Court of Appeal for Ontario:

In an action for slander of title the following elements must be proved:

- (1) that the defendant published words in disparagement of the plaintiffs' property;
- (2) that such words were false;
- (3) that such words were published with actual malice;
- (4) that the plaintiffs sustained special damages as a result.

A statutory right of action for slander of title of property can also occur, *Land Titles Act*, R.S.O. 1990, c. L.5, s. 132; *Construction Lien Act*, R.S.O. 1990, c. C.30, s.35, among others. Unlike the common law cause of action, liability under the statutory right of action may arise without malice or recklessness.