



Why Foreclosures Take So Long in New York City: Structural Causes and Current Timelines

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In New York City, a mortgage foreclosure often takes years rather than months. The primary reason is structural: New York is a judicial foreclosure state, so the process proceeds as a lawsuit in court rather than through an administrative or trustee sale process.

Court scheduling constraints, statutory notice requirements, required conferences in many residential cases, and other case-specific issues can further extend timing.

For [lenders](#), investors and real estate owners, understanding the causes of these delays—and the typical timelines in the New York City boroughs—is critical when underwriting distressed assets, loan workouts and enforcement strategies.

This overview summarizes why a New York City foreclosure timeline tends to move slowly and provides typical, market-observed timeline ranges by borough to support underwriting, loan workout planning, and enforcement strategy discussions.

New York City Foreclosure Timeline: How Long It Takes (National Context)

Foreclosure timelines vary across the United States, driven largely by whether the state uses a judicial process (court-supervised) or a non-judicial process (often administered through a trustee or statutory procedure). In many non-judicial states, a foreclosure can move from default to sale in a matter of months.

New York, however, consistently ranks among the slowest jurisdictions in the country. Some published datasets and market commentary have placed New York among the slowest jurisdictions, with a reported average timeline of approximately 2,000 days (about 5.5 years) from default to completion. Clearly, New York is among the longest in the United States.

Even uncontested cases frequently take well over a year to complete, and contested cases can take significantly longer depending on court backlog and borrower defenses.

Why NYC Foreclosures Take So Long (Key Structural Causes)

Several structural factors contribute to the unusually long foreclosure timelines in New York City.

Key definitions (plain-English):

- **Judicial foreclosure:** A foreclosure conducted through a court case, where key milestones are reached by motion practice, conferences, and court orders.
- **Settlement conference:** A court-supervised conference (commonly in residential matters) intended to explore resolution alternatives before the case proceeds to sale.
- **Judgment of Foreclosure and Sale:** A court judgment authorizing the sale process and setting the case up for the foreclosure auction.

New York Is a Judicial Foreclosure State

New York is a judicial foreclosure state, meaning lenders must file a lawsuit in the New York Supreme Court to foreclose a mortgage. Every step (from service of process to judgment of foreclosure and sale) must occur through the court system.

This process includes:

- Filing a summons and complaint
- Service of process
- Borrower response period (often 20–30 days, depending on service and posture)
- Court appearances and motions
- Entry of judgment of foreclosure and sale
- Scheduling of auction

Because these steps are court-managed, timing is heavily influenced by scheduling and docket conditions, especially in higher-volume venues.

90-Day Pre-Foreclosure Notice Requirement

Before filing a foreclosure action, lenders must provide borrowers with a 90-day pre-foreclosure notice, designed to give borrowers time to cure defaults or seek assistance.

This statutory waiting period effectively delays the filing of any foreclosure lawsuit for at least three months after default.

Mandatory Settlement Conferences ([Residential Cases](#))

In many [residential](#) foreclosures, the court will require settlement conferences intended to explore resolution options such as modification or other loss-mitigation outcomes.

The conference schedule is court-driven, and the process may extend over multiple appearances depending on the case and the parties' engagement.

As a practical matter, this layer can add meaningful time to the lifecycle of a residential foreclosure.

NYC Court Backlogs and Scheduling Delays

Foreclosure cases are heard in the New York Supreme Court, which handles a wide variety of civil matters. In the boroughs with the highest volume of residential mortgages—particularly Brooklyn and Queens—courts frequently face substantial case backlogs.

As a result, even routine conferences and motion calendars may be set months out, which can compound delays across the life of a case—particularly in higher-volume NYC boroughs.

Borrower Defenses and Bankruptcy Filings

Borrowers often raise legal defenses or file bankruptcy petitions, both of which can delay foreclosure proceedings.

Common litigation issues include:

- Standing challenges
- Chain-of-title disputes involving mortgage assignments
- Service of process challenges
- Bankruptcy automatic stays

Each of these issues can extend litigation by months or years.

Delays Between Judgment and Foreclosure Sale

Even after the court enters a Judgment of Foreclosure and Sale, the property is not immediately sold. Scheduling the foreclosure auction can take additional time.

In New York, the period between judgment and auction often averages more than 150 days.

Typical New York City Foreclosure Timeline by Borough

While timelines vary significantly depending on the nature of the property and whether the case is contested, market participants generally observe the following approximate timelines across the boroughs.

Borough	Typical Foreclosure Timeline	Key Drivers
Manhattan (New York County)	~2-4 years	Lower foreclosure volume but complex commercial cases
Brooklyn (Kings County)	~3-5+ years	Very high case volume and heavy court backlog

Borough	Typical Foreclosure Timeline	Key Drivers
Queens (Queens County)	~3-5 years	Large residential mortgage inventory
Bronx (Bronx County)	~3-5+ years	Court congestion and high distressed housing volume
Staten Island (Richmond County)	~2-4 years	Smaller court system but fewer filings

These timelines reflect the time from default to foreclosure sale, not merely the litigation period.

Because of pandemic-era moratoriums and post-pandemic backlog, some legacy cases in the system today have taken five to seven years or more to complete.

Practical Implications for Lenders, Investors, and Owners

The lengthy foreclosure process in New York significantly affects underwriting and loan enforcement strategy.

- **Extended carry costs:** Parties may carry nonperforming exposure for an extended period before title is obtained through a foreclosure sale.
- **Greater incentive for workouts:** When enforcement is slow and costly, negotiated resolutions ([restructures](#), discounted payoffs, or note sales) may be evaluated earlier in the lifecycle.
- **Receivership strategy becomes more consequential:** Where appropriate, a rent-collecting receiver can be a central economic tool during a prolonged foreclosure process.
- **Distressed-debt and timing considerations:** Longer timelines can affect pricing, reserves, and return assumptions for distressed acquisitions.

Conclusion: What Drives NYC’s Multi-Year Foreclosure Timeline

Foreclosures take significantly longer in New York City than in most jurisdictions due to the combination of judicial foreclosure requirements, statutory borrower protections, mandatory settlement conferences and heavy court backlogs.

For lenders, investors and borrowers alike, the practical reality is that foreclosure in New York is rarely a quick remedy. Instead, it is often a multi-year legal process, making strategic workouts and negotiated resolutions a central feature of the New York distressed real estate market.

Frequently Asked Questions (FAQ)

How long does a foreclosure take in New York City?

A New York City foreclosure timeline is commonly measured in years rather than months, with timing driven by judicial process requirements, scheduling, and case-specific factors.

Why is New York a “judicial foreclosure” state, and why does that matter?

Foreclosure proceeds as a lawsuit in court, which means the timeline depends on service, motion practice, conferences, and court availability.

What is a 90-day pre-foreclosure notice in New York?

In many cases, lenders must provide a required notice period before filing, which can delay the start of the lawsuit process.

What happens at a foreclosure settlement conference?

The court schedules conferences to explore resolution options. The number and spacing of conferences varies by case and can extend timelines.

After a Judgment of Foreclosure and Sale is entered, how quickly does the auction occur?

Even after judgment, there is typically additional time required to schedule and conduct the sale.

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