

## NovaStar Mortgage Funding Trust, Series 2003-2

## Statement to Certificateholders

November 26, 2004

## DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
A_1	1,000,000,000.00	621,259,570.58	35,580,066.70	1,235,616.26	36,815,682.96	0.00	0.00	585,679,503.88
A_2	320,000,000.00	181,002,457.24	12,007,115.15	365,624.96	12,372,740.11	0.00	0.00	168,995,342.09
M_1	63,750,000.00	63,750,000.00	0.00	152,008.33	152,008.33	0.00	0.00	63,750,000.00
M_2	52,500,000.00	52,500,000.00	0.00	176,516.67	176,516.67	0.00	0.00	52,500,000.00
M_3	15,000,000.00	15,000,000.00	0.00	55,766.67	55,766.67	0.00	0.00	15,000,000.00
B_1	15,000,000.00	15,000,000.00	0.00	67,766.67	67,766.67	0.00	0.00	15,000,000.00
B_2	15,000,000.00	15,000,000.00	0.00	77,100.00	77,100.00	0.00	0.00	15,000,000.00
O	18,750,001.00	18,750,001.25	0.00	0.00	0.00	0.00	0.00	18,750,001.25
P	100.00	100.00	0.00	906,271.45	906,271.45	0.00	0.00	100.00
<b>TOTALS</b>	<b>1,500,000,101.00</b>	<b>982,262,129.07</b>	<b>47,587,181.85</b>	<b>3,036,671.01</b>	<b>50,623,852.86</b>	<b>0.00</b>	<b>0.00</b>	<b>934,674,947.22</b>
X_1	1,500,000,100.00	982,262,129.07	0.00	2,780,006.45	2,780,006.45	0.00	0.00	934,674,947.22
X_2	400,502,570.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## NovaStar Mortgage Funding Trust, Series 2003-2

## Statement to Certificateholders

November 26, 2004

## FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
A_1	66987WAP2	621.25957058	35.58006670	1.23561626	36.81568296	585.67950388
A_2	66987WAQ0	565.63267888	37.52223484	1.14257800	38.66481284	528.11044403
M_1	66987WAR8	1,000.00000000	0.00000000	2.38444439	2.38444439	1,000.00000000
M_2	66987WAS6	1,000.00000000	0.00000000	3.36222229	3.36222229	1,000.00000000
M_3	66987WAT4	1,000.00000000	0.00000000	3.71777800	3.71777800	1,000.00000000
B_1	66987WAU1	1,000.00000000	0.00000000	4.51777800	4.51777800	1,000.00000000
B_2	66987WAV9	1,000.00000000	0.00000000	5.14000000	5.14000000	1,000.00000000
O	66987XCN3	1,000.00001333	0.00000000	0.00000000	0.00000000	1,000.00001333
P	66987XCL7	1,000.00000000	0.00000000	9,062,714.50000000	9,062,714.50000000	1,000.00000000
<b>TOTALS</b>		654.84137529	31.72478576	2.02444720	33.74923297	623.11658952
X_1	66987XCM5	654.84137572	0.00000000	1.85333751	1.85333751	623.11658994
X_2	66987XCM5	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000

## PASS-THROUGH RATES

CLASS	CURRENT PASS-THRU RATE
A_1	2.237500 %
A_2	2.272500 %
M_1	2.682500 %
M_2	3.782500 %
M_3	4.182500 %
B_1	5.082500 %
B_2	5.782500 %
O	.000000 %
P	.000000 %
X_1	3.183984 %
X_2	.000000 %

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

STANISLAV PERTSEV

JPMorgan Chase Bank, N.A. - Structured Finance Services NY

4 NEW YORK PLAZA FLR 6, SBS-ABS 6/ 4NYP

New York, New York 10004

Tel: (212) 623-5379 / Fax: (212) 623-5933

Email: STANISLAV.PERTSEV@JPMORGAN.COM

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

	REMIC Available Funds - Group I	40,137,063.99
	REMIC Available Funds - Group II	13,299,494.50
Sec. 4.03	Principal	
	Group I Scheduled Principal	815,126.24
	Group I Prepayments in Full	34,624,542.36
	Group I Curtailments	57,212.49
	Group I Net Liquidation Proceeds	-7,532.97
	Group I Realized Losses	56,487.24
	Group II Scheduled Principal	245,733.62
	Group II Prepayments in Full	11,520,142.52
	Group II Curtailments	13,020.40
	Group II Net Liquidation Proceeds	199,588.38
	Group II Realized Losses	62,861.57
	Total Scheduled Principal	1,060,859.86
	Total Prepayments in Full	46,144,684.88
	Total Curtailments	70,232.89
	Total Net Liquidation Proceeds	199,588.38
	Total Realized Losses	111,815.84

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1	35,580,066.70
	Class A-2	12,007,115.15
	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 P	0.00
Sec. 4.03(a)(ii)	Distributions of Interest	
	Class A-1	1,235,616.26
	Class A-2	365,624.96
	Class M-1	152,008.33
	Class M-2	176,516.67
	Class M-3	55,766.67
	Class B-1	67,766.67
	Class B-2	77,100.00
	Class I	28,368.05
	Class P - Prepay Penalty	906,271.45

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	757,493,040.16
		Group I Ending Pool Balance	721,947,204.80
		Group II Beginning Pool Balance	224,769,088.91
		Group II Ending Pool Balance	212,727,742.42
		Total Beginning Pool Balance	982,262,129.07
		Total Ending Pool Balance	934,674,947.22
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	7,022
		Aggregate Principal Balance of Mortgage Loans	934,674,947.22
		Beginning Weighted Average Mortgage Rate	7.2003 %
		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		
	Contractual Delinquency - Group I		
		Balance of 0-30 Days	693,539,561.81
		Number of 0-30 Days	5,479
		Balance of 30-59 Days	4,824,624.34
		Number of 30-59 Days	42
		Balance of 60-89 Days	1,349,685.93

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

Number of 60-89 Days	13
Balance of 90+ Days	1,347,051.56
Number of 90+ Days	13
Contractual Bankruptcy - Group I	
Balance of 0-30 Days	4,577,043.20
Number of 0-30 Days	42
Balance of 30-59 Days	225,576.68
Number of 30-59 Days	4
Balance of 60-89 Days	387,898.01
Number of 60-89 Days	4
Balance of 90+ Days	3,479,744.95
Number of 90+ Days	30
Legal Delinquency - Group I	
Balance of 0-30 Days	693,539,561.81
Number of 0-30 Days	5,479
Balance of 30-59 Days	4,824,624.34
Number of 30-59 Days	42
Balance of 60-89 Days	1,349,685.93
Number of 60-89 Days	13
Balance of 90+ Days	1,347,051.56
Number of 90+ Days	13
Legal Bankruptcy - Group I	

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

	Balance of 0-30 Days	6,316,317.18
	Number of 0-30 Days	60
	Balance of 30-59 Days	996,053.58
	Number of 30-59 Days	9
	Balance of 60-89 Days	444,618.14
	Number of 60-89 Days	3
	Balance of 90+ Days	913,273.94
	Number of 90+ Days	8
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group I	
	Balance of 0-30 Days	330,081.96
	Number of 0-30 Days	3
	Balance of 30-59 Days	120,433.80
	Number of 30-59 Days	1
	Balance of 60-89 Days	542,538.22
	Number of 60-89 Days	2
	Balance of 90+ Days	6,503,963.54
	Number of 90+ Days	56
Section 4.03(a)(v) A	Loans Delinquent	
	Contractual Delinquency - Group II	
	Balance of 0-30 Days	205,227,474.67
	Number of 0-30 Days	1,227
	Balance of 30-59 Days	1,006,863.04
	Number of 30-59 Days	9

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

Balance of 60-89 Days	599,488.74
Number of 60-89 Days	4
Balance of 90+ Days	770,150.13
Number of 90+ Days	5
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	1,777,497.42
Number of 0-30 Days	15
Balance of 30-59 Days	83,705.24
Number of 30-59 Days	1
Balance of 60-89 Days	57,816.95
Number of 60-89 Days	1
Balance of 90+ Days	736,661.80
Number of 90+ Days	6
Legal Delinquency - Group II	
Balance of 0-30 Days	205,227,474.67
Number of 0-30 Days	1,227
Balance of 30-59 Days	1,006,863.04
Number of 30-59 Days	9
Balance of 60-89 Days	599,488.74
Number of 60-89 Days	4
Balance of 90+ Days	770,150.13
Number of 90+ Days	5

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

## Legal Bankruptcy - Group II

Balance of 0-30 Days	2,564,820.04
Number of 0-30 Days	22
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 90+ Days	90,861.37
Number of 90+ Days	1

## Sec. 4.03 (a)(v) B

## Loans in Foreclosure - Group II

Balance of 0-30 Days	0.00
Number of 0-30 Days	0
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 90+ Days	1,212,054.55
Number of 90+ Days	12

## Sec. 4.03(a)(v) C

## Group I and Group II Loans in REO

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

Group 1		
Number	Principal Balance	Percentage
41	4,719,000.80	0.65 %

Group 2		
Number	Principal Balance	Percentage
12	1,256,029.88	0.59 %

Sec. 4.03(a)(vi)	Principal Prepayments		
	Group I Prepayments		34,624,542.36
	Group II Prepayments		11,520,142.52
Sec. 4.03 (a)(vii)	Realized Losses		
	Group I Liquidated Loan Balance		48,954.27
	Group I Net Liquidation Proceeds		-7,532.97
	Group I Current Period Net Realized Losses		56,487.24
	Group I Recoveries of Prior Losses		0.00
	Group I Subsequent Losses		1,652.88
	Group I Cumulative Liquidated Loan Balance		4,979,119.03
	Group I Cumulative Net Liquidation Proceeds		3,865,227.31
	Group I Cumulative Recoveries of Prior Losses		43,278.33
	Group I Cumulative Subsequent Losses		52,297.33
	Group I Cumulative Realized Losses		1,122,910.72

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

Group II Liquidated Loan Balance	262,449.95
Group II Net Liquidation Proceeds	199,588.38
Group II Current Period Net Realized Losses	62,861.57
Group II Recoveries of Prior Losses	0.00
Group II Subsequent Losses	0.00
Group II Cumulative Liquidated Loan Balance	1,409,237.51
Group II Cumulative Net Liquidation Proceeds	1,080,002.89
Group II Cumulative Recoveries of Prior Losses	49,636.52
Group II Cumulative Subsequent Losses	988.74
Group II Cumulative Realized Losses	280,586.84
Total Liquidated Loan Balance	311,404.22
Total Net Liquidation Proceeds	199,588.38
Total Current Period Net Realized Losses	119,348.81
Total Recoveries of Prior Losses	0.00
Total Subsequent Losses	1,652.88
Total Cumulative Liquidated Loan Balance	6,388,356.54
Total Cumulative Net Liquidation Proceeds	4,945,230.20
Total Cumulative Recoveries of Prior Losses	92,914.85
Total Cumulative Subsequent Losses	53,286.07
Total Cumulative Realized Losses	1,403,497.56

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

Sec. 4.03 (a)(ix)	Unpaid Interest Shortfall Amounts	
	Unpaid Interest Shortfall - A-1	0.00
	Unpaid Interest Shortfall - A-2	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 - I	0.01
Sec. 4.03 (a)(x)	Prepayment Interest Shortfalls not covered by the Servicer	0.00
Sec. 4.03 (a)(xi)	Credit Enhancement Percentage	18.33 %
Sec. 4.03 (a)(xii)	Available Funds Cap Carryforward Amount	
	Available Funds Cap Carryforward Amount Paid - A-1	0.00
	Available Funds Cap Carryforward Amount Paid - A-2	0.00
	Available Funds Cap Carryforward Amount Paid - M-1	0.00
	Available Funds Cap Carryforward Amount Paid - M-2	0.00
	Available Funds Cap Carryforward Amount Paid - M-3	0.00
	Available Funds Cap Carryforward Amount Paid - B-1	0.00
	Available Funds Cap Carryforward Amount Paid - B-2	0.00
	Remaining Available Funds Cap Carryforward Amount - A-1	0.00

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

Remaining Available Funds Cap Carryforward Amount - A-2	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

Sec. 4.03 (a)(xiii)

## REMIC Pass-Through Rates

REMIC Pass-Through Rate - A-1	2.2375 %
REMIC Pass-Through Rate - A-2	2.2725 %
REMIC Pass-Through Rate - M-1	2.6825 %
REMIC Pass-Through Rate - M-2	3.7825 %
REMIC Pass-Through Rate - M-3	4.1825 %
REMIC Pass-Through Rate - B-1	5.0825 %
REMIC Pass-Through Rate - B-2	5.7825 %
Next REMIC Pass-Through Rate - A-1	2.4850 %
Next REMIC Pass-Through Rate - A-2	2.5200 %
Next REMIC Pass-Through Rate - M-1	2.9300 %
Next REMIC Pass-Through Rate - M-2	4.0300 %
Next REMIC Pass-Through Rate - M-3	4.4300 %
Next REMIC Pass-Through Rate - B-1	5.3300 %
Next REMIC Pass-Through Rate - B-2	6.0300 %

## NovaStar Mortgage Funding Trust, Series 2003-2

November 26, 2004

Sec. 4.03 (a)(xiv)	Supplemental Interest payment		
	Supplemental Interest payment - A-1		0.00
	Supplemental Interest payment - A-2		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
Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
	Underwritten Certificates Principal Balance		915,924,945.97
	Swap Notional Amount		850,000,000.00
	Difference		65,924,945.97
	Funds paid to Swap Counterparty		28,368.06
Sec. 4.03 (a)(xvi)	Overcollateralization Amounts		
	Required Overcollateralization Amount		18,750,001.25
	Overcollateralization Amount		18,750,001.25
Sec. 4.03 (a)(xvi)	Excess Cashflow		2,893,475.18