

## NovaStar Mortgage Funding Trust, Series 2005-2

## Statement to Certificateholders

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DISTRIBUTION IN DOLLARS								
CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
A1A	781,000,000.00	747,155,225.30	20,245,858.34	2,443,612.67	22,689,471.01	0.00	0.00	726,909,366.96
A1B	195,300,000.00	186,836,639.56	5,062,760.74	618,584.97	5,681,345.71	0.00	0.00	181,773,878.82
A2A	206,300,000.00	172,789,670.59	14,893,840.26	545,631.38	15,439,471.64	0.00	0.00	157,895,830.33
A2B	148,500,000.00	148,500,000.00	0.00	476,107.50	476,107.50	0.00	0.00	148,500,000.00
A2C	103,000,000.00	103,000,000.00	0.00	335,207.78	335,207.78	0.00	0.00	103,000,000.00
A2D	59,000,000.00	59,000,000.00	0.00	199,616.67	199,616.67	0.00	0.00	59,000,000.00
M1	89,100,000.00	89,100,000.00	0.00	305,761.50	305,761.50	0.00	0.00	89,100,000.00
M2	34,200,000.00	34,200,000.00	0.00	117,914.00	117,914.00	0.00	0.00	34,200,000.00
M3	27,000,000.00	27,000,000.00	0.00	93,742.50	93,742.50	0.00	0.00	27,000,000.00
M4	33,300,000.00	33,300,000.00	0.00	119,103.00	119,103.00	0.00	0.00	33,300,000.00
M5	24,300,000.00	24,300,000.00	0.00	87,500.25	87,500.25	0.00	0.00	24,300,000.00
M6	13,500,000.00	13,500,000.00	0.00	49,155.00	49,155.00	0.00	0.00	13,500,000.00
M7	13,500,000.00	13,500,000.00	0.00	53,831.25	53,831.25	0.00	0.00	13,500,000.00
M8	13,500,000.00	13,500,000.00	0.00	55,462.50	55,462.50	0.00	0.00	13,500,000.00
M9	13,500,000.00	13,500,000.00	0.00	60,138.75	60,138.75	0.00	0.00	13,500,000.00
M10	18,000,000.00	18,000,000.00	0.00	99,035.00	99,035.00	0.00	0.00	18,000,000.00
M11	18,000,000.00	18,000,000.00	0.00	99,035.00	99,035.00	0.00	0.00	18,000,000.00
C	9,000,000.00	9,000,000.00	0.00	3,783,721.36	3,783,721.36	0.00	0.00	9,000,000.00
R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTALS</b>	<b>1,800,000,000.00</b>	<b>1,724,181,535.45</b>	<b>40,202,459.34</b>	<b>9,543,161.08</b>	<b>49,745,620.42</b>	<b>0.00</b>	<b>0.00</b>	<b>1,683,979,076.11</b>

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE							PASS-THROUGH RATES	
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS-THRU RATE
A1A	66987WCF2	956.66482113	25.92299403	3.12882544	29.05181948	930.74182709	A1A	4.060000 %
A1B	66987WCG0	956.66482110	25.92299406	3.16735776	29.09035182	930.74182704	A1B	4.110000 %
A2A	66987WCH8	837.56505376	72.19505700	2.64484430	74.83990131	765.36999675	A2A	3.920000 %
A2B	66987WCJ4	1,000.00000000	0.00000000	3.20611111	3.20611111	1,000.00000000	A2B	3.980000 %
A2C	66987WCK1	1,000.00000000	0.00000000	3.25444447	3.25444447	1,000.00000000	A2C	4.040000 %
A2D	66987WCL9	1,000.00000000	0.00000000	3.38333339	3.38333339	1,000.00000000	A2D	4.200000 %
M1	66987WCM7	1,000.00000000	0.00000000	3.43166667	3.43166667	1,000.00000000	M1	4.260000 %
M2	66987WCN5	1,000.00000000	0.00000000	3.44777778	3.44777778	1,000.00000000	M2	4.280000 %
M3	66987WCP0	1,000.00000000	0.00000000	3.47194444	3.47194444	1,000.00000000	M3	4.310000 %
M4	66987WCQ8	1,000.00000000	0.00000000	3.57666667	3.57666667	1,000.00000000	M4	4.440000 %
M5	66987WCR6	1,000.00000000	0.00000000	3.60083333	3.60083333	1,000.00000000	M5	4.470000 %
M6	66987WCS4	1,000.00000000	0.00000000	3.64111111	3.64111111	1,000.00000000	M6	4.520000 %

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FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE							PASS-THROUGH RATES	
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS-THRU RATE
M7	66987WCT2	1,000.00000000	0.00000000	3.98750000	3.98750000	1,000.00000000	M7	4.950000 %
M8	66987WCU9	1,000.00000000	0.00000000	4.10833333	4.10833333	1,000.00000000	M8	5.100000 %
M9	66987WCV7	1,000.00000000	0.00000000	4.45472222	4.45472222	1,000.00000000	M9	5.530000 %
M10	66987WCW5	1,000.00000000	0.00000000	5.50194444	5.50194444	1,000.00000000	M10	6.830000 %
M11	66987WCX3	1,000.00000000	0.00000000	5.50194444	5.50194444	1,000.00000000	M11	6.830000 %
C	66987WCZ8	1,000.00000000	0.00000000	420.41348444	420.41348444	1,000.00000000	C	0.000000 %
<b>TOTALS</b>		957.87863081	22.33469963	5.30175616	27.63645579	935.54393117		

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

Ariella Kaminer  
 JPMorgan Chase Bank, N.A. - Structured Finance Services  
 4 New York Plaza, Floor 6,  
 New York, New York 10004  
 Tel: (212) 623-5431 / Fax: (212) 623-5931  
 Email: ariella.x.kaminer@jpmchase.com

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	REMIC Available Funds - Group I	31,837,490.82
	REMIC Available Funds - Group II	18,132,553.92
Sec. 4.03	Principal	
	Group I Scheduled Principal	776,708.04
	Group I Prepayments in Full	24,299,084.17
	Group I Curtailments	232,826.87
	Group I Net Liquidation Proceeds	0.00
	Group I Realized Losses	0.00
	Group II Scheduled Principal	342,069.07
	Group II Prepayments in Full	14,523,589.22
	Group II Curtailments	28,181.97
	Group II Net Liquidation Proceeds	0.00
	Group II Realized Losses	0.00
	Total Scheduled Principal	1,118,777.11
	Total Prepayments in Full	38,822,673.39
	Total Curtailments	261,008.84
	Total Net Liquidation Proceeds	0.00
	Total Realized Losses	0.00
Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1A	20,245,858.34
	Class A-1B	5,062,760.74
	Class A-2A	14,893,840.26
	Class A-2B	0.00
	Class A-2C	0.00
	Class A-2D	0.00
	Class M-1	0.00
	Class M-4	0.00

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Class M-5	0.00
Class M-6	0.00
Class M-2	0.00
Class M-3	0.00
Class M7	0.00
Class M8	0.00
Class M9	0.00
Class M10	0.00
Class M11	0.00

Sec. 4.03(a)(ii)

## Distributions of Interest

Class A-1A	2,443,612.67
Class A-1B	618,584.97
Class A-2A	545,631.38
Class A-2b	476,107.50
Class A-2C	335,207.78
Class A-2D	199,616.67
Class M-1	305,761.50
Class M-2	117,914.00
Class M-3	93,742.50
Class M-4	119,103.00
Class M-5	87,500.25
Class M-6	49,155.00
Class M7	53,831.25
Class M8	55,462.50
Class M9	60,138.75
Class M10	99,035.00
Class M11	99,035.00

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Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	1,134,658,123.82
		Group I Ending Pool Balance	1,109,349,504.74
		Group II Beginning Pool Balance	589,514,851.71
		Group II Ending Pool Balance	574,621,011.45
		Total Beginning Pool Balance	1,724,172,975.53
		Total Ending Pool Balance	1,683,970,516.19
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	11,498
		Aggregate Principal Balance of Mortgage Loans	1,683,970,516.19
		Beginning Weighted Average Mortgage Rate	7.7088%
		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	1,096,011,948.20
		Number of 0-30 Days	8,331
		Balance of 30-59 Days	6,180,294.85
		Number of 30-59 Days	51
		Balance of 60-89 Days	2,069,223.62
		Number of 60-89 Days	16
		Balance of 90+ Days	1,968,699.06
		Number of 90+ Days	12
	Contractual Bankruptcy - Group I		
		Balance of 0-30 Days	1,501,317.79
		Number of 0-30 Days	10
		Balance of 30-59 Days	99,473.47

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	Number of 30-59 Days	1
	Balance of 60-89 Days	17,405.62
	Number of 60-89 Days	1
	Balance of 60-89 Days	0.00
	Number of 60-89 Days	0
	Legal Delinquency - Group I	
	Balance of 0-30 Days	1,096,011,948.20
	Number of 0-30 Days	8,331
	Balance of 30-59 Days	6,180,294.85
	Number of 30-59 Days	51
	Balance of 60-89 Days	2,069,223.62
	Number of 60-89 Days	16
	Balance of 60-89 Days	1,968,699.06
	Number of 60-89 Days	12
	Legal Bankruptcy - Group I	
	Balance of 0-30 Days	1,518,723.41
	Number of 0-30 Days	11
	Balance of 30-59 Days	99,473.47
	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
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group I	
	Balance of 0-30 Days	272,895.96
	Number of 0-30 Days	2
	Balance of 30-59 Days	0.00
	Number of 30-59 Days	0
	Balance of 60-89 Days	107,272.06
	Number of 60-89 Days	1

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Balance of 60-89 Days	998,201.13
Number of 60-89 Days	9
Contractual Delinquency - Group II	
Balance of 0-30 Days	561,190,836.61
Number of 0-30 Days	2,998
Balance of 30-59 Days	3,961,801.24
Number of 30-59 Days	22
Balance of 60-89 Days	4,011,062.96
Number of 60-89 Days	16
Balance of 90+ Days	2,078,661.21
Number of 90+ Days	8
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	828,327.90
Number of 0-30 Days	5
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	128,661.98
Number of 60-89 Days	1
Balance of 90+ Days	366,313.58
Number of 90+ Days	2
Legal Delinquency - Group II	
Balance of 0-30 Days	561,190,836.61
Number of 0-30 Days	2,998
Balance of 30-59 Days	3,961,801.24
Number of 30-59 Days	22
Balance of 60-89 Days	4,011,062.96
Number of 60-89 Days	16
Balance of 90+ Days	2,078,661.21
Number of 90+ Days	8

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	Legal Bankruptcy - Group II	
	Balance of 0-30 Days	1,039,439.06
	Number of 0-30 Days	6
	Balance of 30-59 Days	155,202.42
	Number of 30-59 Days	1
	Balance of 60-89 Days	128,661.98
	Number of 60-89 Days	1
	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	214,773.30
	Number of 0-30 Days	1
	Balance of 30-59 Days	0.00
	Number of 30-59 Days	0
	Balance of 60-89 Days	199,759.46
	Number of 60-89 Days	1
	Balance of 90+ Days	1,640,813.21
	Number of 90+ Days	9

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Sec. 4.03(a)(v) C

Loans in REO

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REO by Group			
Group Number	Number of Loans	Principal Balance	Percentage
1	1	122,772.98	0.01%
2	0	0.00	0.00%

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Sec. 4.03(a)(vi)	Principal Prepayments		
	Group I Prepayments		24,299,084.17
	Group II Prepayments		14,523,589.22
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
	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

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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
Unpaid Interest Shortfall - A-2C	0.00
Unpaid Interest Shortfall - A-2D	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 - M7	0.00
Unpaid Interest Shortfall - M8	0.00
Unpaid Interest Shortfall - M9	0.00
Unpaid Interest Shortfall - M10	0.00
Unpaid Interest Shortfall - M11	0.00

Sec. 4.03 (a)(x)

Prepayment Interest Shortfalls not covered by the Servicer

0.00

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Sec. 4.03 (a)(xi)	Credit Enhancement Percentage	17.80%
Sec. 4.03 (a)(xii)	Available Funds Cap Carryforward Amount	
	Current Period Available Funds Cap Carryforward Amount - A-1A	0.00
	Current Period Available Funds Cap Carryforward Amount - A-1B	0.00
	Current Period Available Funds Cap Carryforward Amount - A-2A	0.00
	Current Period Available Funds Cap Carryforward Amount - A-2B	0.00
	Current Period Available Funds Cap Carryforward Amount - A-2C	0.00
	Current Period Available Funds Cap Carryforward Amount - A-2D	0.00
	Current Period Available Funds Cap Carryforward Amount - M-1	0.00
	Current Period Available Funds Cap Carryforward Amount - M-2	0.00
	Current Period Available Funds Cap Carryforward Amount - M-3	0.00
	Current Period Available Funds Cap Carryforward Amount - M-4	0.00
	Current Period Available Funds Cap Carryforward Amount - M-5	0.00
	Current Period Available Funds Cap Carryforward Amount - M-6	0.00
	Current Period Available Funds Cap Carryforward Amount - M7	0.00
	Current Period Available Funds Cap Carryforward Amount - M8	0.00
	Current Period Available Funds Cap Carryforward Amount - M9	0.00
	Current Period Available Funds Cap Carryforward Amount - M10	4,410.51
	Current Period Available Funds Cap Carryforward Amount - M11	4,410.51
	Available Funds Cap Carryforward Amount Repaid This Period- A-1A	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- A-1B	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- A-2A	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- A-2B	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- A-2C	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- A-2D	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- M-1	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- M-2	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- M-3	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- M-4	0.00
	Available Funds Cap Carryforward Amount Repaid This Period- M-5	0.00

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Available Funds Cap Carryforward Amount Repaid This Period- M6	0.00
Available Funds Cap Carryforward Amount Repaid This Period- M7	0.00
Available Funds Cap Carryforward Amount Repaid This Period- M8	0.00
Available Funds Cap Carryforward Amount Repaid This Period- M9	0.00
Available Funds Cap Carryforward Amount Repaid This Period- M10	4,410.51
Available Funds Cap Carryforward Amount Repaid This Period- M11	4,410.51
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 - A-2D	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 - M7	0.00
Remaining Available Funds Cap Carryforward Amount - M8	0.00
Remaining Available Funds Cap Carryforward Amount - M9	0.00
Remaining Available Funds Cap Carryforward Amount - M10	0.00
Remaining Available Funds Cap Carryforward Amount - M11	0.00

Sec. 4.03 (a)(xiii)

REMIC Pass-Through Rates

REMIC Pass-Through Rate - A-1A	4.0600%
REMIC Pass-Through Rate - A-1B	4.1100%
REMIC Pass-Through Rate - A-2A	3.9200%
REMIC Pass-Through Rate - A-2B	3.9800%
REMIC Pass-Through Rate - A-2C	4.0400%
REMIC Pass-Through Rate - A-2D	4.2000%

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REMIC Pass-Through Rate - M-1	4.2600%
REMIC Pass-Through Rate - M-2	4.2800%
REMIC Pass-Through Rate - M-3	4.3100%
REMIC Pass-Through Rate - M-4	4.4400%
REMIC Pass-Through Rate - M-5	4.4700%
REMIC Pass-Through Rate - M-6	4.5200%
REMIC Pass-Through Rate - M7	4.9500%
REMIC Pass-Through Rate - M8	5.1000%
REMIC Pass-Through Rate - M9	5.5300%
REMIC Pass-Through Rate - M10	6.8300%
REMIC Pass-Through Rate - M11	6.8300%
Next REMIC Pass-Through Rate - A-1A	0.2300%
Next REMIC Pass-Through Rate - A-1B	0.2800%
Next REMIC Pass-Through Rate - A-2A	0.0900%
Next REMIC Pass-Through Rate - A-2B	0.1500%
Next REMIC Pass-Through Rate - A-2C	0.2100%
Next REMIC Pass-Through Rate - A-2D	0.3700%
Next REMIC Pass-Through Rate - M-1	0.4300%
Next REMIC Pass-Through Rate - M-2	0.4500%
Next REMIC Pass-Through Rate - M-3	0.4800%
Next REMIC Pass-Through Rate - M-4	0.6100%
Next REMIC Pass-Through Rate - M-5	0.6400%
Next REMIC Pass-Through Rate - M-6	0.6900%
Next REMIC Pass-Through Rate - M7	1.1200%
Next REMIC Pass-Through Rate - M8	1.2700%
Next REMIC Pass-Through Rate - M9	1.7000%
Next REMIC Pass-Through Rate - M10	3.0000%
Next REMIC Pass-Through Rate - M11	0.0000%

Sec. 4.03 (a)(xiv)

Supplemental Interest Payment

Supplemental Interest Payment - A-1A	0.00
Supplemental Interest Payment - A-1B	0.00

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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-2D	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 - M7	0.00
Supplemental Interest Payment - M8	0.00
Supplemental Interest Payment - M9	0.00
Supplemental Interest Payment - M10	4,410.51
Supplemental Interest Payment - M11	4,410.51

Sec. 4.03 (a)(xv)

Swap Notional Amount and the Underwritten Certificates Principal Balance

Underwritten Certificates Principal Balance	1,674,979,076.11
Swap Notional Amount	725,000,000.00
Cap Notional Amount	320,000,000.00
Total Notional Amount	1,045,000,000.00
Difference	629,979,076.11
Payment to Swap Counterparty	149,223.61
Payment from Cap Counterparty	-26,583.33
Payment to Cap Counterparty	94,533.33

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Sec. 4.03 (a)(xvi)	Overcollateralization Amounts	
	Required Overcollateralization Amount	9,000,000.00
	Overcollateralization Amount	9,000,000.40
Sec. 4.03 (a)(xvii)	Excess Cashflow	0.00
Sec. 4.03 (a)(xxiii)	Mortgage Insurance	
	MI Premiums	1,036,018.82
	Insurance Proceeds	0.00