

NovaStar Mortgage Funding Trust, Series 2004-4

Statement to Certificateholders

December 27, 2004

DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
A1A	1,279,000,000.00	1,279,000,000.00	3,433,226.98	3,418,926.88	6,852,153.86	0.00	0.00	1,275,566,773.02
A1B	319,800,000.00	319,800,000.00	858,440.96	875,652.38	1,734,093.34	0.00	0.00	318,941,559.04
A2A	268,000,000.00	268,000,000.00	1,551,497.36	672,847.50	2,224,344.86	0.00	0.00	266,448,502.64
A2B	131,100,000.00	131,100,000.00	0.00	350,446.69	350,446.69	0.00	0.00	131,100,000.00
A2C	107,100,000.00	107,100,000.00	0.00	304,855.69	304,855.69	0.00	0.00	107,100,000.00
M1	95,000,000.00	95,000,000.00	0.00	282,763.54	282,763.54	0.00	0.00	95,000,000.00
M2	51,250,000.00	51,250,000.00	0.00	155,319.53	155,319.53	0.00	0.00	51,250,000.00
M3	43,750,000.00	43,750,000.00	0.00	134,959.64	134,959.64	0.00	0.00	43,750,000.00
M4	22,500,000.00	22,500,000.00	0.00	78,670.31	78,670.31	0.00	0.00	22,500,000.00
M5	32,500,000.00	32,500,000.00	0.00	115,395.31	115,395.31	0.00	0.00	32,500,000.00
M6	25,000,000.00	25,000,000.00	0.00	91,473.96	91,473.96	0.00	0.00	25,000,000.00
B1	25,000,000.00	25,000,000.00	0.00	103,661.46	103,661.46	0.00	0.00	25,000,000.00
B2	25,000,000.00	25,000,000.00	0.00	106,369.79	106,369.79	0.00	0.00	25,000,000.00
B3	25,000,000.00	25,000,000.00	0.00	141,578.13	141,578.13	0.00	0.00	25,000,000.00
B4	18,750,000.00	18,750,000.00	0.00	114,308.59	114,308.59	0.00	0.00	18,750,000.00
R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	2,468,750,000.00	2,468,750,000.00	5,843,165.30	6,947,229.40	12,790,394.70	0.00	0.00	2,462,906,834.70
C	2,500,000,000.00	2,500,000,000.00	0.00	1,024,192.93	1,024,192.93	0.00	0.00	2,494,156,834.70

NovaStar Mortgage Funding Trust, Series 2004-4

Statement to Certificateholders

December 27, 2004

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE						
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
A1A	66987WBN6	1,000.00000000	2.68430569	2.67312500	5.35743070	997.31569431
A1B	66987WBP1	1,000.00000000	2.68430569	2.73812502	5.42243071	997.31569431
A2A	66987WBQ9	1,000.00000000	5.78916925	2.51062500	8.29979425	994.21083075
A2B	66987WBR7	1,000.00000000	0.00000000	2.67312502	2.67312502	1,000.00000000
A2C	66987WBS5	1,000.00000000	0.00000000	2.84645836	2.84645836	1,000.00000000
M1	66987WBT3	1,000.00000000	0.00000000	2.97645832	2.97645832	1,000.00000000
M2	66987WBU0	1,000.00000000	0.00000000	3.03062498	3.03062498	1,000.00000000
M3	66987WBV8	1,000.00000000	0.00000000	3.08479177	3.08479177	1,000.00000000
M4	66987WBW6	1,000.00000000	0.00000000	3.49645822	3.49645822	1,000.00000000
M5	66987WBX4	1,000.00000000	0.00000000	3.55062492	3.55062492	1,000.00000000
M6	66987WBY2	1,000.00000000	0.00000000	3.65895840	3.65895840	1,000.00000000
B1	66987WBZ9	1,000.00000000	0.00000000	4.14645840	4.14645840	1,000.00000000
B2	66987WCA3	1,000.00000000	0.00000000	4.25479160	4.25479160	1,000.00000000
B3	66987WCB1	1,000.00000000	0.00000000	5.66312520	5.66312520	1,000.00000000
B4	66987WCC9	1,000.00000000	0.00000000	6.09645813	6.09645813	1,000.00000000
TOTALS		1,000.00000000	2.36685177	2.81406761	5.18091937	997.63314823
C	66987WCE5	1,000.00000000	0.00000000	0.40967717	0.40967717	997.66273388

PASS-THROUGH RATES	
CLASS	CURRENT PASS-THRU RATE
A1A	2.467500 %
A1B	2.527500 %
A2A	2.317500 %
A2B	2.467500 %
A2C	2.627500 %
M1	2.747500 %
M2	2.797500 %
M3	2.847500 %
M4	3.227500 %
M5	3.277500 %
M6	3.377500 %
B1	3.827500 %
B2	3.927500 %
B3	5.227500 %
B4	5.627500 %
C	.000000 %

NovaStar Mortgage Funding Trust, Series 2004-4

Statement to Certificateholders

December 27, 2004

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

Indira A. Javier

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NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

	REMIC Available Funds - Group I	11,148,468.82
	REMIC Available Funds - Group II	3,592,706.09
Sec. 4.03	Principal	
	Group I Scheduled Principal	808,062.81
	Group I Prepayments in Full	3,638,650.66
	Group I Curtailments	-155,045.53
	Group I Net Liquidation Proceeds	0.00
	Group I Realized Losses	0.00
	Group II Scheduled Principal	241,638.87
	Group II Prepayments in Full	986,844.40
	Group II Curtailments	323,014.09
	Group II Net Liquidation Proceeds	0.00
	Group II Realized Losses	0.00
	Total Scheduled Principal	1,049,701.68
	Total Prepayments in Full	4,625,495.06
	Total Curtailments	167,968.56
	Total Net Liquidation Proceeds	0.00
	Total Realized Losses	0.00
Sec. 4.03(a)(i)	Distributions of Principal	

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Class A-1A	3,433,226.98
Class A-1B	858,440.96
Class A-2A	1,551,497.36
Class A-2B	0.00
Class A-2C	0.00
Class M-1	0.00
Class M-4	0.00
Class M-5	0.00
Class M-6	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 B-4	0.00

Sec. 4.03(a)(ii)

Distributions of Interest

Class A-1A	3,418,926.87
Class A-1B	875,652.38
Class A-2A	672,847.50
Class A-2b	350,446.69
Class A-2C	304,855.69
Class M-1	282,763.54
Class M-2	155,319.53

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Class M-3	134,959.64
Class M-4	78,670.31
Class M-5	115,395.31
Class M-6	91,473.96
Class B-1	103,661.46
Class B-2	106,369.79
Class B-3	141,578.13
Class B-4	114,308.59

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	1,247,831,391.83
		Group I Ending Pool Balance	1,243,539,723.89
		Group II Beginning Pool Balance	393,920,340.35
		Group II Ending Pool Balance	392,368,842.99
		Total Beginning Pool Balance	1,641,751,732.18
		Total Ending Pool Balance	1,635,908,566.88
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	10,166
		Aggregate Principal Balance of Mortgage Loans	1,635,908,566.88
		Beginning Weighted Average Mortgage Rate	7.6839 %
		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	858,248,267.82
Section 4.03(a)(v) A	Loans Delinquent		
	Contractual Delinquency - Group I		
		Balance of 0-30 Days	1,240,596,841.31
		Number of 0-30 Days	8,385
		Balance of 30-59 Days	2,268,979.58
		Number of 30-59 Days	14
		Balance of 60-89 Days	0.00

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Number of 60-89 Days	0
Balance of 90+ Days	0.00
Number of 90+ Days	0
Contractual Bankruptcy - Group I	
Balance of 0-30 Days	389,738.00
Number of 0-30 Days	3
Balance of 30-59 Days	284,165.00
Number of 30-59 Days	1
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Legal Delinquency - Group I	
Balance of 0-30 Days	1,240,596,841.31
Number of 0-30 Days	8,385
Balance of 30-59 Days	2,268,979.58
Number of 30-59 Days	14
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Legal Bankruptcy - Group I	

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

	Balance of 0-30 Days	673,903.00
	Number of 0-30 Days	4
	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 60-89 Days	0.00
	Number of 60-89 Days	0
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group I	
	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 60-89 Days	0.00
	Number of 60-89 Days	0
	Contractual Delinquency - Group II	
	Balance of 0-30 Days	391,304,085.44
	Number of 0-30 Days	1,759
	Balance of 30-59 Days	973,616.30
	Number of 30-59 Days	3
	Balance of 60-89 Days	0.00

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Number of 60-89 Days	0
Balance of 90+ Days	0.00
Number of 90+ Days	0
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	91,141.25
Number of 0-30 Days	1
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	0.00
Number of 90+ Days	0
Legal Delinquency - Group II	
Balance of 0-30 Days	391,304,085.44
Number of 0-30 Days	1,759
Balance of 30-59 Days	973,616.30
Number of 30-59 Days	3
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 90+ Days	0.00
Number of 90+ Days	0
Legal Bankruptcy - Group II	

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Balance of 0-30 Days	91,141.25
Number of 0-30 Days	1
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	0.00
Number of 90+ Days	0

Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group II	0.00
	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	0.00
	Number of 90+ Days	0

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Sec. 4.03(a)(v) C

Loans in REO

Group 1		
Number	Principal Balance	Percentage
0	0.00	0.00 %

Group 2		
Number	Principal Balance	Percentage
0	0.00	0.00 %

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Sec. 4.03(a)(vi)	Principal Prepayments		
	Group I Prepayments		3,638,650.66
	Group II Prepayments		986,844.40
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

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Group II Cumulative Liquidated Loan Balance	0.00
Group II Cumulative Net Liquidation Proceeds	0.00
Group II Cumulative Recoveries of Prior Losses	0.00
Group II Cumulative Subsequent Losses	0.00
Group II 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
Total Cumulative Liquidated Loan Balance	0.00
Total Cumulative Net Liquidation Proceeds	0.00
Total Cumulative Recoveries of Prior Losses	0.00
Total Cumulative Subsequent Losses	0.00
Total Cumulative Realized Losses	0.00

Sec. 4.03 (a)(ix)

Unpaid Interest Shortfall Amounts

Unpaid Interest Shortfall - A-1A	0.00
Unpaid Interest Shortfall - A-1B	0.00
Unpaid Interest Shortfall - A-2A	0.00
Unpaid Interest Shortfall - A-2B	0.00

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

	Unpaid Interest Shortfall - A-2C	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 - M-4	0.00
	Unpaid Interest Shortfall - M-5	0.00
	Unpaid Interest Shortfall - M-6	0.00
	Unpaid Interest Shortfall - B-1	0.00
	Unpaid Interest Shortfall - B-2	0.00
	Unpaid Interest Shortfall - B-3	0.00
	Unpaid Interest Shortfall - B-4	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	15.80 %
Sec. 4.03 (a)(xii)	Available Funds Cap Carryforward Amount	
	Available Funds Cap Carryforward Amount - A-1A	0.00
	Available Funds Cap Carryforward Amount - A-1B	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 - M-1	0.00
	Available Funds Cap Carryforward Amount - M-2	0.00

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Available Funds Cap Carryforward Amount - M-3	0.00
Available Funds Cap Carryforward Amount - M-4	0.00
Available Funds Cap Carryforward Amount - M-5	0.00
Available Funds Cap Carryforward Amount - M-6	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
Available Funds Cap Carryforward Amount - B-4	0.00
Remaining Available Funds Cap Carryforward Amount - A-1A	0.00
Remaining Available Funds Cap Carryforward Amount - A-1B	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 - 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 - M-4	0.00
Remaining Available Funds Cap Carryforward Amount - M-5	0.00
Remaining Available Funds Cap Carryforward Amount - M-6	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
Remaining Available Funds Cap Carryforward Amount - B-4	0.00

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Sec. 4.03 (a)(xiii)	REMIC Pass-Through Rates	
	REMIC Pass-Through Rate - A-1A	2.4675 %
	REMIC Pass-Through Rate - A-1B	2.5275 %
	REMIC Pass-Through Rate - A-2A	2.3175 %
	REMIC Pass-Through Rate - A-2B	2.4675 %
	REMIC Pass-Through Rate - A-2C	2.6275 %
	REMIC Pass-Through Rate - M-1	2.7475 %
	REMIC Pass-Through Rate - M-2	2.7975 %
	REMIC Pass-Through Rate - M-3	2.8475 %
	REMIC Pass-Through Rate - M-4	3.2275 %
	REMIC Pass-Through Rate - M-5	3.2775 %
	REMIC Pass-Through Rate - M-6	3.3775 %
	REMIC Pass-Through Rate - B-1	3.8275 %
	REMIC Pass-Through Rate - B-2	3.9275 %
	REMIC Pass-Through Rate - B-3	5.2275 %
	REMIC Pass-Through Rate - B-4	5.6275 %
	Next REMIC Pass-Through Rate - A-1A	2.7575 %
	Next REMIC Pass-Through Rate - A-1B	2.8175 %
	Next REMIC Pass-Through Rate - A-2A	2.6075 %
	Next REMIC Pass-Through Rate - A-2B	2.7575 %
	Next REMIC Pass-Through Rate - A-2C	2.9175 %
	Next REMIC Pass-Through Rate - M-1	3.0375 %
	Next REMIC Pass-Through Rate - M-2	3.0875 %
	Next REMIC Pass-Through Rate - M-3	3.1375 %

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Next REMIC Pass-Through Rate - M-4	3.5175 %
Next REMIC Pass-Through Rate - M-5	3.5675 %
Next REMIC Pass-Through Rate - M-6	3.6675 %
Next REMIC Pass-Through Rate - B-1	4.1175 %
Next REMIC Pass-Through Rate - B-2	4.2175 %
Next REMIC Pass-Through Rate - B-3	5.5175 %
Next REMIC Pass-Through Rate - B-3	5.9175 %

Sec. 4.03 (a)(xiv)

Supplemental Interest Payment

Supplemental Interest Payment - A-1A	0.00
Supplemental Interest Payment - A-1B	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 - M-1	0.00
Supplemental Interest Payment - M-2	0.00
Supplemental Interest Payment - M-3	0.00
Supplemental Interest Payment - M-4	0.00
Supplemental Interest Payment - M-5	0.00
Supplemental Interest Payment - M-6	0.00
Supplemental Interest Payment - B-1	0.00
Supplemental Interest Payment - B-2	0.00
Supplemental Interest Payment - B-3	0.00
Supplemental Interest Payment - B-4	0.00

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
	Underwritten Certificates Principal Balance		2,462,906,834.70
	Swap Notional Amount		1,435,000,000.00
	Difference		1,027,906,834.70
	Funds paid to Swap Counterparty		917,257.62

NovaStar Mortgage Funding Trust, Series 2004-4

December 27, 2004

Sec. 4.03 (a)(xvi)	Overcollateralization Amounts		
	Required Overcollateralization Amount		31,250,000.00
	Overcollateralization Amount		31,250,000.00
Sec. 4.03 (a)(xvii)	Excess Cashflow		0.00
Sec. 4.03 (a)(xxiii)	Mortgage Insurance		
	MI Premiums		965,921.40
	Insurance Proceeds		0.00