

Court of King's Bench of Alberta

Citation: Rinehart v Magnum York Property Management, 2025 ABKB 430

Date: 20250715
Docket: 2501 01031
Registry: Calgary

Between:

**Karis Rinehart, Tenants (past and present), Community members (past and present),
Friends and family of tenants and community members**

Plaintiffs

- and -

**Magnum York Property Management, (Management of Albert Park (Terrace),
Apartments), Go Smart Property Management, (Management of Albert Park (Terrace),
Apartments), Envision Property Management, (Management of Albert Park (Terrace),
Apartments), George Stratis, (Building Owner), Bart Bardsley, (Property manager, Albert
Park (Terrace) Apartments), Deborah (Debbie) Kingsbury, (Building Manager, Albert
Park (Terrace) Apartments), Roger Mazzer, (Property Manager, Albert Park (Terrace)
Apartments)**

Defendants

**Endorsement
of the
Associate Chief Justice
D.B. Nixon**

[1] On May 12, 2025, I received a request from Borden Ladner Gervais LLP, as Counsel for one of the Defendants, Go Smart Property Managers Inc (“Go Smart”), asking the Court to review the Plaintiffs’ Statement of Claim, filed January 21, 2025, under Civil Practice Note 7 (“CPN7”).

[2] CPN7 sets out summary procedures to be followed, using r 3.68 of the *Alberta Rules of Court*, Alta Reg 124/2010 for an assessment of a “claim, defence, action, application, or proceeding that appears on its face to be frivolous, vexatious, or otherwise an abuse of process.”

[3] On June 13, 2025, I reviewed the Statement of Claim and issued an Endorsement – Apparent Vexatious Application or Proceeding Notice (the “AVAP Notice”), reported as *Rinehart v Magnum York Property Management*, 2025 ABKB 364. I did so because the Statement of Claim appears on its face to be frivolous, vexatious, or an abuse of process. Specifically, it alleges breach of legislation that does not exist, the “RTDRS Act”, and appears to seek excessive or impossible relief. It is also unclear whether the Plaintiffs are alleging a breach of a tenancy agreement, and whether the parties have attempted to resolve their dispute through the Residential Tenancy Dispute Resolution Service (“RTDRS”), raising a jurisdictional question.

[4] On June 17, 2025, the Court received the Plaintiffs’ Written Submissions to the AVAP Notice from Karis Rinehart. Ms. Rinehart appears to be acting as an agent or representative of the Plaintiffs; however, this is not clear to the Court. In her submissions, Ms. Rinehart submits the Statement of Claim “deserves to proceed on its merits”, and the matter exceeds the jurisdiction of the RTDRS given the “scope, scale and systemic nature of the issues”. Ms. Rinehart further clarifies the legislation relied on is the *Residential Tenancies Act*, SA 2004, c R-17.1 and tort law. With respect to alleged unproportionate damages, Ms. Rinehart refers to “documented, ongoing, and measurable harm” consisting of emotional and physical harm, “coercive financial extractions”, police calls and arrests, and “community trauma”.

[5] Ms. Rinehart also advises that the Plaintiffs brought a disclosure motion before Justice Harrington on June 2, 2025. I understand Harrington J adjourned the Plaintiffs’ disclosure motion *sine die*, giving specific direction to the Plaintiffs to: (i) amend the Statement of Claim; (ii) complete an Affidavit of Records; and (iii) resubmit the disclosure request.

[6] On June 23, 2025, the Court received a Written Reply to the AVAP Notice from Scott Venturo Rudakoff LLP, as Counsel for one of the Defendants, Magnum York Property Management, registered as Magnum York Property Management Ltd (“Magnum York”). Counsel confirms Magnum York joins Go Smart in asking the Court to review the Statement of Claim under CPN7. Counsel advises Magnum York concurs with Go Smart that the action is without merit, alleging the Statement of Claim fails to identify an actionable breach and the damages claimed are either excessive or impossible. Counsel further advises that Magnum York repeats and adopts the submissions made by Go Smart to the Court concerning the matter.

[7] On June 24, 2025, the Court received a Written Reply to the AVAP Notice from Counsel for Go Smart confirming the Plaintiffs’ Written Submissions do not change their initial position that the Statement of Claim may be frivolous, vexatious or an abuse of power, as recognized under CPN7. Amongst other things, Counsel notes that: (i) Ms. Rinehart is seeking remedies for individuals other than herself, but the matter is neither a class action nor is there any indication Ms. Rinehart is acting as an agent or in some other representative capacity; (ii) the *Residential Tenancies Act* establishes the RTDRS as the appropriate forum to hear and resolve residential tenancy disputes; (iii) the amount claimed is “grossly inflated”, “excessive”, and disproportionate

to any alleged harm; and (iv) accusations of community harm arising from alleged criminal activity fall outside the scope of a civil proceeding.

[8] On June 25, 2025, the Court received a Written Reply to the AVAP Notice from McLeod Law LLP, as Counsel for one of the Defendants, Envision Property Management Ltd. On June 26, 2025, the Court received an additional reply from McLeod Law LLP, confirming they are also acting for some of the other Defendants, George Stratis, Bart Bardsley, Deborah Kingsbury, and Roger Mazzer (collectively with Envision Property Management Ltd, the “Envision Defendants”). Counsel confirmed the Envision Defendants join Go Smart and Magnum York in asking the Court to review the Statement of Claim under CPN7. Further, Counsel confirms the Envision Defendants repeat and adopt the submissions made by Go Smart and Magnum to the Court as part of the CPN7 review process. In their submissions, the Envision Defendants argue the Statement of Claim: (i) names as Plaintiffs unidentifiable parties, with it being unclear whether Ms. Rinehart is acting in an agent or proxy capacity; (ii) seeks an excessive amount of damages which have not been particularized; (iii) does not plead or rely on the *Residential Tenancies Act* or clarify why the RTDRS has not been utilized; and (iv) alleges criminal activity that is outside the scope and jurisdiction of civil claims before this Court.

[9] On June 27, 2025, the Court received a Supplementary Written Submission from Ms. Rinehart in response to the AVAP Notice and Written Replies of the Defendants. Amongst other things, Ms. Rinehart restates her position that a discovery process “should proceed so that the evidence can be fully and formally tested.”

[10] On July 10, 2025, the Court received an Application for Leave to Amend the Statement of Claim from Ms. Rinehart. The application was accompanied by a supporting Affidavit (Form 49) and the proposed Amended Statement of Claim. The Application for Leave to Amend the Statement of Claim and the Affidavit were filed by the Court on July 8, 2025. Ms. Rinehart advises these documents were prepared in response to the directions provided by Harrington J on June 2, 2025. I understand the application is scheduled to be heard on July 18, 2025 by a Justice in Chambers of the Court.

[11] I reviewed Ms. Rinehart’s Application for Leave to Amend the Statement of Claim and the supporting documents.

[12] Based on my review of the evidence and analysis of the law, I am satisfied Ms. Rinehart is acting in good faith and wishes to amend the Statement of Claim to address the concerns raised by Harrington J and in the AVAP Notice. For this reason, I conclude it is unnecessary to invoke the procedures under CPN7 in this situation: see *De’Medici v Wawanesa Mutual Insurance Company*, 2023 ABKB 210 at para 28.

[13] I therefore permit Ms. Rinehart to bring the Application for Leave to Amend the Statement of Claim rather than completing the review of the Statement of Claim under the CPN7 process.

[14] If the Plaintiffs amend the Statement of Claim, the Defendants are permitted to file an Amended Statement of Defence.

[15] To be clear, this Endorsement does not prevent the Defendants from applying under the *Alberta Rules of Court* or re-applying under CPN7 for remedies for alleged issues or deficiencies in the Statement of Claim, as may be amended, following the upcoming hearing.

Dated at Calgary, Alberta this 15th day of July, 2025.

D.B. Nixon
A.C.J.C.K.B.A.

Appearances:

Patrick J. Heinsen, K.C. – by Written Submission
Borden Ladner Gervais LLP
for one of the Defendants, Go Smart Property Managers Inc

Gemma Dee – by Written Submission
Scott Venturo Rudakoff LLP
for one of the Defendants, Magnum York Property Management, registered as Magnum York Property Management Ltd

Rahim Merchant and Michael C. Kwiatkowski – by Written Submission
McLeod Law LLP
for the Defendants, Envision Property Management Ltd, George Stratis, Bart Bardsley, Deborah Kingsbury, and Roger Mazzer

Karis Rinehart – by Written Submission