

## NovaStar Mortgage Funding Trust, Series 2005-2

## 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	781,000,000.00	644,562,260.50	21,536,017.82	2,812,440.00	24,348,457.82	0.00	0.00	623,026,242.68
A1B	195,300,000.00	161,181,830.34	5,385,383.20	710,677.55	6,096,060.75	0.00	0.00	155,796,447.14
A2A	206,300,000.00	104,206,519.20	12,658,463.77	441,314.61	13,099,778.38	0.00	0.00	91,548,055.43
A2B	148,500,000.00	148,500,000.00	0.00	637,065.00	637,065.00	0.00	0.00	148,500,000.00
A2C	103,000,000.00	103,000,000.00	0.00	447,535.00	447,535.00	0.00	0.00	103,000,000.00
A2D	59,000,000.00	59,000,000.00	0.00	265,008.33	265,008.33	0.00	0.00	59,000,000.00
M1	89,100,000.00	89,100,000.00	0.00	405,108.00	405,108.00	0.00	0.00	89,100,000.00
M2	34,200,000.00	34,200,000.00	0.00	156,123.00	156,123.00	0.00	0.00	34,200,000.00
M3	27,000,000.00	27,000,000.00	0.00	123,997.50	123,997.50	0.00	0.00	27,000,000.00
M4	33,300,000.00	33,300,000.00	0.00	156,898.50	156,898.50	0.00	0.00	33,300,000.00
M5	24,300,000.00	24,300,000.00	0.00	115,161.75	115,161.75	0.00	0.00	24,300,000.00
M6	13,500,000.00	13,500,000.00	0.00	64,597.50	64,597.50	0.00	0.00	13,500,000.00
M7	13,500,000.00	13,500,000.00	0.00	69,918.75	69,918.75	0.00	0.00	13,500,000.00
M8	13,500,000.00	13,500,000.00	0.00	71,775.00	71,775.00	0.00	0.00	13,500,000.00
M9	13,500,000.00	13,500,000.00	0.00	77,096.25	77,096.25	0.00	0.00	13,500,000.00
M10	18,000,000.00	18,000,000.00	0.00	124,245.00	124,245.00	0.00	0.00	18,000,000.00
M11	18,000,000.00	18,000,000.00	0.00	124,245.00	124,245.00	0.00	0.00	18,000,000.00
C	1,800,000,000.00	9,000,000.00	0.00	2,679,000.93	2,679,000.93	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>3,591,000,000.00</b>	<b>1,527,350,610.04</b>	<b>39,579,864.79</b>	<b>9,482,207.67</b>	<b>49,062,072.46</b>	<b>0.00</b>	<b>0.00</b>	<b>1,487,770,745.25</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	825.30379065	27.57492679	3.60107554	31.17600233	797.72886387	A1A	4.760000 %
A1B	66987WCG0	825.30379078	27.57492678	3.63890195	31.21382873	797.72886400	A1B	4.810000 %
A2A	66987WCH8	505.12127581	61.35949476	2.13918861	63.49868337	443.76178105	A2A	4.620000 %
A2B	66987WCJ4	1,000.00000000	0.00000000	4.29000000	4.29000000	1,000.00000000	A2B	4.680000 %
A2C	66987WCK1	1,000.00000000	0.00000000	4.34500000	4.34500000	1,000.00000000	A2C	4.740000 %
A2D	66987WCL9	1,000.00000000	0.00000000	4.49166661	4.49166661	1,000.00000000	A2D	4.900000 %
M1	66987WCM7	1,000.00000000	0.00000000	4.54666667	4.54666667	1,000.00000000	M1	4.960000 %
M2	66987WCN5	1,000.00000000	0.00000000	4.56500000	4.56500000	1,000.00000000	M2	4.980000 %
M3	66987WCP0	1,000.00000000	0.00000000	4.59250000	4.59250000	1,000.00000000	M3	5.010000 %
M4	66987WCQ8	1,000.00000000	0.00000000	4.71166667	4.71166667	1,000.00000000	M4	5.140000 %
M5	66987WCR6	1,000.00000000	0.00000000	4.73916667	4.73916667	1,000.00000000	M5	5.170000 %
M6	66987WCS4	1,000.00000000	0.00000000	4.78500000	4.78500000	1,000.00000000	M6	5.220000 %

## NovaStar Mortgage Funding Trust, Series 2005-2

## 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
M7	66987WCT2	1,000.00000000	0.00000000	5.17916667	5.17916667	1,000.00000000	M7	5.650000 %
M8	66987WCU9	1,000.00000000	0.00000000	5.31666667	5.31666667	1,000.00000000	M8	5.800000 %
M9	66987WCV7	1,000.00000000	0.00000000	5.71083333	5.71083333	1,000.00000000	M9	6.230000 %
M10	66987WCW5	1,000.00000000	0.00000000	6.90250000	6.90250000	1,000.00000000	M10	7.530000 %
M11	66987WCX3	1,000.00000000	0.00000000	6.90250000	6.90250000	1,000.00000000	M11	7.530000 %
C	66987WCZ8	5.00000000	0.00000000	1.48833385	1.48833385	5.00000000	C	0.000000 %
<b>TOTALS</b>		425.32737679	11.02196179	2.64054794	13.66250974	414.30541500		

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 2005-2

February 27, 2006

	REMIC Available Funds - Group I	32,783,005.33
	REMIC Available Funds - Group II	15,530,047.94
Sec. 4.03	Principal	
	Group I Scheduled Principal	723,863.87
	Group I Prepayments in Full	26,097,613.19
	Group I Curtailments	87,278.43
	Group I Net Liquidation Proceeds	0.00
	Group I Realized Losses	0.00
	Group II Scheduled Principal	318,863.06
	Group II Prepayments in Full	12,241,447.43
	Group II Curtailments	92,207.34
	Group II Net Liquidation Proceeds	0.00
	Group II Realized Losses	0.00
	Total Scheduled Principal	1,042,726.93
	Total Prepayments in Full	38,339,060.62
	Total Curtailments	179,485.77
	Total Net Liquidation Proceeds	0.00
	Total Realized Losses	0.00
Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1A	21,536,017.82
	Class A-1B	5,385,383.20
	Class A-2A	12,658,463.77
	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

**NovaStar Mortgage Funding Trust, Series 2005-2**  
**February 27, 2006**

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	2,812,440.00
Class A-1B	710,677.55
Class A-2A	441,314.61
Class A-2b	637,065.00
Class A-2C	447,535.00
Class A-2D	265,008.33
Class M-1	405,108.00
Class M-2	156,123.00
Class M-3	123,997.50
Class M-4	156,898.50
Class M-5	115,161.75
Class M-6	64,597.50
Class M7	69,918.75
Class M8	71,775.00
Class M9	77,096.25
Class M10	124,245.00
Class M11	124,245.00

**NovaStar Mortgage Funding Trust, Series 2005-2**  
**February 27, 2006**

Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	1,006,405,507.77
		Group I Ending Pool Balance	979,478,822.13
		Group II Beginning Pool Balance	520,945,102.27
		Group II Ending Pool Balance	508,291,923.12
		Total Beginning Pool Balance	1,527,350,610.04
		Total Ending Pool Balance	1,487,770,745.25
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	10,363
		Aggregate Principal Balance of Mortgage Loans	1,487,770,745.25
		Beginning Weighted Average Mortgage Rate	7.6879%
		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	944,378,457.01
		Number of 0-30 Days	7,343
		Balance of 30-59 Days	7,231,930.34
		Number of 30-59 Days	54
		Balance of 60-89 Days	3,742,878.24
		Number of 60-89 Days	30
		Balance of 90+ Days	10,987,955.17
		Number of 90+ Days	74
	Contractual Bankruptcy - Group I		
		Balance of 0-30 Days	5,305,500.55
		Number of 0-30 Days	38
		Balance of 30-59 Days	423,027.29

## NovaStar Mortgage Funding Trust, Series 2005-2

February 27, 2006

	Number of 30-59 Days	3
	Balance of 60-89 Days	231,725.65
	Number of 60-89 Days	2
	Balance of 60-89 Days	1,377,568.85
	Number of 60-89 Days	11
	Legal Delinquency - Group I	
	Balance of 0-30 Days	944,378,457.04
	Number of 0-30 Days	7,343
	Balance of 30-59 Days	7,231,930.34
	Number of 30-59 Days	54
	Balance of 60-89 Days	3,742,878.24
	Number of 60-89 Days	30
	Balance of 60-89 Days	10,987,955.17
	Number of 60-89 Days	74
	Legal Bankruptcy - Group I	
	Balance of 0-30 Days	4,625,325.62
	Number of 0-30 Days	35
	Balance of 30-59 Days	1,103,202.22
	Number of 30-59 Days	6
	Balance of 60-89 Days	732,440.85
	Number of 60-89 Days	6
	Balance of 60-89 Days	876,853.65
	Number of 60-89 Days	7
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group I	
	Balance of 0-30 Days	814,726.59
	Number of 0-30 Days	6
	Balance of 30-59 Days	113,852.10
	Number of 30-59 Days	1
	Balance of 60-89 Days	134,093.80
	Number of 60-89 Days	1

## NovaStar Mortgage Funding Trust, Series 2005-2

February 27, 2006

Balance of 60-89 Days	4,365,638.04
Number of 60-89 Days	37
Contractual Delinquency - Group II	
Balance of 0-30 Days	483,459,844.31
Number of 0-30 Days	2,636
Balance of 30-59 Days	3,630,678.47
Number of 30-59 Days	20
Balance of 60-89 Days	2,775,383.61
Number of 60-89 Days	14
Balance of 90+ Days	7,031,302.84
Number of 90+ Days	32
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	1,669,222.37
Number of 0-30 Days	9
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	91,315.40
Number of 60-89 Days	1
Balance of 90+ Days	2,209,956.64
Number of 90+ Days	11
Legal Delinquency - Group II	
Balance of 0-30 Days	483,459,844.31
Number of 0-30 Days	2,636
Balance of 30-59 Days	3,630,678.47
Number of 30-59 Days	20
Balance of 60-89 Days	2,775,383.61
Number of 60-89 Days	14
Balance of 90+ Days	7,031,302.84
Number of 90+ Days	32

**NovaStar Mortgage Funding Trust, Series 2005-2**  
**February 27, 2006**

	Legal Bankruptcy - Group II	
	Balance of 0-30 Days	1,477,211.55
	Number of 0-30 Days	8
	Balance of 30-59 Days	491,637.05
	Number of 30-59 Days	2
	Balance of 60-89 Days	681,796.30
	Number of 60-89 Days	4
	Balance of 90+ Days	1,319,849.51
	Number of 90+ Days	7
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group II	0.00
	Balance of 0-30 Days	637,567.97
	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	5,027,376.26
	Number of 90+ Days	24

**NovaStar Mortgage Funding Trust, Series 2005-2**  
**February 27, 2006**

Sec. 4.03(a)(v) C

Loans in REO

**NovaStar Mortgage Funding Trust, Series 2005-2**  
**February 27, 2006**

REO by Group			
Group Number	Number of Loans	Principal Balance	Percentage
1	4	371,468.50	0.04%
2	9	1,759,275.25	0.35%

NovaStar Mortgage Funding Trust, Series 2005-2  
February 27, 2006

Sec. 4.03(a)(vi)	Principal Prepayments	
	Group I Prepayments	26,097,613.19
	Group II Prepayments	12,241,447.43
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	67,751.65
	Group I Cumulative Net Liquidation Proceeds	37,471.01
	Group I Cumulative Recoveries of Prior Losses	0.00
	Group I Cumulative Subsequent Losses	0.00
	Group I Cumulative Realized Losses	30,280.64
	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

NovaStar Mortgage Funding Trust, Series 2005-2

February 27, 2006

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	67,751.65
Total Cumulative Net Liquidation Proceeds	37,471.01
Total Cumulative Recoveries of Prior Losses	0.00
Total Cumulative Subsequent Losses	0.00
Total Cumulative Realized Losses	30,280.64

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

NovaStar Mortgage Funding Trust, Series 2005-2  
February 27, 2006

Sec. 4.03 (a)(xi)	Credit Enhancement Percentage	20.09%
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	5,157.54
	Current Period Available Funds Cap Carryforward Amount - M10	28,326.72
	Current Period Available Funds Cap Carryforward Amount - M11	28,326.72
	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

NovaStar Mortgage Funding Trust, Series 2005-2

February 27, 2006

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	5,157.54
Available Funds Cap Carryforward Amount Repaid This Period- M10	28,326.72
Available Funds Cap Carryforward Amount Repaid This Period- M11	28,326.72
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	4.7600%
REMIC Pass-Through Rate - A-1B	4.8100%
REMIC Pass-Through Rate - A-2A	4.6200%
REMIC Pass-Through Rate - A-2B	4.6800%
REMIC Pass-Through Rate - A-2C	4.7400%
REMIC Pass-Through Rate - A-2D	4.9000%

**NovaStar Mortgage Funding Trust, Series 2005-2**  
**February 27, 2006**

REMIC Pass-Through Rate - M-1	4.9600%
REMIC Pass-Through Rate - M-2	4.9800%
REMIC Pass-Through Rate - M-3	5.0100%
REMIC Pass-Through Rate - M-4	5.1400%
REMIC Pass-Through Rate - M-5	5.1700%
REMIC Pass-Through Rate - M-6	5.2200%
REMIC Pass-Through Rate - M7	5.6500%
REMIC Pass-Through Rate - M8	5.8000%
REMIC Pass-Through Rate - M9	6.2300%
REMIC Pass-Through Rate - M10	7.5300%
REMIC Pass-Through Rate - M11	7.5300%
Next REMIC Pass-Through Rate - A-1A	4.8106%
Next REMIC Pass-Through Rate - A-1B	4.8606%
Next REMIC Pass-Through Rate - A-2A	4.6706%
Next REMIC Pass-Through Rate - A-2B	4.7306%
Next REMIC Pass-Through Rate - A-2C	4.7906%
Next REMIC Pass-Through Rate - A-2D	4.9506%
Next REMIC Pass-Through Rate - M-1	5.0106%
Next REMIC Pass-Through Rate - M-2	5.0306%
Next REMIC Pass-Through Rate - M-3	5.0606%
Next REMIC Pass-Through Rate - M-4	5.1906%
Next REMIC Pass-Through Rate - M-5	5.2206%
Next REMIC Pass-Through Rate - M-6	5.2706%
Next REMIC Pass-Through Rate - M7	5.7006%
Next REMIC Pass-Through Rate - M8	5.8506%
Next REMIC Pass-Through Rate - M9	6.2806%
Next REMIC Pass-Through Rate - M10	7.5806%
Next REMIC Pass-Through Rate - M11	7.5806%

## NovaStar Mortgage Funding Trust, Series 2005-2

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 - 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		5,157.54
	Supplemental Interest Payment - M10		28,326.72
	Supplemental Interest Payment - M11		28,326.72
Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
	Underwritten Certificates Principal Balance		1,478,770,745.25
	Swap Notional Amount		725,000,000.00
	Cap Notional Amount		320,000,000.00
	Total Notional Amount		1,045,000,000.00
	Difference		433,770,745.25
	Payment from Swap Counterparty		624,512.50
	Payment from Cap Counterparty		201,300.00
	Payment to Cap Counterparty		94,533.33

**NovaStar Mortgage Funding Trust, Series 2005-2**  
**February 27, 2006**

Sec. 4.03 (a)(xvi)	Overcollateralization Amounts	
	Required Overcollateralization Amount	9,000,000.00
	Overcollateralization Amount	9,000,000.00
Sec. 4.03 (a)(xvii)	Excess Cashflow	0.00
Sec. 4.03 (a)(xxiii)	Mortgage Insurance	
	MI Premiums	906,430.41
	Insurance Proceeds	0.00