

## NovaStar Mortgage Funding Trust, Series 2006-MTA1

October 27, 2008

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

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THE BANK OF NEW YORK MELLON

**NovaStar Mortgage Funding Trust, Series 2006-MTA1**  
**October 27, 2008**

DISTRIBUTION IN DOLLARS								
CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
IA1	518,700,000.00	294,184,211.05	412,531.81	892,196.65	1,304,728.46	0.00	0.00	293,771,679.24
IIA1A	331,740,000.00	174,714,369.48	1,836,206.54	527,541.11	2,363,747.65	0.00	0.00	172,878,162.94
IIA1B	138,225,000.00	72,799,472.95	765,105.17	223,049.82	988,154.99	0.00	0.00	72,034,367.78
IIA1C	82,935,000.00	43,680,338.61	459,069.99	134,996.71	594,066.70	0.00	0.00	43,221,268.62
M1	40,200,000.00	40,224,785.74	0.00	127,535.10	127,535.10	0.00	0.00	40,224,785.74
M2	19,200,000.00	19,212,029.97	0.00	61,254.44	61,254.44	0.00	0.00	19,212,029.97
M3	11,400,000.00	11,407,256.79	0.00	36,572.98	36,572.98	0.00	0.00	11,407,256.79
M4	9,600,000.00	9,606,590.98	0.00	31,653.76	31,653.76	0.00	0.00	9,606,590.98
M5	6,600,000.00	6,604,696.30	0.00	22,056.05	22,056.05	0.00	0.00	6,604,696.30
M6	6,000,000.00	6,004,419.36	0.00	20,318.31	20,318.31	0.00	0.00	6,004,419.36
M7	6,000,000.00	6,004,569.36	0.00	20,585.69	20,585.69	0.00	0.00	6,004,569.36
M8	6,000,000.00	6,006,519.36	0.00	24,062.81	24,062.81	0.00	0.00	6,006,519.36
M9	6,000,000.00	6,007,869.36	0.00	26,386.27	26,386.27	0.00	85.09	6,007,954.45
M10	6,000,000.00	6,007,869.36	0.00	26,386.27	26,386.27	0.00	85.09	6,007,954.45
TRUST_CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	1,188,600,000.00	702,464,998.67	3,472,913.51	2,174,595.97	5,647,509.48	0.00	170.18	698,992,255.34
X	1,061,223,414.00	713,117,881.06	0.00	413,137.78	413,137.78	0.00	0.00	709,282,279.31
C	11,400,000.00	10,652,882.39	0.00	0.00	0.00	0.00	0.00	10,290,023.97



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FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE							
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CURRENT PASS-THRU RATE
IA1	66988UAA8	567.15675930	0.79531870	1.72006295	2.51538165	566.36144060	3.411880%
IIA1A	66988UAB6	526.66054585	5.53507729	1.59022460	7.12530189	521.12546856	3.396880%
IIA1B	66988UAC4	526.67370555	5.53521555	1.61367206	7.14888761	521.13849000	3.446880%
IIA1C	66988UAD2	526.68160138	5.53529861	1.62774112	7.16303973	521.14630277	3.476880%
M1	66988UAF7	1,000.61656070	0.00000000	3.17251493	3.17251493	1,000.61656070	3.566880%
M2	66988UAG5	1,000.62656094	0.00000000	3.19033542	3.19033542	1,000.62656094	3.586880%
M3	66988UAH3	1,000.63656053	0.00000000	3.20815614	3.20815614	1,000.63656053	3.606880%
M4	66988UAJ9	1,000.68656042	0.00000000	3.29726667	3.29726667	1,000.68656042	3.706880%
M5	66988UAK6	1,000.71156061	0.00000000	3.34182576	3.34182576	1,000.71156061	3.756880%
M6	66988UAL4	1,000.73656000	0.00000000	3.38638500	3.38638500	1,000.73656000	3.806880%
M7	66988UAM2	1,000.76156000	0.00000000	3.43094833	3.43094833	1,000.76156000	3.856880%
M8	66988UAN0	1,001.08656000	0.00000000	4.01046833	4.01046833	1,001.08656000	4.506880%
M9	66988UAP5	1,001.31156000	0.00000000	4.39771167	4.39771167	1,001.32574167	4.940876%
M10	66988UAQ3	1,001.31156000	0.00000000	4.39771167	4.39771167	1,001.32574167	4.940876%
TOTALS		591.00201806	2.92185219	1.82954398	4.75139616	588.08030905	
X	66988UAE0	671.97714605	0.00000000	0.38930330	0.38930330	668.36282535	0.695208%
C	66988UAR1	934.46336754	0.00000000	0.00000000	0.00000000	902.63368158	0.000000%



## NovaStar Mortgage Funding Trust, Series 2006-MTA1

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## Principal and Interest Distribution

	Principal Distribution	Accrued Note Interest	Interest Distribution	Unpaid Interest Shortfall Amount	AFC Carryforward Amount	Remaining AFC Carryforward Amount
Class A1A	412,531.81	892,196.65	892,196.65	0.00	0.00	0.00
Class A2A	1,836,206.54	527,541.11	527,541.11	0.00	0.00	0.00
Class A2B	765,105.17	223,049.82	223,049.82	0.00	0.00	0.00
Class A2C	459,069.99	134,996.71	134,996.71	0.00	0.00	0.00
Class M1	0.00	127,535.10	127,535.10	0.00	0.00	0.00
Class M2	0.00	61,254.44	61,254.44	0.00	0.00	0.00
Class M3	0.00	36,572.98	36,572.98	0.00	0.00	0.00
Class M4	0.00	31,653.76	31,653.76	0.00	0.00	0.00
Class M5	0.00	22,056.05	22,056.05	0.00	0.00	0.00
Class M6	0.00	20,318.31	20,318.31	0.00	0.00	0.00
Class M7	0.00	20,585.69	20,585.69	0.00	0.00	0.00
Class M8	0.00	24,062.81	24,062.81	0.00	0.00	0.00
Class M9	0.00	24,962.45	26,386.27	0.00	1,423.82	0.00
Class M10	0.00	24,962.45	26,386.27	0.00	1,423.82	0.00

Credit Enhancement Percentage

17.90%



**NovaStar Mortgage Funding Trust, Series 2006-MTA1**

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Total Balance of Pre-Funding Account	0.00
Group I Balance of Pre-Funding Account	0.00
Group II Balance of Pre-Funding Account	0.00
Interest Earned on Pre-Funding Amount	0.00

**Section 4.03(a)(v) A      Loans Delinquent**

Contractual Delinquency

	Group I	Group II
Balance of 0 to 29 Days	229,509,757.00	219,014,836.61
Number of 0 to 29 Days	833	379
Balance of 30 to 59 Days	17,610,288.03	19,440,019.32
Number of 30 to 59 Days	56	28
Balance of 60 to 89 Days	7,774,978.73	11,757,665.50
Number of 60 to 89 Days	27	21
Balance of 90 Plus Days	61,233,090.39	67,381,530.58
Number of 90 Plus Days	192	118

Contractual Bankruptcy

	Group I	Group II
Balance of 0 to 29 Days	1,245,200.80	0.00
Number of 0 to 29 Days	4	0
Balance of 30 to 59 Days	489,407.47	521,914.51
Number of 30 to 59 Days	2	1
Balance of 60 to 89 Days	165,216.18	526,146.36
Number of 60 to 89 Days	1	2
Balance of 90 Plus Days	3,665,035.55	3,783,353.12
Number of 90 Plus Days	12	6

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## Legal Delinquency

	Group I	Group II
Balance of 0 to 29 Days	229,509,757.00	219,014,836.61
Number of 0 to 29 Days	833	379
Balance of 30 to 59 Days	17,610,288.03	19,440,019.32
Number of 30 to 59 Days	56	28
Balance of 60 to 89 Days	7,774,978.73	11,757,665.50
Number of 60 to 89 Days	27	21
Balance of 90 Plus Days	61,233,090.39	67,381,530.58
Number of 90 Plus Days	192	118

## Loans in Foreclosure

	Group I	Group II
Balance of 0 to 29 Days	0.00	0.00
Number of 0 to 29 Days	0	0
Balance of 30 to 59 Days	0.00	0.00
Number of 30 to 59 Days	0	0
Balance of 60 to 89 Days	0.00	0.00
Number of 60 to 89 Days	0	0
Balance of 90 Plus Days	25,842,994.54	20,224,778.95
Number of 90 Plus Days	83	34

## Legal Bankruptcy

	Group I	Group II
Balance of 0 to 29 Days	1,245,200.80	521,914.51
Number of 0 to 29 Days	4	1
Balance of 30 to 59 Days	489,407.47	529,814.53
Number of 30 to 59 Days	2	1
Balance of 60 to 89 Days	421,669.75	526,146.36
Number of 60 to 89 Days	2	2
Balance of 90 Plus Days	3,408,581.98	3,253,538.59
Number of 90 Plus Days	11	5



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## Total Delinquency Report

	Contractual Delinquency	Contractual Bankruptcy	Legal Delinquency	Loans in Foreclosure	Legal Bankruptcy
Balance of 0 to 29 Days	448,524,593.61	1,245,200.80	448,524,593.61	0.00	1,767,115.31
Number of 0 to 29 Days	1,212	4	1,212	0	5
Balance of 30 to 59 Days	37,050,307.35	1,011,321.98	37,050,307.35	0.00	1,019,222.00
Number of 30 to 59 Days	84	3	84	0	3
Balance of 60 to 89 Days	19,532,644.23	691,362.54	19,532,644.23	0.00	947,816.11
Number of 60 to 89 Days	48	3	48	0	4
Balance of 90 Plus Days	128,614,620.97	7,448,388.67	128,614,620.97	46,067,773.49	6,662,120.57
Number of 90 Plus Days	310	18	310	117	16
Total Aggregate Principal Amount	633,722,166.16	10,396,273.99	633,722,166.16	46,067,773.49	10,396,273.99
Total Number of Mortgage Loans	1,654	28	1,654	117	28



**NovaStar Mortgage Funding Trust, Series 2006-MTA1**

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**Sec. 4.03 (a)(vii)**

**Realized Losses**

Current Period Realized Losses

	Group I	Group II	Total
Liquidated Loan Balance	258,905.97	2,654,168.46	2,913,074.43
Net Liquidation Proceeds	115,471.85	1,679,769.30	1,795,241.15
Recoveries of Prior Losses	559.50	7,578.57	8,138.07
Subsequent Losses	9,156.64	7,875.51	17,032.15
Current Period Non Recoverables	0.00	0.00	0.00
Realized Losses	152,031.26	974,696.10	1,126,727.36

Cumulative Losses

	Group I	Group II	Total
Liquidated Loan Balance	7,490,704.35	20,871,218.33	28,361,922.68
Net Liquidation Proceeds	4,248,138.24	12,871,196.75	17,119,334.99
Recoveries of Prior Losses	134,687.78	26,567.60	161,255.38
Subsequent Losses	114,780.83	44,777.63	159,558.46
Non Recoverables Advances	0.00	0.00	0.00
Realized Losses	3,222,659.16	8,018,231.61	11,240,890.77

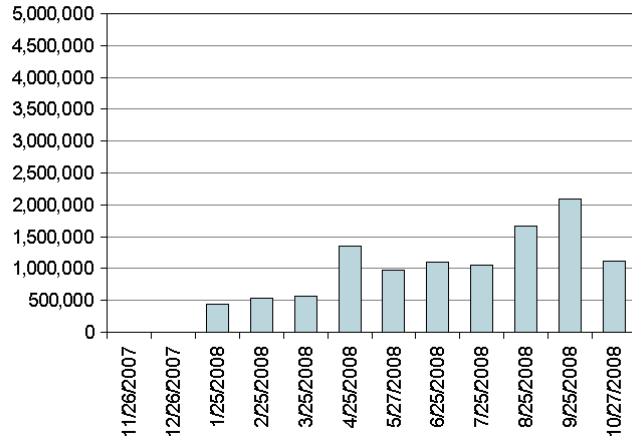
Realized Loss Report

	Total Current Loss	Total Cumulative Loss
Liquidated Loan Balance	2,913,074.43	28,361,922.68
Net Liquidation Proceeds	1,795,241.15	17,119,334.99
Recoveries of Prior Losses	8,138.07	161,255.38
Subsequent Losses	17,032.15	159,558.46
Non Recoverable Advances	0.00	0.00
Realized Losses	1,126,727.36	11,240,890.77

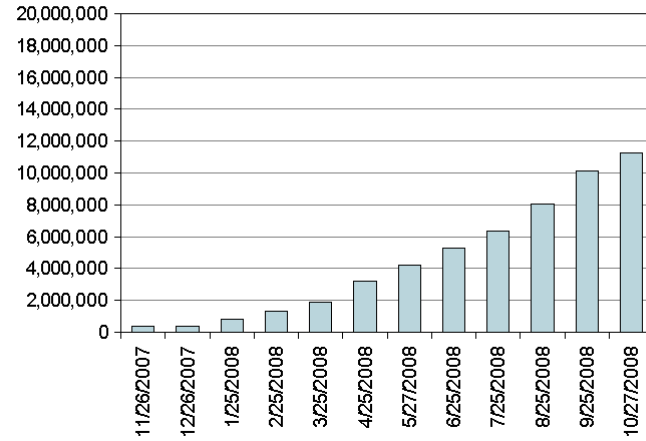
### NovaStar Mortgage Funding Trust, Series 2006-MTA1

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Current Loss



Cummulative Loss



**NovaStar Mortgage Funding Trust, Series 2006-MTA1**

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REMIC Pass Through Rates

	LIBOR Certificate Uncapped Pass Through Rate for Current Distribution Date	LIBOR Certificates Uncapped Pass Through Rate for Next Distribution Date
Class A1A	3.4119%	3.4638%
Class A2A	3.3969%	3.4488%
Class A2B	3.4469%	3.4988%
Class A2C	3.4769%	3.5288%
Class M1	3.5669%	3.6188%
Class M2	3.5869%	3.6388%
Class M3	3.6069%	3.6588%
Class M4	3.7069%	3.7588%
Class M5	3.7569%	3.8088%
Class M6	3.8069%	3.8588%
Class M7	3.8569%	3.9088%
Class M8	4.5069%	4.5588%
Class M9	4.9569%	5.0088%
Class M10	4.9569%	5.0088%



**NovaStar Mortgage Funding Trust, Series 2006-MTA1**

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**Overcollateralization Amounts**

Required Overcollateralization Amount	11,400,000.00
Overcollateralization Amount	10,290,023.97

Excess Cashflow	0.00
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**Mortgage Insurance**

MI Premiums	23,787.51
Insurance Proceeds	0.00

**Trigger Event Reporting**

3 Month Rolling Average Delinquency %	28.8648%
Senior Enhancement Percentage	4.6995%
Does the Delinquency Average % Exceed the Senior Enhancement Percentage?	YES

Aggregate Losses as a % of Initial Collateral Balance	0.9367%
Current Loss Threshold	0.2250%
Does the Aggregate Loss % Exceed the Loss Threshold?	YES

