

NovaStar Mortgage Funding Trust, Series 2004-4

May 25, 2006

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

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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	1,279,000,000.00	577,389,582.99	32,845,475.86	2,549,839.01	35,395,314.87	0.00	0.00	544,544,107.13
A1B	319,800,000.00	144,369,967.65	8,212,652.99	644,777.93	8,857,430.92	0.00	0.00	136,157,314.66
A2A	268,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A2B	131,100,000.00	93,344,835.90	12,839,672.92	412,224.80	13,251,897.72	0.00	0.00	80,505,162.98
A2C	107,100,000.00	107,100,000.00	0.00	487,249.67	487,249.67	0.00	0.00	107,100,000.00
M1	95,000,000.00	95,000,000.00	0.00	441,700.92	441,700.92	0.00	0.00	95,000,000.00
M2	51,250,000.00	51,250,000.00	0.00	240,421.44	240,421.44	0.00	0.00	51,250,000.00
M3	43,750,000.00	43,750,000.00	0.00	207,060.73	207,060.73	0.00	0.00	43,750,000.00
M4	22,500,000.00	22,500,000.00	0.00	113,613.38	113,613.38	0.00	0.00	22,500,000.00
M5	32,500,000.00	32,500,000.00	0.00	165,462.38	165,462.38	0.00	0.00	32,500,000.00
M6	25,000,000.00	25,000,000.00	0.00	129,362.08	129,362.08	0.00	0.00	25,000,000.00
B1	25,000,000.00	25,000,000.00	0.00	134,330.23	134,330.23	0.00	0.00	25,000,000.00
B2	25,000,000.00	25,000,000.00	0.00	134,330.23	134,330.23	0.00	0.00	25,000,000.00
B3	25,000,000.00	25,000,000.00	0.00	167,903.75	167,903.75	0.00	0.00	25,000,000.00
B4	18,750,000.00	18,750,000.00	0.00	132,177.81	132,177.81	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	1,285,954,386.54	53,897,801.77	5,960,454.36	59,858,256.13	0.00	0.00	1,232,056,584.77
C	2,500,000,000.00	1,317,204,647.23	0.00	3,115,731.96	3,115,731.96	0.00	0.00	1,263,306,845.46

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FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE							
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CURRENT PASS-THRU RATE
A1A	66987WBN6	451.43829788	25.68059098	1.99361924	27.67421022	425.75770690	5.299380%
A1B	66987WBP1	451.43829784	25.68059096	2.01619115	27.69678211	425.75770688	5.359380%
A2A	66987WBQ9	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	5.149380%
A2B	66987WBR7	712.01247826	97.93800854	3.14435393	101.08236247	614.07446972	5.299380%
A2C	66987WBS5	1,000.00000000	0.00000000	4.54948338	4.54948338	1,000.00000000	5.459380%
M1	66987WBT3	1,000.00000000	0.00000000	4.64948337	4.64948337	1,000.00000000	5.579380%
M2	66987WBU0	1,000.00000000	0.00000000	4.69115005	4.69115005	1,000.00000000	5.629380%
M3	66987WBV8	1,000.00000000	0.00000000	4.73281669	4.73281669	1,000.00000000	5.679380%
M4	66987WBW6	1,000.00000000	0.00000000	5.04948356	5.04948356	1,000.00000000	6.059380%
M5	66987WBX4	1,000.00000000	0.00000000	5.09115015	5.09115015	1,000.00000000	6.109380%
M6	66987WBY2	1,000.00000000	0.00000000	5.17448320	5.17448320	1,000.00000000	6.209380%
B1	66987WBZ9	1,000.00000000	0.00000000	5.37320920	5.37320920	1,000.00000000	6.447851%
B2	66987WCA3	1,000.00000000	0.00000000	5.37320920	5.37320920	1,000.00000000	6.447851%
B3	66987WCB1	1,000.00000000	0.00000000	6.71615000	6.71615000	1,000.00000000	8.059380%
B4	66987WCC9	1,000.00000000	0.00000000	7.04948320	7.04948320	1,000.00000000	8.459380%
TOTALS		520.89291607	21.83202097	2.41436126	24.24638223	499.06089510	
C	66987WCE5	526.88185889	0.00000000	1.24629278	1.24629278	505.32273818	0.000000%

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	REMIC Available Funds - Group I	46,574,710.38
	REMIC Available Funds - Group II	14,336,769.93
Sec. 4.03	Principal	
	Group I Scheduled Principal	800,193.24
	Group I Prepayments in Full	37,826,325.44
	Group I Curtailments	349,598.96
	Group I Net Liquidation Proceeds	1,426,133.70
	Group I Realized Losses	698,794.71
	Group II Scheduled Principal	224,923.84
	Group II Prepayments in Full	12,189,669.98
	Group II Curtailments	18,670.32
	Group II Net Liquidation Proceeds	189,314.47
	Group II Realized Losses	200,317.40
	Total Scheduled Principal	1,025,117.08
	Total Prepayments in Full	50,015,995.42
	Total Curtailments	368,269.28
	Total Net Liquidation Proceeds	1,615,448.17
	Total Realized Losses	899,112.11
Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1A	32,845,475.86
	Class A-1B	8,212,652.99
	Class A-2A	0.00
	Class A-2B	12,839,672.92
	Class A-2C	0.00
	Class M-1	0.00
	Class M-4	0.00
	Class M-5	0.00

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	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	2,549,839.01
	Class A-1B	644,777.93
	Class A-2A	0.00
	Class A-2b	412,224.80
	Class A-2C	487,249.67
	Class M-1	441,700.92
	Class M-2	240,421.44
	Class M-3	207,060.73
	Class M-4	113,613.38
	Class M-5	165,462.38
	Class M-6	129,362.08
	Class B-1	134,330.23
	Class B-2	134,330.23
	Class B-3	167,903.75
	Class B-4	132,177.81

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Sec. 4.03(a)(iii)	Pool Balances		
	Group I Beginning Pool Balance		1,021,287,378.60
	Group I Ending Pool Balance		980,217,853.45
	Group II Beginning Pool Balance		295,917,007.94
	Group II Ending Pool Balance		283,088,731.32
	Total Beginning Pool Balance		1,317,204,386.54
	Total Ending Pool Balance		1,263,306,584.77
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
	Number of Mortgage Loans		8,879
	Aggregate Principal Balance of Mortgage Loans		1,263,306,584.77
	Beginning Weighted Average Mortgage Rate		7.5839%
	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		913,922,527.56
	Number of 0-30 Days		6,844
	Balance of 30-59 Days		7,750,960.06
	Number of 30-59 Days		61
	Balance of 60-89 Days		3,713,975.03
	Number of 60-89 Days		28
	Balance of 90+ Days		3,253,313.50
	Number of 90+ Days		31
	Contractual Bankruptcy - Group I		
	Balance of 0-30 Days		3,446,355.03
	Number of 0-30 Days		30
	Balance of 30-59 Days		392,551.83

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	Number of 30-59 Days	5
	Balance of 60-89 Days	262,700.28
	Number of 60-89 Days	4
	Balance of 90+ Days	7,889,344.30
	Number of 90+ Days	65
	Legal Delinquency - Group I	
	Balance of 0-30 Days	913,922,527.56
	Number of 0-30 Days	6,844
	Balance of 30-59 Days	7,750,960.06
	Number of 30-59 Days	61
	Balance of 60-89 Days	3,713,975.03
	Number of 60-89 Days	28
	Balance of 90+ Days	3,253,313.50
	Number of 90+ Days	31
	Legal Bankruptcy - Group I	
	Balance of 0-30 Days	7,501,169.66
	Number of 0-30 Days	65
	Balance of 30-59 Days	1,189,942.94
	Number of 30-59 Days	13
	Balance of 60-89 Days	718,565.34
	Number of 60-89 Days	6
	Balance of 90+ Days	2,581,273.50
	Number of 90+ Days	20
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group I	
	Balance of 0-30 Days	1,082,800.83
	Number of 0-30 Days	9
	Balance of 30-59 Days	628,224.82
	Number of 30-59 Days	4
	Balance of 60-89 Days	254,052.15
	Number of 60-89 Days	1

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Balance of 90+ Days	17,770,114.21
Number of 90+ Days	136
Contractual Delinquency - Group II	
Balance of 0-30 Days	269,036,592.26
Number of 0-30 Days	1,411
Balance of 30-59 Days	641,841.80
Number of 30-59 Days	4
Balance of 60-89 Days	1,265,615.19
Number of 60-89 Days	7
Balance of 90+ Days	327,105.30
Number of 90+ Days	2
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	382,371.83
Number of 0-30 Days	3
Balance of 30-59 Days	57,992.98
Number of 30-59 Days	1
Balance of 60-89 Days	151,913.76
Number of 60-89 Days	1
Balance of 90+ Days	2,324,050.26
Number of 90+ Days	13
Legal Delinquency - Group II	
Balance of 0-30 Days	269,036,592.26
Number of 0-30 Days	1,411
Balance of 30-59 Days	641,841.80
Number of 30-59 Days	4
Balance of 60-89 Days	1,265,615.19
Number of 60-89 Days	7
Balance of 90+ Days	327,105.30
Number of 90+ Days	2

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	Legal Bankruptcy - Group II	
	Balance of 0-30 Days	1,561,770.56
	Number of 0-30 Days	10
	Balance of 30-59 Days	126,236.31
	Number of 30-59 Days	2
	Balance of 60-89 Days	181,921.48
	Number of 60-89 Days	2
	Balance of 90+ Days	1,046,400.48
	Number of 90+ Days	4
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group II	0.00
	Balance of 0-30 Days	79,027.93
	Number of 0-30 Days	1
	Balance of 30-59 Days	458,400.00
	Number of 30-59 Days	1
	Balance of 60-89 Days	25,838.50
	Number of 60-89 Days	1
	Balance of 90+ Days	4,125,426.28
	Number of 90+ Days	26

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Sec. 4.03(a)(v) C

Loans in REO

REO Group Report			
Group Number	Number of Loans	Principal Balance	Percentage
1	162	19,850,933.85	2.03%
2	28	4,212,555.23	1.49%

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Sec. 4.03(a)(vi)	Principal Prepayments	
	Group I Prepayments	37,826,325.44
	Group II Prepayments	12,189,669.98
Sec. 4.03 (a)(vii)	Realized Losses	
	Group I Liquidated Loan Balance	2,093,407.51
	Group I Net Liquidation Proceeds	1,426,133.70
	Group I Current Period Realized Losses	698,794.71
	Group I Recoveries of Prior Losses	2,808.96
	Group I Subsequent Losses	23,940.00
	Group I Cumulative Liquidated Loan Balance	15,241,009.42
	Group I Cumulative Net Liquidation Proceeds	11,071,694.12
	Group I Cumulative Recoveries of Prior Losses	103,974.11
	Group I Cumulative Subsequent Losses	241,642.61
	Group I Cumulative Realized Losses	4,334,333.83
	Group II Liquidated Loan Balance	395,012.48
	Group II Net Liquidation Proceeds	189,314.47
	Group II Current Period Realized Losses	200,317.40
	Group II Recoveries of Prior Losses	5,380.61
	Group II Subsequent Losses	0.00
	Group II Cumulative Liquidated Loan Balance	4,846,930.07
	Group II Cumulative Net Liquidation Proceeds	4,170,661.32
	Group II Cumulative Recoveries of Prior Losses	57,077.69
	Group II Cumulative Subsequent Losses	168.25
	Group II Cumulative Realized Losses	622,847.29
	Total Liquidated Loan Balance	2,488,419.99

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	Total Net Liquidation Proceeds	1,615,448.17
	Total Current Period Realized Losses	899,112.11
	Total Recoveries of Prior Losses	8,189.57
	Total Subsequent Losses	23,940.00
	Total Cumulative Liquidated Loan Balance	20,087,939.49
	Total Cumulative Net Liquidation Proceeds	15,242,355.44
	Total Cumulative Recoveries of Prior Losses	161,051.80
	Total Cumulative Subsequent Losses	241,810.86
	Total Cumulative Realized Losses	4,957,181.12
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	29.99%

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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

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Sec. 4.03 (a)(xiii)

REMIC Pass-Through Rates

REMIC Pass-Through Rate - A-1A	5.2994%
REMIC Pass-Through Rate - A-1B	5.3594%
REMIC Pass-Through Rate - A-2A	5.1494%
REMIC Pass-Through Rate - A-2B	5.2994%
REMIC Pass-Through Rate - A-2C	5.4594%
REMIC Pass-Through Rate - M-1	5.5794%
REMIC Pass-Through Rate - M-2	5.6294%
REMIC Pass-Through Rate - M-3	5.6794%
REMIC Pass-Through Rate - M-4	6.0594%
REMIC Pass-Through Rate - M-5	6.1094%
REMIC Pass-Through Rate - M-6	6.2094%
REMIC Pass-Through Rate - B-1	6.4479%
REMIC Pass-Through Rate - B-2	6.4479%
REMIC Pass-Through Rate - B-3	8.0594%
REMIC Pass-Through Rate - B-4	8.4594%
Next REMIC Pass-Through Rate - A-1A	5.4213%
Next REMIC Pass-Through Rate - A-1B	5.4813%
Next REMIC Pass-Through Rate - A-2A	5.2713%
Next REMIC Pass-Through Rate - A-2B	5.4213%
Next REMIC Pass-Through Rate - A-2C	5.5813%
Next REMIC Pass-Through Rate - M-1	5.7013%
Next REMIC Pass-Through Rate - M-2	5.7513%
Next REMIC Pass-Through Rate - M-3	5.8013%
Next REMIC Pass-Through Rate - M-4	6.1813%
Next REMIC Pass-Through Rate - M-5	6.2313%
Next REMIC Pass-Through Rate - M-6	6.3313%
Next REMIC Pass-Through Rate - B-1	6.7813%
Next REMIC Pass-Through Rate - B-2	6.8813%
Next REMIC Pass-Through Rate - B-3	8.1813%
Next REMIC Pass-Through Rate - B-3	8.5813%

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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		1,232,056,584.77
	Swap Notional Amount		1,225,000,000.00
	Difference		7,056,584.77
	Funds paid to Swap Counterparty		-2,068,194.42

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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	671,661.73
	Insurance Proceeds	0.00