

NovaStar Mortgage Funding Trust, Series 2006-1**November 27, 2006****Table of Contents**

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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	767,078,000.00	636,799,050.29	30,472,721.79	3,198,853.90	33,671,575.69	0.00	0.00	606,326,328.50
A2A	182,000,000.00	122,316,763.02	11,849,142.36	603,225.50	12,452,367.86	0.00	0.00	110,467,620.66
A2B	91,700,000.00	91,700,000.00	0.00	456,436.75	456,436.75	0.00	0.00	91,700,000.00
A2C	71,400,000.00	71,400,000.00	0.00	358,666.00	358,666.00	0.00	0.00	71,400,000.00
A2D	32,621,000.00	32,621,000.00	0.00	167,155.44	167,155.44	0.00	0.00	32,621,000.00
M1	78,300,000.00	78,300,000.00	0.00	403,375.50	403,375.50	0.00	0.00	78,300,000.00
M2	21,600,000.00	21,600,000.00	0.00	112,266.00	112,266.00	0.00	0.00	21,600,000.00
M3	18,900,000.00	18,900,000.00	0.00	99,272.25	99,272.25	0.00	0.00	18,900,000.00
M4	18,225,000.00	18,225,000.00	0.00	96,228.00	96,228.00	0.00	0.00	18,225,000.00
M5	12,825,000.00	12,825,000.00	0.00	68,774.06	68,774.06	0.00	0.00	12,825,000.00
M6	10,125,000.00	10,125,000.00	0.00	58,657.50	58,657.50	0.00	0.00	10,125,000.00
M7	8,775,000.00	8,775,000.00	0.00	51,801.75	51,801.75	0.00	0.00	8,775,000.00
M8	7,425,000.00	7,425,000.00	0.00	49,481.44	49,481.44	0.00	0.00	7,425,000.00
M9	8,775,000.00	8,775,000.00	0.00	62,902.13	62,902.13	0.00	0.00	8,775,000.00
M10	6,750,000.00	6,750,000.00	0.00	48,386.25	48,386.25	0.00	0.00	6,750,000.00
M11	6,750,000.00	6,750,000.00	0.00	48,386.25	48,386.25	0.00	0.00	6,750,000.00
C	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TRUST_CERT	0.00	0.00	0.00	1,885,850.45	1,885,850.45	0.00	0.00	0.00
TOTALS	1,343,249,000.00	1,153,286,813.31	42,321,864.15	7,769,719.17	50,091,583.32	0.00	0.00	1,110,964,949.16

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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	669884AA6	830.16205691	39.72571471	4.17018074	43.89589545	790.43634220	5.480000%
A2A	669884AB4	672.07012648	65.10517780	3.31442582	68.41960363	606.96494868	5.380000%
A2B	669884AC2	1,000.00000000	0.00000000	4.97750000	4.97750000	1,000.00000000	5.430000%
A2C	669884AD0	1,000.00000000	0.00000000	5.02333333	5.02333333	1,000.00000000	5.480000%
A2D	669884AE8	1,000.00000000	0.00000000	5.12416664	5.12416664	1,000.00000000	5.590000%
M1	669884AF5	1,000.00000000	0.00000000	5.15166667	5.15166667	1,000.00000000	5.620000%
M2	669884AG3	1,000.00000000	0.00000000	5.19750000	5.19750000	1,000.00000000	5.670000%
M3	669884AH1	1,000.00000000	0.00000000	5.25250000	5.25250000	1,000.00000000	5.730000%
M4	669884AJ7	1,000.00000000	0.00000000	5.28000000	5.28000000	1,000.00000000	5.760000%
M5	669884AK4	1,000.00000000	0.00000000	5.36249981	5.36249981	1,000.00000000	5.850000%
M6	669884AL2	1,000.00000000	0.00000000	5.79333333	5.79333333	1,000.00000000	6.320000%
M7	669884AM0	1,000.00000000	0.00000000	5.90333333	5.90333333	1,000.00000000	6.440000%
M8	669884AN8	1,000.00000000	0.00000000	6.66416700	6.66416700	1,000.00000000	7.270000%
M9	669884AP3	1,000.00000000	0.00000000	7.16833390	7.16833390	1,000.00000000	7.820000%
M10	669884AQ1	1,000.00000000	0.00000000	7.16833333	7.16833333	1,000.00000000	7.820000%
M11	669884AR9	1,000.00000000	0.00000000	7.16833333	7.16833333	1,000.00000000	7.820000%
TOTALS		858.58006469	31.50708778	5.78427318	37.29136096	827.07297691	

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Available Funds - Group I	35,281,290.66
Available Funds - Group II	14,240,334.31
 Principal	
Group I Scheduled Principal	445,447.89
Group I Prepayments in Full	29,682,846.49
Group I Curtailments	183,902.61
Group I Net Liquidation Proceeds	157,605.73
Group I Realized Losses	4,054.13
Group II Scheduled Principal	165,072.47
Group II Prepayments in Full	11,639,802.97
Group II Curtailments	43,131.86
Group II Net Liquidation Proceeds	0.00
Group II Realized Losses	0.00
Total Scheduled Principal	610,520.36
Total Prepayments in Full	41,322,649.46
Total Curtailments	227,034.47
Total Net Liquidation Proceeds	157,605.73
Total Realized Losses	4,054.13
 Distributions of Principal	
Class A-1A	30,472,721.79
Class A-2A	11,849,142.36
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
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 M7	0.00
Class M8	0.00
Class M9	0.00
Class M10	0.00
Class M11	0.00

Distributions of Interest

Class A-1A	3,198,853.90
Class A-2A	603,225.50
Class A-2b	456,436.75
Class A-2C	358,666.00
Class A-2D	167,155.44
Class M-1	403,375.50
Class M-2	112,266.00
Class M-3	99,272.25
Class M-4	96,228.00
Class M-5	68,774.06
Class M-6	58,657.50
Class M-7	51,801.75
Class M-8	49,481.44
Class M-9	62,902.13
Class M-10	48,386.25
Class M-11	48,386.25

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Pool Balances

Group I Beginning Pool Balance	774,580,311.63
Group I Ending Pool Balance	744,106,454.78
Group II Beginning Pool Balance	385,456,499.15
Group II Ending Pool Balance	373,608,491.85
Total Beginning Pool Balance	1,160,036,810.78
Total Ending Pool Balance	1,117,714,946.63

Mortgage Loan Information as of Determination Date

Number of Mortgage Loans	6,768
Aggregate Principal Balance of Mortgage Loans	1,117,714,946.63
Beginning Weighted Average Mortgage Rate	8.5927%
Swap Funds Outgoing Payment	0.00
Swap Funds Received	529,725.01
Wachovia Swap	97,866.67
Deutsche Swap	129,687.50
Greenwich Swap	302,170.84
Cap Funds Received	86,166.67
Cap Fee	45,933.33

Loans Delinquent

Contractual Delinquency - Group I

Balance of 0-30 Days	694,793,692.46
Number of 0-30 Days	4,540
Balance of 30-59 Days	15,887,075.26
Number of 30-59 Days	102
Balance of 60-89 Days	7,375,813.49
Number of 60-89 Days	49
Balance of 90+ Days	1,484,473.77

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Number of 90+ Days	9
Contractual Bankruptcy - Group I	
Balance of 0-30 Days	466,044.53
Number of 0-30 Days	5
Balance of 30-59 Days	289,103.30
Number of 30-59 Days	2
Balance of 60-89 Days	370,198.67
Number of 60-89 Days	3
Balance of 90+ Days	2,543,838.54
Number of 90+ Days	15
Legal Delinquency - Group I	
Balance of 0-30 Days	694,793,692.46
Number of 0-30 Days	4,540
Balance of 30-59 Days	15,887,075.26
Number of 30-59 Days	102
Balance of 60-89 Days	7,375,813.49
Number of 60-89 Days	49
Balance of 90+ Days	1,484,473.77
Number of 90+ Days	9
Legal Bankruptcy - Group I	
Balance of 0-30 Days	2,831,736.69
Number of 0-30 Days	21
Balance of 30-59 Days	265,713.16
Number of 30-59 Days	2
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 90+ Days	571,735.19
Number of 90+ Days	2
Loans in Foreclosure - Group I	

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Balance of 0-30 Days	996,901.53
Number of 0-30 Days	5
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	133,553.71
Number of 60-89 Days	2
Balance of 90+ Days	15,862,810.08
Number of 90+ Days	79
Contractual Delinquency - Group II	
Balance of 0-30 Days	339,794,372.66
Number of 0-30 Days	1,759
Balance of 30-59 Days	4,962,292.10
Number of 30-59 Days	35
Balance of 60-89 Days	8,941,741.35
Number of 60-89 Days	37
Balance of 90+ Days	206,005.77
Number of 90+ Days	4
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	303,143.41
Number of 0-30 Days	4
Balance of 30-59 Days	106,686.50
Number of 30-59 Days	1
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 90+ Days	163,743.88
Number of 90+ Days	2
Legal Delinquency - Group II	
Balance of 0-30 Days	339,794,372.66
Number of 0-30 Days	1,759
Balance of 30-59 Days	4,962,292.10

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Number of 30-59 Days	35
Balance of 60-89 Days	8,941,741.35
Number of 60-89 Days	37
Balance of 90+ Days	206,005.77
Number of 90+ Days	4
Legal Bankruptcy - Group II	
Balance of 0-30 Days	540,098.32
Number of 0-30 Days	6
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	33,475.47
Number of 90+ Days	1
Loans in Foreclosure - Group II	0.00
Balance of 0-30 Days	0.00
Number of 0-30 Days	0
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	1,299,691.54
Number of 60-89 Days	6
Balance of 90+ Days	13,422,748.17
Number of 90+ Days	58

Loans in REO

REO Group Report			
Group Number	Number of Loans	Principal Balance	Percentage
1	27	3,902,949.44	0.52%

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REO Group Report			
Group Number	Number of Loans	Principal Balance	Percentage
2	24	4,408,066.47	1.18%

Principal Prepayments

Group I Prepayments	29,682,846.49
Group II Prepayments	11,639,802.97

Realized Losses

Group I Liquidated Loan Balance	161,659.86
Group I Net Liquidation Proceeds	157,605.73
Group I Current Period Realized Losses	4,054.13
Group I Recoveries of Prior Losses	0.00
Group I Subsequent Losses	0.00
Group I Cumulative Liquidated Loan Balance	271,251.31
Group I Cumulative Net Liquidation Proceeds	252,189.45
Group I Cumulative Recoveries of Prior Losses	0.00
Group I Cumulative Subsequent Losses	0.00
Group I Cumulative Realized Losses	19,061.86
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	1,657,803.11
Group II Cumulative Net Liquidation Proceeds	1,408,777.56

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Group II Cumulative Recoveries of Prior Losses	0.00
Group II Cumulative Subsequent Losses	47,079.00
Group II Cumulative Realized Losses	304,255.63
Total Liquidated Loan Balance	161,659.86
Total Net Liquidation Proceeds	157,605.73
Total Current Period Realized Losses	4,054.13
Total Recoveries of Prior Losses	0.00
Total Subsequent Losses	0.00
Total Cumulative Liquidated Loan Balance	1,929,054.42
Total Cumulative Net Liquidation Proceeds	1,660,967.01
Total Cumulative Recoveries of Prior Losses	0.00
Total Cumulative Subsequent Losses	47,079.00
Total Cumulative Realized Losses	323,317.49

Unpaid Interest Shortfall Amounts

Unpaid Interest Shortfall - A-1A	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

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Unpaid Interest Shortfall - M10	0.00
Unpaid Interest Shortfall - M11	0.00
Prepayment Interest Shortfalls not covered by the Servicer	0.00
Credit Enhancement Percentage	17.69%
Available Funds Cap Shortfall Amount	
Current Period Available Funds Cap Shortfall Amount - A-1A	0.00
Current Period Available Funds Cap Shortfall Amount - A-2A	0.00
Current Period Available Funds Cap Shortfall Amount - A-2B	0.00
Current Period Available Funds Cap Shortfall Amount - A-2C	0.00
Current Period Available Funds Cap Shortfall Amount - A-2D	0.00
Current Period Available Funds Cap Shortfall Amount - M-1	0.00
Current Period Available Funds Cap Shortfall Amount - M-2	0.00
Current Period Available Funds Cap Shortfall Amount - M-3	0.00
Current Period Available Funds Cap Shortfall Amount - M-4	0.00
Current Period Available Funds Cap Shortfall Amount - M-5	0.00
Current Period Available Funds Cap Shortfall Amount - M-6	0.00
Current Period Available Funds Cap Shortfall Amount - M7	0.00
Current Period Available Funds Cap Shortfall Amount - M8	3,398.13
Current Period Available Funds Cap Shortfall Amount - M9	8,440.03
Current Period Available Funds Cap Shortfall Amount - M10	6,492.33
Current Period Available Funds Cap Shortfall Amount - M11	6,492.33
Available Funds Cap Shortfall Amount Repaid This Period- A-1A	0.00
Available Funds Cap Shortfall Amount Repaid This Period- A-2A	0.00
Available Funds Cap Shortfall Amount Repaid This Period- A-2B	0.00
Available Funds Cap Shortfall Amount Repaid This Period- A-2C	0.00
Available Funds Cap Shortfall Amount Repaid This Period- A-2D	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-1	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-2	0.00

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Available Funds Cap Shortfall Amount Repaid This Period- M-3	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-4	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-5	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-6	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M7	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M8	3,398.13
Available Funds Cap Shortfall Amount Repaid This Period- M9	8,440.03
Available Funds Cap Shortfall Amount Repaid This Period- M10	6,492.33
Available Funds Cap Shortfall Amount Repaid This Period- M11	6,492.33
Remaining Available Funds Cap Shortfall Amount - A-1A	0.00
Remaining Available Funds Cap Shortfall Amount - A-2A	0.00
Remaining Available Funds Cap Shortfall Amount - A-2B	0.00
Remaining Available Funds Cap Shortfall Amount - A-2C	0.00
Remaining Available Funds Cap Shortfall Amount - A-2D	0.00
Remaining Available Funds Cap Shortfall Amount - M-1	0.00
Remaining Available Funds Cap Shortfall Amount - M-2	0.00
Remaining Available Funds Cap Shortfall Amount - M-3	0.00
Remaining Available Funds Cap Shortfall Amount - M-4	0.00
Remaining Available Funds Cap Shortfall Amount - M-5	0.00
Remaining Available Funds Cap Shortfall Amount - M-6	0.00
Remaining Available Funds Cap Shortfall Amount - M7	0.00
Remaining Available Funds Cap Shortfall Amount - M8	0.00
Remaining Available Funds Cap Shortfall Amount - M9	0.00
Remaining Available Funds Cap Shortfall Amount - M10	0.00
Remaining Available Funds Cap Shortfall Amount - M11	0.00
REMIC Pass-Thru Rates	
REMIC Pass-Thru Rate - A-1A	5.4800%
REMIC Pass-Thru Rate - A-2A	5.3800%
REMIC Pass-Thru Rate - A-2B	5.4300%
REMIC Pass-Thru Rate - A-2C	5.4800%

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REMIC Pass-Thru Rate - A-2D	5.5900%
REMIC Pass-Thru Rate - M-1	5.6200%
REMIC Pass-Thru Rate - M-2	5.6700%
REMIC Pass-Thru Rate - M-3	5.7300%
REMIC Pass-Thru Rate - M-4	5.7600%
REMIC Pass-Thru Rate - M-5	5.8500%
REMIC Pass-Thru Rate - M-6	6.3200%
REMIC Pass-Thru Rate - M7	6.4400%
REMIC Pass-Thru Rate - M8	7.2700%
REMIC Pass-Thru Rate - M9	7.8200%
REMIC Pass-Thru Rate - M10	7.8200%
REMIC Pass-Thru Rate - M11	7.8200%
Next REMIC Pass-Thru Rate - A-1A	5.4800%
Next REMIC Pass-Thru Rate - A-2A	5.3800%
Next REMIC Pass-Thru Rate - A-2B	5.4300%
Next REMIC Pass-Thru Rate - A-2C	5.4800%
Next REMIC Pass-Thru Rate - A-2D	5.5900%
Next REMIC Pass-Thru Rate - M-1	5.6200%
Next REMIC Pass-Thru Rate - M-2	5.6700%
Next REMIC Pass-Thru Rate - M-3	5.7300%
Next REMIC Pass-Thru Rate - M-4	5.7600%
Next REMIC Pass-Thru Rate - M-5	5.8500%
Next REMIC Pass-Thru Rate - M-6	6.3200%
Next REMIC Pass-Thru Rate - M-7	6.4400%
Next REMIC Pass-Thru Rate - M-8	7.2700%
Next REMIC Pass-Thru Rate - M-9	7.8200%
Next REMIC Pass-Thru Rate - M-10	7.8200%
Next REMIC Pass-Thru Rate - M-11	7.8200%

Underwritten Noteholders Principal Balance

1,110,964,949.16

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Overcollateralization Amounts

Required Overcollateralization Amount	6,749,997.47
Overcollateralization Amount	6,749,997.47

Excess Cashflow	0.00
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Mortgage Insurance

MI Premiums	614,611.87
Insurance Proceeds	0.00