

NovaStar Mortgage Funding Trust Series 2003-4

Statement to Certificateholders

May 25, 2004

DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
A1	1,074,859,000.00	1,038,454,430.42	17,741,918.17	1,229,703.12	18,971,621.29	0.00	0.00	1,020,712,512.25
A2A	52,000,000.00	47,414,072.20	2,235,964.49	50,416.96	2,286,381.45	0.00	0.00	45,178,107.71
A2B	25,101,000.00	25,101,000.00	0.00	33,363.41	33,363.41	0.00	0.00	25,101,000.00
A2C	77,102,000.00	72,516,012.72	2,235,993.49	85,871.05	2,321,864.54	0.00	0.00	70,280,019.23
A3	64,688,000.00	61,685,784.46	1,924,526.09	79,009.21	2,003,535.30	0.00	0.00	59,761,258.37
M1	75,000,000.00	75,000,000.00	0.00	109,354.17	109,354.17	0.00	0.00	75,000,000.00
M2	60,000,000.00	60,000,000.00	0.00	131,708.33	131,708.33	0.00	0.00	60,000,000.00
M3	15,000,000.00	15,000,000.00	0.00	35,645.83	35,645.83	0.00	0.00	15,000,000.00
B1	15,000,000.00	15,000,000.00	0.00	43,500.00	43,500.00	0.00	0.00	15,000,000.00
B2	15,000,000.00	15,000,000.00	0.00	52,562.50	52,562.50	0.00	0.00	15,000,000.00
B3	8,250,000.00	8,250,000.00	0.00	32,232.29	32,232.29	0.00	0.00	8,250,000.00
P	100.00	100.00	0.00	309,990.91	309,990.91	0.00	0.00	100.00
O	17,999,900.00	18,000,000.00	0.00	0.00	0.00	0.00	0.00	18,000,000.00
R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	1,500,000,000.00	1,451,421,399.80	24,138,402.24	2,193,357.78	26,331,760.02	0.00	0.00	1,427,282,997.56
X	1,500,000,000.00	1,451,421,399.80	0.00	5,228,204.15	5,228,204.15	0.00	0.00	1,427,282,997.56

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FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
A1	66987XDE2	966.13084174	16.50627493	1.14405994	17.65033487	949.62456680
A2A	66987XDF9	911.80908077	42.99931712	0.96955692	43.96887404	868.80976365
A2B	66987XDG7	1,000.00000000	0.00000000	1.32916657	1.32916657	1,000.00000000
A2C	66987XDH5	940.52051464	29.00046030	1.11373311	30.11419341	911.52005434
A3	66987XDJ1	953.58929724	29.75089800	1.22138897	30.97228698	923.83839924
M1	66987XDK8	1,000.00000000	0.00000000	1.45805560	1.45805560	1,000.00000000
M2	66987XDL6	1,000.00000000	0.00000000	2.19513883	2.19513883	1,000.00000000
M3	66987XDM4	1,000.00000000	0.00000000	2.37638867	2.37638867	1,000.00000000
B1	66987XDN2	1,000.00000000	0.00000000	2.90000000	2.90000000	1,000.00000000
B2	66987XDP7	1,000.00000000	0.00000000	3.50416667	3.50416667	1,000.00000000
B3	66987XDU6	1,000.00000000	0.00000000	3.90694424	3.90694424	1,000.00000000
P	66987XDQ5	1,000.00000000	0.00000000	3,099,909.10000000	3,099,909.10000000	1,000.00000000
O	66987XDT9	1,000.00555559	0.00000000	0.00000000	0.00000000	1,000.00555559
TOTALS		967.61426653	16.09226816	1.46223852	17.55450668	951.52199837
X	66987XDS1	967.61426653	0.00000000	3.48546943	3.48546943	951.52199837

PASS-THROUGH RATES

CLASS	CURRENT PASS-THRU RATE
A1	1.470000 %
A2A	1.320000 %
A2B	1.650000 %
A2C	1.470000 %
A3	1.590000 %
M1	1.810000 %
M2	2.725000 %
M3	2.950000 %
B1	3.600000 %
B2	4.350000 %
B3	4.850000 %
P	.000000 %
O	.000000 %
X	4.471606 %

IF THERE ARE ANY QUESTIONS OR PROBLEMS WITH THIS STATEMENT, PLEASE CONTACT THE ADMINISTRATOR LISTED BELOW:

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REMIC Available Funds - Group I	24,540,586.79
REMIC Available Funds - Group II	5,466,905.12
REMIC Available Funds - Group III	2,435,740.94

Sec. 4.03

Principal

Group I Scheduled Principal	1,142,114.11
Group I Prepayments in Full	16,505,818.46
Group I Curtailments	93,985.60
Group I Net Liquidation Proceeds	0.00
Group I Realized Losses	0.00
Group II Scheduled Principal	153,718.99
Group II Prepayments in Full	4,306,025.96
Group II Curtailments	12,213.03
Group II Net Liquidation Proceeds	0.00
Group II Realized Losses	0.00
Group III Scheduled Principal	64,984.14
Group III Prepayments in Full	1,779,969.36
Group III Curtailments	79,572.59
Group III Net Liquidation Proceeds	0.00
Group III Realized Losses	0.00

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Total Scheduled Principal	1,360,817.24
Total Prepayments in Full	22,591,813.78
Total Curtailments	185,771.22
Total Net Liquidation Proceeds	0.00
Total Realized Losses	0.00

Sec. 4.03(a)(i)

Distributions of Principal

Class A-1	17,741,918.17
Class A-2A	2,235,964.49
Class A-2B	0.00
Class A-2C	2,235,993.49
Class A-3	1,924,526.09
Class M-1	0.00
Class M-2	0.00
Class M-3	0.00
Class B-1	0.00
Class B-2	0.00
Class B-3	0.00
Class P	0.00

Sec. 4.03(a)(ii)

Distributions of Interest

Class A-1	1,229,703.12
Class A-2A	50,416.96

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Class A-2B	33,363.41
Class A-2C	85,871.05
Class A-3	79,009.21
Class M-1	109,354.17
Class M-2	131,708.33
Class M-3	35,645.83
Class B-1	43,500.00
Class B-2	52,562.50
Class B-3	32,232.29
Class I	876,979.17
Class P - Prepay Penalty	309,990.91

Sec. 4.03(a)(iii) Pool Balances

Group I Beginning Pool Balance	1,209,810,298.89
Group I Ending Pool Balance	1,192,068,380.72
Group II Beginning Pool Balance	169,613,157.63
Group II Ending Pool Balance	165,141,199.65
Group III Beginning Pool Balance	71,997,943.28
Group III Ending Pool Balance	70,073,417.19
Total Beginning Pool Balance	1,451,421,399.80
Total Ending Pool Balance	1,427,282,997.56

Sec. 4.03(a)(iv) Mortgage Loan Information as of Determination Date

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Number of Mortgage Loans	10,142
Aggregate Principal Balance of Mortgage Loans	1,427,282,997.56
Beginning Weighted Average Mortgage Rate	7.4294 %
Number of Subsequent Mortgage Loans Added during Prepayment Period	0
Balance of Subsequent Mortgage Loans Added during Prepayment Period	0.00
Balance of Pre-Funding Account	0.00

Section 4.03(a)(v) A

Loans Delinquent

Group 1			
Period	Number	Principal Balance	Percentage
30-59 days	29	3,883,416.20	0.33 %
60-89 days	12	1,802,311.37	0.15 %
90+days	5	664,970.27	0.06 %
Total	46	6,350,697.84	0.54 %

Group 2			
Period	Number	Principal Balance	Percentage
30-59 days	3	303,614.23	0.18 %
60-89 days	2	174,148.52	0.11 %
90+days	0	0.00	0.00 %
Total	5	477,762.75	0.29 %

Group 3			
Period	Number	Principal Balance	Percentage
30-59 days	2	91,775.45	0.13 %
60-89 days	4	496,943.27	0.71 %
90+days	2	414,016.89	0.59 %
Total	8	1,002,735.61	1.43 %

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Sec. 4.03 (a)(v) B

Loans in Foreclosure

Group 1		
Number	Principal Balance	Percentage
5	805,416.27	0.07 %

Group 2		
Number	Principal Balance	Percentage
3	1,210,828.64	0.73 %

Group 3		
Number	Principal Balance	Percentage
1	58,262.34	0.08 %

Sec. 4.03(a)(v) C

Loans in REO

Group 1		
Number	Principal Balance	Percentage
1	84,344.11	0.01 %

Group 2		
Number	Principal Balance	Percentage
0	0.00	0.00 %

Group 3		
Number	Principal Balance	Percentage
1	117,808.00	0.17 %

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Sec. 4.03(a)(vi)	Principal Prepayments		
	Group I Prepayments		16,505,818.46
	Group II Prepayments		4,306,025.96
	Group III Prepayments		1,779,969.36
Sec. 4.03 (a)(vii)	Realized Losses		
	Group I Liquidated Loan Balance		0.00
	Group I Net Liquidation Proceeds		0.00
	Group I Current Period Realized Losses		0.00
	Group I Recoveries of Prior Losses		0.00
	Group I Subsequent Losses		0.00
	Group I Cumulative Liquidated Loan Balance		0.00
	Group I Cumulative Net Liquidation Proceeds		0.00
	Group I Cumulative Recoveries of Prior Losses		0.00
	Group I Cumulative Subsequent Losses		0.00
	Group I Cumulative Realized Losses		0.00
	Group II Liquidated Loan Balance		0.00
	Group II Net Liquidation Proceeds		0.00
	Group II Current Period Realized Losses		0.00
	Group II Recoveries of Prior Losses		0.00
	Group II Subsequent Losses		0.00

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Group II Cumulative Liquidated Loan Balance	151,830.81
Group II Cumulative Net Liquidation Proceeds	149,888.70
Group II Cumulative Recoveries of Prior Losses	0.00
Group II Cumulative Subsequent Losses	0.00
Group II Cumulative Realized Losses	1,942.11
Group III Liquidated Loan Balance	0.00
Group III Net Liquidation Proceeds	0.00
Group III Current Period Realized Losses	0.00
Group III Recoveries of Prior Losses	0.00
Group III Subsequent Losses	0.00
Group III Cumulative Liquidated Loan Balance	0.00
Group III Cumulative Net Liquidation Proceeds	0.00
Group III Cumulative Recoveries of Prior Losses	0.00
Group III Cumulative Subsequent Losses	0.00
Group III Cumulative Realized Losses	0.00
Total Liquidated Loan Balance	0.00
Total Net Liquidation Proceeds	0.00
Total Current Period Realized Losses	0.00
Total Recoveries of Prior Losses	0.00
Total Subsequent Losses	0.00

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	Total Cumulative Liquidated Loan Balance	151,830.81
	Total Cumulative Net Liquidation Proceeds	149,888.70
	Total Cumulative Recoveries of Prior Losses	0.00
	Total Cumulative Subsequent Losses	0.00
	Total Cumulative Realized Losses	1,942.11
Sec. 4.03 (a)(ix)	Unpaid Interest Shortfall Amounts	
	Unpaid Interest Shortfall - A-1	0.00
	Unpaid Interest Shortfall - A-2A	0.00
	Unpaid Interest Shortfall - A-2B	0.00
	Unpaid Interest Shortfall - A-2C	0.00
	Unpaid Interest Shortfall - A-3	0.00
	Unpaid Interest Shortfall - M-1	0.00
	Unpaid Interest Shortfall - M-2	0.00
	Unpaid Interest Shortfall - M-3	0.00
	Unpaid Interest Shortfall - B-1	0.00
	Unpaid Interest Shortfall - B-2	0.00
	Unpaid Interest Shortfall - B-2	0.00
	Unpaid Interest Shortfall - I	0.00
Sec. 4.03 (a)(x)	Prepayment Interest Shortfalls not covered by the Servicer	0.00
Sec. 4.03 (a)(xi)	Credit Enhancement Percentage	14.21 %

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Sec. 4.03 (a)(xii)	Available Funds Cap Carryforward Amount	
	Available Funds Cap Carryforward Amount - A-1	0.00
	Available Funds Cap Carryforward Amount - A-2A	0.00
	Available Funds Cap Carryforward Amount - A-2B	0.00
	Available Funds Cap Carryforward Amount - A-2C	0.00
	Available Funds Cap Carryforward Amount - A-3	0.00
	Available Funds Cap Carryforward Amount - M-1	0.00
	Available Funds Cap Carryforward Amount - M-2	0.00
	Available Funds Cap Carryforward Amount - M-3	0.00
	Available Funds Cap Carryforward Amount - B-1	0.00
	Available Funds Cap Carryforward Amount - B-2	0.00
	Available Funds Cap Carryforward Amount - B-3	0.00
	Remaining Available Funds Cap Carryforward Amount - A-1	0.00
	Remaining Available Funds Cap Carryforward Amount - A-2A	0.00
	Remaining Available Funds Cap Carryforward Amount - A-2B	0.00
	Remaining Available Funds Cap Carryforward Amount - A-2C	0.00
	Remaining Available Funds Cap Carryforward Amount - A-3	0.00
	Remaining Available Funds Cap Carryforward Amount - M-1	0.00
	Remaining Available Funds Cap Carryforward Amount - M-2	0.00
	Remaining Available Funds Cap Carryforward Amount - M-3	0.00
	Remaining Available Funds Cap Carryforward Amount - B-1	0.00
	Remaining Available Funds Cap Carryforward Amount - B-2	0.00
	Remaining Available Funds Cap Carryforward Amount - B-3	0.00

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Sec. 4.03 (a)(xiii)	REMIC Pass-Through Rates	
	REMIC Pass-Through Rate - A-1	1.4700 %
	REMIC Pass-Through Rate - A-2A	1.3200 %
	REMIC Pass-Through Rate - A-2B	1.6500 %
	REMIC Pass-Through Rate - A-2C	1.4700 %
	REMIC Pass-Through Rate - A-3	1.5900 %
	REMIC Pass-Through Rate - M-1	1.8100 %
	REMIC Pass-Through Rate - M-2	2.7250 %
	REMIC Pass-Through Rate - M-3	2.9500 %
	REMIC Pass-Through Rate - B-1	3.6000 %
	REMIC Pass-Through Rate - B-2	4.3500 %
	REMIC Pass-Through Rate - B-3	4.8500 %
	Next REMIC Pass-Through Rate - A-1	0.3700 %
	Next REMIC Pass-Through Rate - A-2A	0.2200 %
	Next REMIC Pass-Through Rate - A-2B	0.5500 %
	Next REMIC Pass-Through Rate - A-2C	0.3700 %
	Next REMIC Pass-Through Rate - A-3	0.4900 %
	Next REMIC Pass-Through Rate - M-1	0.7100 %
	Next REMIC Pass-Through Rate - M-2	1.6250 %
	Next REMIC Pass-Through Rate - M-3	1.8500 %
	Next REMIC Pass-Through Rate - B-1	2.5000 %
	Next REMIC Pass-Through Rate - B-2	3.2500 %
	Next REMIC Pass-Through Rate - B-3	3.7500 %

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Sec. 4.03 (a)(xiv)	Supplemental Interest Payment		
		Supplemental Interest Payment - A-1	0.00
		Supplemental Interest Payment - A-2A	0.00
		Supplemental Interest Payment - A-2B	0.00
		Supplemental Interest Payment - A-2C	0.00
		Supplemental Interest Payment - A-3	0.00
		Supplemental Interest Payment - M-1	0.00
		Supplemental Interest Payment - M-2	0.00
		Supplemental Interest Payment - M-3	0.00
		Supplemental Interest Payment - B-1	0.00
		Supplemental Interest Payment - B-2	0.00
		Supplemental Interest Payment - B-3	0.00
Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
		Underwritten Certificates Principal Balance	1,409,282,997.56
		Swap Notional Amount	900,000,000.00
		Difference	509,282,997.56
		Funds paid to Swap Counterparty	876,979.17

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Sec. 4.03 (a)(xvi)	Overcollateralization Amounts		
		Required Overcollateralization Amount	18,000,000.00
		Overcollateralization Amount	18,000,000.00
Sec. 4.03 (a)(xvi)	Excess Cashflow		5,228,204.15