

NovaStar Mortgage Funding Trust, Series 2004-4

Statement to Certificateholders

May 25, 2005

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	1,187,595,290.84	42,198,604.64	3,325,266.81	45,523,871.45	0.00	0.00	1,145,396,686.20
A1B	319,800,000.00	296,945,249.41	10,551,300.83	846,293.96	11,397,594.79	0.00	0.00	286,393,948.58
A2A	268,000,000.00	215,587,954.63	18,283,655.56	576,697.78	18,860,353.34	0.00	0.00	197,304,299.07
A2B	131,100,000.00	131,100,000.00	0.00	367,080.00	367,080.00	0.00	0.00	131,100,000.00
A2C	107,100,000.00	107,100,000.00	0.00	314,160.00	314,160.00	0.00	0.00	107,100,000.00
M1	95,000,000.00	95,000,000.00	0.00	288,166.67	288,166.67	0.00	0.00	95,000,000.00
M2	51,250,000.00	51,250,000.00	0.00	157,593.75	157,593.75	0.00	0.00	51,250,000.00
M3	43,750,000.00	43,750,000.00	0.00	136,354.17	136,354.17	0.00	0.00	43,750,000.00
M4	22,500,000.00	22,500,000.00	0.00	77,250.00	77,250.00	0.00	0.00	22,500,000.00
M5	32,500,000.00	32,500,000.00	0.00	112,937.50	112,937.50	0.00	0.00	32,500,000.00
M6	25,000,000.00	25,000,000.00	0.00	88,958.33	88,958.33	0.00	0.00	25,000,000.00
B1	25,000,000.00	25,000,000.00	0.00	98,333.33	98,333.33	0.00	0.00	25,000,000.00
B2	25,000,000.00	25,000,000.00	0.00	100,416.67	100,416.67	0.00	0.00	25,000,000.00
B3	25,000,000.00	25,000,000.00	0.00	127,500.00	127,500.00	0.00	0.00	25,000,000.00
B4	18,750,000.00	18,750,000.00	0.00	101,875.00	101,875.00	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	2,302,078,494.88	71,033,561.03	6,718,883.97	77,752,445.00	0.00	0.00	2,231,044,933.85
C	2,500,000,000.00	2,333,328,755.57	0.00	6,804,152.65	6,804,152.65	0.00	0.00	2,262,295,194.54

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FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE						
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
A1A	66987WBN6	928.53423834	32.99343600	2.59989586	35.59333186	895.54080235
A1B	66987WBP1	928.53423831	32.99343599	2.64632258	35.63975857	895.54080231
A2A	66987WBQ9	804.43266653	68.22259537	2.15185739	70.37445276	736.21007116
A2B	66987WBR7	1,000.00000000	0.00000000	2.80000000	2.80000000	1,000.00000000
A2C	66987WBS5	1,000.00000000	0.00000000	2.93333333	2.93333333	1,000.00000000
M1	66987WBT3	1,000.00000000	0.00000000	3.03333337	3.03333337	1,000.00000000
M2	66987WBU0	1,000.00000000	0.00000000	3.07500000	3.07500000	1,000.00000000
M3	66987WBV8	1,000.00000000	0.00000000	3.11666674	3.11666674	1,000.00000000
M4	66987WBW6	1,000.00000000	0.00000000	3.43333333	3.43333333	1,000.00000000
M5	66987WBX4	1,000.00000000	0.00000000	3.47500000	3.47500000	1,000.00000000
M6	66987WBY2	1,000.00000000	0.00000000	3.55833320	3.55833320	1,000.00000000
B1	66987WBZ9	1,000.00000000	0.00000000	3.93333320	3.93333320	1,000.00000000
B2	66987WCA3	1,000.00000000	0.00000000	4.01666680	4.01666680	1,000.00000000
B3	66987WCB1	1,000.00000000	0.00000000	5.10000000	5.10000000	1,000.00000000
B4	66987WCC9	1,000.00000000	0.00000000	5.43333333	5.43333333	1,000.00000000
TOTALS		932.48749160	28.77308801	2.72157325	31.49466127	903.71440358
C	66987WCE5	933.33150223	0.00000000	2.72166106	2.72166106	904.91807782

PASS-THROUGH RATES	
CLASS	CURRENT PASS-THRU RATE
A1A	3.360000 %
A1B	3.420000 %
A2A	3.210000 %
A2B	3.360000 %
A2C	3.520000 %
M1	3.640000 %
M2	3.690000 %
M3	3.740000 %
M4	4.120000 %
M5	4.170000 %
M6	4.270000 %
B1	4.720000 %
B2	4.820000 %
B3	6.120000 %
B4	6.520000 %
C	.000000 %

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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	63,190,182.42
	REMIC Available Funds - Group II	21,376,640.90
Sec. 4.03	Principal	
	Group I Scheduled Principal	1,222,639.97
	Group I Prepayments in Full	50,880,939.79
	Group I Curtailments	181,149.83
	Group I Net Liquidation Proceeds	463,686.19
	Group I Realized Losses	1,600.48
	Group II Scheduled Principal	352,254.15
	Group II Prepayments in Full	17,898,263.11
	Group II Curtailments	32,775.53
	Group II Net Liquidation Proceeds	0.00
	Group II Realized Losses	66.25
	Total Scheduled Principal	1,574,894.12
	Total Prepayments in Full	68,779,202.90
	Total Curtailments	213,925.36
	Total Net Liquidation Proceeds	463,686.19
	Total Realized Losses	1,666.73
Sec. 4.03(a)(i)	Distributions of Principal	

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Class A-1A	42,198,604.64
Class A-1B	10,551,300.83
Class A-2A	18,283,655.56
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	3,325,266.81
Class A-1B	846,293.96
Class A-2A	576,697.78
Class A-2b	367,080.00
Class A-2C	314,160.00
Class M-1	288,166.67
Class M-2	157,593.75

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Class M-3	136,354.17
Class M-4	77,250.00
Class M-5	112,937.50
Class M-6	88,958.33
Class B-1	98,333.33
Class B-2	100,416.67
Class B-3	127,500.00
Class B-4	101,875.00

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Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	1,784,609,947.97
		Group I Ending Pool Balance	1,731,859,679.73
		Group II Beginning Pool Balance	548,718,546.91
		Group II Ending Pool Balance	530,435,254.12
		Total Beginning Pool Balance	2,333,328,494.88
		Total Ending Pool Balance	2,262,294,933.85
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	14,568
		Aggregate Principal Balance of Mortgage Loans	2,262,294,933.85
		Beginning Weighted Average Mortgage Rate	7.6320 %
		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	1,700,751,727.13
		Number of 0-30 Days	11,805
		Balance of 30-59 Days	6,501,167.51
		Number of 30-59 Days	49
		Balance of 60-89 Days	2,874,781.15

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Number of 60-89 Days	18
Balance of 90+ Days	2,783,528.34
Number of 90+ Days	18
Contractual Bankruptcy - Group I	
Balance of 0-30 Days	5,450,111.84
Number of 0-30 Days	39
Balance of 30-59 Days	779,045.62
Number of 30-59 Days	7
Balance of 60-89 Days	253,574.78
Number of 60-89 Days	2
Balance of 60-89 Days	1,460,281.92
Number of 60-89 Days	11
Legal Delinquency - Group I	
Balance of 0-30 Days	1,700,751,727.13
Number of 0-30 Days	11,805
Balance of 30-59 Days	6,501,167.51
Number of 30-59 Days	49
Balance of 60-89 Days	2,874,781.15
Number of 60-89 Days	18
Balance of 60-89 Days	2,783,528.34
Number of 60-89 Days	18
Legal Bankruptcy - Group I	

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	Balance of 0-30 Days	7,073,366.87
	Number of 0-30 Days	52
	Balance of 30-59 Days	324,165.06
	Number of 30-59 Days	3
	Balance of 60-89 Days	132,200.44
	Number of 60-89 Days	1
	Balance of 60-89 Days	413,281.79
	Number of 60-89 Days	3
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group I	
	Balance of 0-30 Days	259,363.80
	Number of 0-30 Days	1
	Balance of 30-59 Days	344,948.76
	Number of 30-59 Days	2
	Balance of 60-89 Days	408,801.38
	Number of 60-89 Days	3
	Balance of 60-89 Days	9,371,048.63
	Number of 60-89 Days	62
	Contractual Delinquency - Group II	
	Balance of 0-30 Days	521,549,305.05
	Number of 0-30 Days	2,505
	Balance of 30-59 Days	2,380,063.76
	Number of 30-59 Days	13
	Balance of 60-89 Days	947,386.31

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Number of 60-89 Days	3
Balance of 90+ Days	817,121.14
Number of 90+ Days	5
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	347,570.51
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	173,198.58
Number of 90+ Days	2
Legal Delinquency - Group II	
Balance of 0-30 Days	521,549,305.05
Number of 0-30 Days	2,505
Balance of 30-59 Days	2,380,063.76
Number of 30-59 Days	13
Balance of 60-89 Days	947,386.31
Number of 60-89 Days	3
Balance of 90+ Days	817,121.14
Number of 90+ Days	5
Legal Bankruptcy - Group II	

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Balance of 0-30 Days	520,769.09
Number of 0-30 Days	3
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	367,183.36
	Number of 0-30 Days	1
	Balance of 30-59 Days	0.00
	Number of 30-59 Days	0
	Balance of 60-89 Days	83,012.00
	Number of 60-89 Days	1
	Balance of 90+ Days	3,770,413.41
	Number of 90+ Days	14

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Sec. 4.03(a)(v) C

Loans in REO

Group 1		
Number	Principal Balance	Percentage
6	621,298.87	0.04 %

Group 2		
Number	Principal Balance	Percentage
0	0.00	0.00 %

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Sec. 4.03(a)(vi)	Principal Prepayments		
	Group I Prepayments		50,880,939.79
	Group II Prepayments		17,898,263.11
Sec. 4.03 (a)(vii)	Realized Losses		
	Group I Liquidated Loan Balance		465,538.62
	Group I Net Liquidation Proceeds		463,686.19
	Group I Current Period Realized Losses		1,600.48
	Group I Recoveries of Prior Losses		251.95
	Group I Subsequent Losses		0.00
	Group I Cumulative Liquidated Loan Balance		465,538.62
	Group I Cumulative Net Liquidation Proceeds		463,686.19
	Group I Cumulative Recoveries of Prior Losses		251.95
	Group I Cumulative Subsequent Losses		0.00
	Group I Cumulative Realized Losses		1,600.48
	Group II Liquidated Loan Balance		0.00
	Group II Net Liquidation Proceeds		0.00
	Group II Current Period Realized Losses		66.25
	Group II Recoveries of Prior Losses		0.00
	Group II Subsequent Losses		66.25

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Group II Cumulative Liquidated Loan Balance	139,845.09
Group II Cumulative Net Liquidation Proceeds	134,950.89
Group II Cumulative Recoveries of Prior Losses	0.00
Group II Cumulative Subsequent Losses	66.25
Group II Cumulative Realized Losses	4,960.45
Total Liquidated Loan Balance	465,538.62
Total Net Liquidation Proceeds	463,686.19
Total Current Period Realized Losses	1,666.73
Total Recoveries of Prior Losses	251.95
Total Subsequent Losses	66.25
Total Cumulative Liquidated Loan Balance	605,383.71
Total Cumulative Net Liquidation Proceeds	598,637.08
Total Cumulative Recoveries of Prior Losses	251.95
Total Cumulative Subsequent Losses	66.25
Total Cumulative Realized Losses	6,560.93

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

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	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	16.93 %
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

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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

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Sec. 4.03 (a)(xiii)	REMIC Pass-Through Rates	
	REMIC Pass-Through Rate - A-1A	3.3600 %
	REMIC Pass-Through Rate - A-1B	3.4200 %
	REMIC Pass-Through Rate - A-2A	3.2100 %
	REMIC Pass-Through Rate - A-2B	3.3600 %
	REMIC Pass-Through Rate - A-2C	3.5200 %
	REMIC Pass-Through Rate - M-1	3.6400 %
	REMIC Pass-Through Rate - M-2	3.6900 %
	REMIC Pass-Through Rate - M-3	3.7400 %
	REMIC Pass-Through Rate - M-4	4.1200 %
	REMIC Pass-Through Rate - M-5	4.1700 %
	REMIC Pass-Through Rate - M-6	4.2700 %
	REMIC Pass-Through Rate - B-1	4.7200 %
	REMIC Pass-Through Rate - B-2	4.8200 %
	REMIC Pass-Through Rate - B-3	6.1200 %
	REMIC Pass-Through Rate - B-4	6.5200 %
	Next REMIC Pass-Through Rate - A-1A	0.3400 %
	Next REMIC Pass-Through Rate - A-1B	0.4000 %
	Next REMIC Pass-Through Rate - A-2A	0.1900 %
	Next REMIC Pass-Through Rate - A-2B	0.3400 %
	Next REMIC Pass-Through Rate - A-2C	0.5000 %
	Next REMIC Pass-Through Rate - M-1	0.6200 %
	Next REMIC Pass-Through Rate - M-2	0.6700 %
	Next REMIC Pass-Through Rate - M-3	0.7200 %

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Next REMIC Pass-Through Rate - M-4	1.1000 %
Next REMIC Pass-Through Rate - M-5	1.1500 %
Next REMIC Pass-Through Rate - M-6	1.2500 %
Next REMIC Pass-Through Rate - B-1	1.7000 %
Next REMIC Pass-Through Rate - B-2	1.8000 %
Next REMIC Pass-Through Rate - B-3	3.1000 %
Next REMIC Pass-Through Rate - B-3	3.5000 %

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

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Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
	Underwritten Certificates Principal Balance		2,231,044,933.85
	Swap Notional Amount		1,435,000,000.00
	Difference		796,044,933.85
	Funds paid to Swap Counterparty		433.33

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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		1,296,945.50
	Insurance Proceeds		0.00