

NovaStar Mortgage Funding Trust, Series 2004-4

Statement to Certificateholders

February 27, 2006

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	690,283,191.99	36,355,600.17	3,081,539.22	39,437,139.39	0.00	0.00	653,927,591.82
A1B	319,800,000.00	172,597,783.25	9,090,321.29	779,998.15	9,870,319.44	0.00	0.00	163,507,461.96
A2A	268,000,000.00	2,333,093.12	2,333,093.12	10,094.52	2,343,187.64	0.00	0.00	0.00
A2B	131,100,000.00	131,100,000.00	9,495,037.22	585,252.25	10,080,289.47	0.00	0.00	121,604,962.78
A2C	107,100,000.00	107,100,000.00	0.00	493,820.25	493,820.25	0.00	0.00	107,100,000.00
M1	95,000,000.00	95,000,000.00	0.00	448,479.17	448,479.17	0.00	0.00	95,000,000.00
M2	51,250,000.00	51,250,000.00	0.00	244,291.67	244,291.67	0.00	0.00	51,250,000.00
M3	43,750,000.00	43,750,000.00	0.00	210,546.88	210,546.88	0.00	0.00	43,750,000.00
M4	22,500,000.00	22,500,000.00	0.00	116,118.75	116,118.75	0.00	0.00	22,500,000.00
M5	32,500,000.00	32,500,000.00	0.00	169,216.67	169,216.67	0.00	0.00	32,500,000.00
M6	25,000,000.00	25,000,000.00	0.00	132,458.33	132,458.33	0.00	0.00	25,000,000.00
B1	25,000,000.00	25,000,000.00	0.00	134,449.76	134,449.76	0.00	0.00	25,000,000.00
B2	25,000,000.00	25,000,000.00	0.00	134,449.76	134,449.76	0.00	0.00	25,000,000.00
B3	25,000,000.00	25,000,000.00	0.00	174,854.17	174,854.17	0.00	0.00	25,000,000.00
B4	18,750,000.00	18,750,000.00	0.00	138,015.63	138,015.63	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	1,467,164,068.36	57,274,051.80	6,853,585.18	64,127,636.98	0.00	0.00	1,409,890,016.56
C	2,500,000,000.00	1,498,414,329.05	0.00	4,047,185.72	4,047,185.72	0.00	0.00	1,441,140,277.25

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	66987WBN6	539.70538858	28.42501968	2.40933481	30.83435449	511.28036890	A1A	4.870000 %
A1B	66987WBP1	539.70538852	28.42501967	2.43901861	30.86403827	511.28036886	A1B	4.930000 %
A2A	66987WBQ9	8.70557134	8.70557134	0.03766612	8.74323746	0.00000000	A2A	4.720000 %
A2B	66987WBR7	1,000.00000000	72.42591320	4.46416667	76.89007986	927.57408680	A2B	4.870000 %
A2C	66987WBS5	1,000.00000000	0.00000000	4.61083333	4.61083333	1,000.00000000	A2C	5.030000 %
M1	66987WBT3	1,000.00000000	0.00000000	4.72083337	4.72083337	1,000.00000000	M1	5.150000 %
M2	66987WBU0	1,000.00000000	0.00000000	4.76666673	4.76666673	1,000.00000000	M2	5.200000 %
M3	66987WBV8	1,000.00000000	0.00000000	4.81250011	4.81250011	1,000.00000000	M3	5.250000 %
M4	66987WBW6	1,000.00000000	0.00000000	5.16083333	5.16083333	1,000.00000000	M4	5.630000 %
M5	66987WBX4	1,000.00000000	0.00000000	5.20666677	5.20666677	1,000.00000000	M5	5.680000 %
M6	66987WBY2	1,000.00000000	0.00000000	5.29833320	5.29833320	1,000.00000000	M6	5.780000 %
B1	66987WBZ9	1,000.00000000	0.00000000	5.37799040	5.37799040	1,000.00000000	B1	5.866898 %
B2	66987WCA3	1,000.00000000	0.00000000	5.37799040	5.37799040	1,000.00000000	B2	5.866898 %

NovaStar Mortgage Funding Trust, Series 2004-4

Statement to Certificateholders

February 27, 2006

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE							PASS-THROUGH RATES	
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS-THRU RATE
B3	66987WCB1	1,000.00000000	0.00000000	6.99416680	6.99416680	1,000.00000000	B3	7.630000 %
B4	66987WCC9	1,000.00000000	0.00000000	7.36083360	7.36083360	1,000.00000000	B4	8.030000 %
TOTALS		594.29430617	23.19961592	2.77613577	25.97575169	571.09469025		
C	66987WCE5	599.36573162	0.00000000	1.61887429	1.61887429	576.45611090	C	0.000000 %

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

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NovaStar Mortgage Funding Trust, Series 2004-4

February 27, 2006

	REMIC Available Funds - Group I	52,168,533.31
	REMIC Available Funds - Group II	13,665,748.63
Sec. 4.03	Principal	
	Group I Scheduled Principal	880,459.72
	Group I Prepayments in Full	42,636,911.40
	Group I Curtailments	236,106.13
	Group I Net Liquidation Proceeds	1,235,091.48
	Group I Realized Losses	485,652.61
	Group II Scheduled Principal	246,407.64
	Group II Prepayments in Full	11,433,177.05
	Group II Curtailments	42,092.10
	Group II Net Liquidation Proceeds	0.00
	Group II Realized Losses	35,249.85
	Total Scheduled Principal	1,126,867.36
	Total Prepayments in Full	54,070,088.45
	Total Curtailments	278,198.23
	Total Net Liquidation Proceeds	1,235,091.48
	Total Realized Losses	520,902.46
Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1A	36,355,600.17
	Class A-1B	9,090,321.29
	Class A-2A	2,333,093.12
	Class A-2B	9,495,037.22
	Class A-2C	0.00
	Class M-1	0.00
	Class M-4	0.00
	Class M-5	0.00

NovaStar Mortgage Funding Trust, Series 2004-4
February 27, 2006

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	3,081,539.22
Class A-1B	779,998.15
Class A-2A	10,094.52
Class A-2b	585,252.25
Class A-2C	493,820.25
Class M-1	448,479.17
Class M-2	244,291.67
Class M-3	210,546.88
Class M-4	116,118.75
Class M-5	169,216.67
Class M-6	132,458.33
Class B-1	134,449.76
Class B-2	134,449.76
Class B-3	174,854.17
Class B-4	138,015.63

NovaStar Mortgage Funding Trust, Series 2004-4
February 27, 2006

Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	1,162,631,962.24
		Group I Ending Pool Balance	1,117,111,349.10
		Group II Beginning Pool Balance	335,782,106.12
		Group II Ending Pool Balance	324,028,667.46
		Total Beginning Pool Balance	1,498,414,068.36
		Total Ending Pool Balance	1,441,140,016.56
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	10,030
		Aggregate Principal Balance of Mortgage Loans	1,441,140,016.56
		Beginning Weighted Average Mortgage Rate	7.5919%
		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	1,033,871,537.25
		Number of 0-30 Days	7,655
		Balance of 30-59 Days	10,801,266.64
		Number of 30-59 Days	90
		Balance of 60-89 Days	5,126,844.10
		Number of 60-89 Days	39
		Balance of 90+ Days	15,096,574.25
		Number of 90+ Days	123
	Contractual Bankruptcy - Group I		
		Balance of 0-30 Days	8,744,198.77
		Number of 0-30 Days	74
		Balance of 30-59 Days	1,540,105.99

NovaStar Mortgage Funding Trust, Series 2004-4

February 27, 2006

	Number of 30-59 Days	9
	Balance of 60-89 Days	1,137,957.78
	Number of 60-89 Days	9
	Balance of 60-89 Days	10,946,220.98
	Number of 60-89 Days	89
	Legal Delinquency - Group I	
	Balance of 0-30 Days	1,033,871,537.25
	Number of 0-30 Days	7,655
	Balance of 30-59 Days	10,801,266.64
	Number of 30-59 Days	90
	Balance of 60-89 Days	5,126,844.10
	Number of 60-89 Days	39
	Balance of 60-89 Days	15,096,574.25
	Number of 60-89 Days	123
	Legal Bankruptcy - Group I	
	Balance of 0-30 Days	7,142,307.18
	Number of 0-30 Days	62
	Balance of 30-59 Days	5,109,334.30
	Number of 30-59 Days	36
	Balance of 60-89 Days	3,063,236.32
	Number of 60-89 Days	22
	Balance of 60-89 Days	7,053,605.72
	Number of 60-89 Days	61
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group I	
	Balance of 0-30 Days	2,403,351.05
	Number of 0-30 Days	17
	Balance of 30-59 Days	292,787.36
	Number of 30-59 Days	3
	Balance of 60-89 Days	194,705.63
	Number of 60-89 Days	1

NovaStar Mortgage Funding Trust, Series 2004-4

February 27, 2006

Balance of 60-89 Days	15,696,388.10
Number of 60-89 Days	124
Contractual Delinquency - Group II	
Balance of 0-30 Days	307,275,552.87
Number of 0-30 Days	1,597
Balance of 30-59 Days	1,148,297.03
Number of 30-59 Days	9
Balance of 60-89 Days	736,011.24
Number of 60-89 Days	5
Balance of 90+ Days	5,144,407.11
Number of 90+ Days	26
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	1,871,779.15
Number of 0-30 Days	12
Balance of 30-59 Days	208,424.48
Number of 30-59 Days	2
Balance of 60-89 Days	152,117.44
Number of 60-89 Days	1
Balance of 90+ Days	2,308,394.47
Number of 90+ Days	16
Legal Delinquency - Group II	
Balance of 0-30 Days	307,275,552.87
Number of 0-30 Days	1,597
Balance of 30-59 Days	1,148,297.03
Number of 30-59 Days	9
Balance of 60-89 Days	736,011.24
Number of 60-89 Days	5
Balance of 90+ Days	5,144,407.11
Number of 90+ Days	26

NovaStar Mortgage Funding Trust, Series 2004-4
February 27, 2006

	Legal Bankruptcy - Group II	
	Balance of 0-30 Days	1,805,629.42
	Number of 0-30 Days	11
	Balance of 30-59 Days	781,636.07
	Number of 30-59 Days	4
	Balance of 60-89 Days	729,141.73
	Number of 60-89 Days	6
	Balance of 90+ Days	1,224,308.32
	Number of 90+ Days	10
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group II	0.00
	Balance of 0-30 Days	80,368.13
	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	2,550,282.90
	Number of 90+ Days	19

NovaStar Mortgage Funding Trust, Series 2004-4
February 27, 2006

Sec. 4.03(a)(v) C

Loans in REO

NovaStar Mortgage Funding Trust, Series 2004-4
February 27, 2006

REO by Group			
Group Number	Number of Loans	Principal Balance	Percentage
1	93	11,259,411.20	1.01%
2	16	2,553,032.64	0.79%

NovaStar Mortgage Funding Trust, Series 2004-4
February 27, 2006

Sec. 4.03(a)(vi)	Principal Prepayments		
	Group I Prepayments		42,636,911.40
	Group II Prepayments		11,433,177.05
Sec. 4.03 (a)(vii)	Realized Losses		
	Group I Liquidated Loan Balance		1,767,135.85
	Group I Net Liquidation Proceeds		1,235,091.48
	Group I Current Period Realized Losses		485,652.61
	Group I Recoveries of Prior Losses		48,337.98
	Group I Subsequent Losses		0.00
	Group I Cumulative Liquidated Loan Balance		8,779,711.80
	Group I Cumulative Net Liquidation Proceeds		6,264,930.44
	Group I Cumulative Recoveries of Prior Losses		54,411.48
	Group I Cumulative Subsequent Losses		153,903.73
	Group I Cumulative Realized Losses		2,631,233.78
	Group II Liquidated Loan Balance		31,761.87
	Group II Net Liquidation Proceeds		0.00
	Group II Current Period Realized Losses		35,249.85
	Group II Recoveries of Prior Losses		0.00
	Group II Subsequent Losses		0.00
	Group II Cumulative Liquidated Loan Balance		2,929,841.74
	Group II Cumulative Net Liquidation Proceeds		2,619,152.85
	Group II Cumulative Recoveries of Prior Losses		521.02
	Group II Cumulative Subsequent Losses		168.25
	Group II Cumulative Realized Losses		313,824.10
	Total Liquidated Loan Balance		1,798,897.72

NovaStar Mortgage Funding Trust, Series 2004-4
February 27, 2006

Total Net Liquidation Proceeds	1,235,091.48
Total Current Period Realized Losses	520,902.46
Total Recoveries of Prior Losses	48,337.98
Total Subsequent Losses	0.00
Total Cumulative Liquidated Loan Balance	11,709,553.54
Total Cumulative Net Liquidation Proceeds	8,884,083.29
Total Cumulative Recoveries of Prior Losses	54,932.50
Total Cumulative Subsequent Losses	154,071.98
Total Cumulative Realized Losses	2,945,057.88

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 - 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

26.36%

NovaStar Mortgage Funding Trust, Series 2004-4
February 27, 2006

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
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
February 27, 2006

Sec. 4.03 (a)(xiii)

REMIC Pass-Through Rates

REMIC Pass-Through Rate - A-1A	4.8700%
REMIC Pass-Through Rate - A-1B	4.9300%
REMIC Pass-Through Rate - A-2A	4.7200%
REMIC Pass-Through Rate - A-2B	4.8700%
REMIC Pass-Through Rate - A-2C	5.0300%
REMIC Pass-Through Rate - M-1	5.1500%
REMIC Pass-Through Rate - M-2	5.2000%
REMIC Pass-Through Rate - M-3	5.2500%
REMIC Pass-Through Rate - M-4	5.6300%
REMIC Pass-Through Rate - M-5	5.6800%
REMIC Pass-Through Rate - M-6	5.7800%
REMIC Pass-Through Rate - B-1	5.8669%
REMIC Pass-Through Rate - B-2	5.8669%
REMIC Pass-Through Rate - B-3	7.6300%
REMIC Pass-Through Rate - B-4	8.0300%
Next REMIC Pass-Through Rate - A-1A	4.9206%
Next REMIC Pass-Through Rate - A-1B	4.9806%
Next REMIC Pass-Through Rate - A-2A	4.7706%
Next REMIC Pass-Through Rate - A-2B	4.9206%
Next REMIC Pass-Through Rate - A-2C	5.0806%
Next REMIC Pass-Through Rate - M-1	5.2006%
Next REMIC Pass-Through Rate - M-2	5.2506%
Next REMIC Pass-Through Rate - M-3	5.3006%
Next REMIC Pass-Through Rate - M-4	5.6806%
Next REMIC Pass-Through Rate - M-5	5.7306%
Next REMIC Pass-Through Rate - M-6	5.8306%
Next REMIC Pass-Through Rate - B-1	6.2806%
Next REMIC Pass-Through Rate - B-2	6.3806%
Next REMIC Pass-Through Rate - B-3	7.6806%
Next REMIC Pass-Through Rate - B-3	8.0806%

NovaStar Mortgage Funding Trust, Series 2004-4

February 27, 2006

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
Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
	Underwritten Certificates Principal Balance		1,409,890,016.56
	Swap Notional Amount		1,405,000,000.00
	Difference		4,890,016.56
	Funds paid to Swap Counterparty		-2,346,987.50

NovaStar Mortgage Funding Trust, Series 2004-4
February 27, 2006

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	775,099.11
	Insurance Proceeds	0.00