NovaStar Mortgage Funding Trust, Series 2003-2

Statement to Certificateholders

February 25, 2004

DISTRIBUTION IN DOLLARS								
CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
A_1	1,000,000,000.00	918,697,375.61	19,198,246.38	1,075,641.51	20,273,887.89	0.00	0.00	899,499,129.23
A_2	320,000,000.00	280,680,669.21	6,299,000.68	336,816.80	6,635,817.48	0.00	0.00	274,381,668.53
M_1	63,750,000.00	63,750,000.00	0.00	98,281.25	98,281.25	0.00	0.00	63,750,000.00
M_2	52,500,000.00	52,500,000.00	0.00	129,062.50	129,062.50	0.00	0.00	52,500,000.00
M_3	15,000,000.00	15,000,000.00	0.00	41,875.00	41,875.00	0.00	0.00	15,000,000.00
B_1	15,000,000.00	15,000,000.00	0.00	53,125.00	53,125.00	0.00	0.00	15,000,000.00
B_2	15,000,000.00	15,000,000.00	0.00	61,875.00	61,875.00	0.00	0.00	15,000,000.00
O	18,750,001.00	18,750,001.25	0.00	0.00	0.00	0.00	0.00	18,750,001.25
P	100.00	100.00	0.00	478,077.69	478,077.69	0.00	0.00	100.00
TOTALS	1,500,000,101.00	1,379,378,146.07	25,497,247.06	2,274,754.75	27,772,001.81	0.00	0.00	1,353,880,899.01
X_1	1,500,000,100.00	1,379,378,146.07	0.00	4,612,817.15	4,612,817.15	0.00	0.00	1,353,880,899.01
X_2	400,502,570.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

NovaStar Mortgage Funding Trust, Series 2003-2

Statement to Certificateholders

February 25, 2004

FACTOR INFORMATION PER $1000 OF ORIGINAL FACE						
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
A_1	66987WAP2	918.69737561	19.19824638	1.07564151	20.27388789	899.49912923
A_2	66987WAQ0	877.12709128	19.68437713	1.05255250	20.73692963	857.44271416
M_1	66987WAR8	1,000.00000000	0.00000000	1.54166667	1.54166667	1,000.00000000
M_2	66987WAS6	1,000.00000000	0.00000000	2.45833333	2.45833333	1,000.00000000
M_3	66987WAT4	1,000.00000000	0.00000000	2.79166667	2.79166667	1,000.00000000
B_1	66987WAU1	1,000.00000000	0.00000000	3.54166667	3.54166667	1,000.00000000
B_2	66987WAV9	1,000.00000000	0.00000000	4.12500000	4.12500000	1,000.00000000
O	66987XCN3	1,000.00001333	0.00000000	0.00000000	0.00000000	1,000.00001333
P	66987XCL7	1,000.00000000	0.00000000	4,780,776.90000000	4,780,776.90000000	1,000.00000000
TOTALS		919.58536879	16.99816356	1.51650306	18.51466663	902.58720523
X_1	66987XCM5	919.58536941	0.00000000	3.07521123	3.07521123	902.58720583
X_2	66987XCM5	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000

PASS-THROUGH RATES	
CLASS	CURRENT PASS-THRU RATE
A_1	1.405000 %
A_2	1.440000 %
M_1	1.850000 %
M_2	2.950000 %
M_3	3.350000 %
B_1	4.250000 %
B_2	4.950000 %
O	.000000 %
P	.000000 %
X_1	4.012954 %
X_2	.000000 %

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

Elizabeth T. Smalls
JPMorgan Chase Bank - Structured Finance Services NY
4 NY PLAZA FLR 6, ITS SFS NY ABS
New York, New York 10004
Tel: (212) 623-5437
Email: ELIZABETH.SMALLS@CHASE.COM

JPMorgan

NovaStar Mortgage Funding Trust, Series 2003-2

February 25, 2004

	REMIC Available Funds - Group I	25,013,603.75
	REMIC Available Funds - Group II	8,086,522.30
Sec. 4.03	Principal	
	Group I Scheduled Principal	1,028,964.54
	Group I Prepayments in Full	17,955,288.53
	Group I Curtailments	130,183.06
	Group I Net Liquidation Proceeds	58,974.18
	Group I Realized Losses	32,984.86
	Group II Scheduled Principal	317,753.17
	Group II Prepayments in Full	5,957,142.56
	Group II Curtailments	15,956.16
	Group II Net Liquidation Proceeds	0.00
	Group II Realized Losses	0.00
	Total Scheduled Principal	1,346,717.71
	Total Prepayments in Full	23,912,431.09
	Total Curtailments	146,139.22
	Total Net Liquidation Proceeds	58,974.18
	Total Realized Losses	32,984.86

JPMorgan

NovaStar Mortgage Funding Trust, Series 2003-2

February 25, 2004

Sec. 4.03(a)(i)	Distributions of Principal		
		Class A-1	19,198,246.38
		Class A-2	6,299,000.68
		Class M-1	0.00
		Class M-2	0.00
		Class M-3	0.00
		Class B-1	0.00
		Class B-2	0.00
		Class P	0.00
Sec. 4.03(a)(ii)	Distributions of Interest		
		Class A-1	1,075,641.51
		Class A-2	336,816.80
		Class M-1	98,281.25
		Class M-2	129,062.50
		Class M-3	41,875.00
		Class B-1	53,125.00
		Class B-2	61,875.00
		Class I	709,312.50
		Class P - Prepay Penalty	478,077.69

JPMorgan

NovaStar Mortgage Funding Trust, Series 2003-2

February 25, 2004

Sec. 4.03(a)(iii) Pool Balances

Group I Beginning Pool Balance	1,055,037,684.60
Group I Ending Pool Balance	1,035,831,289.43
Group II Beginning Pool Balance	324,340,461.47
Group II Ending Pool Balance	318,049,609.58
Total Beginning Pool Balance	1,379,378,146.07
Total Ending Pool Balance	1,353,880,899.01

Sec. 4.03(a)(iv) Mortgage Loan Information as of Determination Date

Number of Mortgage Loans	9,714
Aggregate Principal Balance of Mortgage Loans	1,353,880,899.01
Beginning Weighted Average Mortgage Rate	7.2487 %
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 Group I and Group II Loans Delinquent

Group 1			
Period	Number	Principal Balance	Percentage
30-59 days	31	3,050,122.59	0.29 %
60-89 days	11	1,313,460.09	0.13 %
90+days	10	1,402,176.11	0.14 %
Total	52	5,765,758.79	0.56 %

NovaStar Mortgage Funding Trust, Series 2003-2

February 25, 2004

Group 2			
Period	Number	Principal Balance	Percentage
30-59 days	6	923,765.67	0.29 %
60-89 days	3	260,416.31	0.08 %
90+days	7	688,880.30	0.22 %
Total	16	1,873,062.28	0.59 %

Sec. 4.03 (a)(v) B Group I and Group II Loans in foreclosure

Group 1		
Number	Principal Balance	Percentage
49	7,173,250.03	0.69 %

Group 2		
Number	Principal Balance	Percentage
15	2,962,717.84	0.93 %

Sec. 4.03(a)(v) C Group I and Group II Loans in REO

Group 1		
Number	Principal Balance	Percentage
14	1,706,283.49	0.16 %

Group 2		
Number	Principal Balance	Percentage
3	202,086.12	0.06 %

JPMorgan

NovaStar Mortgage Funding Trust, Series 2003-2

February 25, 2004

Sec. 4.03(a)(vi)	Principal Prepayments	
	Group I Prepayments	17,955,288.53
	Group II Prepayments	5,957,142.56
Sec. 4.03 (a)(vii)	Realized Losses	
	Group I Liquidated Loan Balance	91,959.04
	Group I Net Liquidation Proceeds	58,974.18
	Group I Current Period Realized Losses	32,984.86
	Group I Recoveries of Prior Losses	0.00
	Group I Subsequent Losses	0.00
	Group I Cumulative Liquidated Loan Balance	259,114.55
	Group I Cumulative Net Liquidation Proceeds	157,496.87
	Group I Cumulative Recoveries of Prior Losses	6,882.21
	Group I Cumulative Subsequent Losses	6,606.85
	Group I Cumulative Realized Losses	101,342.32
	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

JPMorgan

NovaStar Mortgage Funding Trust, Series 2003-2

February 25, 2004

	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	91,959.04
	Total Net Liquidation Proceeds	58,974.18
	Total Current Period Realized Losses	32,984.86
	Total Recoveries of Prior Losses	0.00
	Total Subsequent Losses	0.00
	Total Cumulative Liquidated Loan Balance	259,114.55
	Total Cumulative Net Liquidation Proceeds	157,496.87
	Total Cumulative Recoveries of Prior Losses	6,882.21
	Total Cumulative Subsequent Losses	6,606.85
	Total Cumulative Realized Losses	101,342.32
Sec. 4.03 (a)(ix)	Unpaid Interest Shortfall Amounts	
	Unpaid Interest Shortfall - A-1	0.00
	Unpaid Interest Shortfall - A-2	0.00
	Unpaid Interest Shortfall - M-1	0.00
	Unpaid Interest Shortfall - M-2	0.00
	Unpaid Interest Shortfall - M-3	0.00

NovaStar Mortgage Funding Trust, Series 2003-2

February 25, 2004

	Unpaid Interest Shortfall - B-1	0.00
	Unpaid Interest Shortfall - B-2	0.00
	Unpaid Interest Shortfall - I	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	13.05 %
Sec. 4.03 (a)(xii)	Available Funds Cap Carryforward Amount	
	Available Funds Cap Carryforward Amount Paid - A-1	0.00
	Available Funds Cap Carryforward Amount Paid - A-2	0.00
	Available Funds Cap Carryforward Amount Paid - M-1	0.00
	Available Funds Cap Carryforward Amount Paid - M-2	0.00
	Available Funds Cap Carryforward Amount Paid - M-3	0.00
	Available Funds Cap Carryforward Amount Paid - B-1	0.00
	Available Funds Cap Carryforward Amount Paid - B-2	0.00
	Remaining Available Funds Cap Carryforward Amount - A-1	0.00
	Remaining Available Funds Cap Carryforward Amount - A-2	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 - B-1	0.00
	Remaining Available Funds Cap Carryforward Amount - B-2	0.00

NovaStar Mortgage Funding Trust, Series 2003-2

February 25, 2004

Sec. 4.03 (a)(xiii) REMIC Pass-Through Rates

REMIC Pass-Through Rate - A-1	1.4050 %
REMIC Pass-Through Rate - A-2	1.4400 %
REMIC Pass-Through Rate - M-1	1.8500 %
REMIC Pass-Through Rate - M-2	2.9500 %
REMIC Pass-Through Rate - M-3	3.3500 %
REMIC Pass-Through Rate - B-1	4.2500 %
REMIC Pass-Through Rate - B-2	4.9500 %
Next REMIC Pass-Through Rate - A-1	0.3050 %
Next REMIC Pass-Through Rate - A-2	0.3400 %
Next REMIC Pass-Through Rate - M-1	0.7500 %
Next REMIC Pass-Through Rate - M-2	1.8500 %
Next REMIC Pass-Through Rate - M-3	2.2500 %
Next REMIC Pass-Through Rate - B-1	3.1500 %
Next REMIC Pass-Through Rate - B-2	3.8500 %

JPMorgan

NovaStar Mortgage Funding Trust, Series 2003-2

February 25, 2004

Sec. 4.03 (a)(xiv)	Supplemental Interest payment		
		Supplemental Interest payment - A-1	0.00
		Supplemental Interest payment - A-2	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 - B-1	0.00
		Supplemental Interest payment - B-2	0.00
Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
		Underwritten Certificates Principal Balance	1,335,130,897.76
		Swap Notional Amount	850,000,000.00
		Difference	485,130,897.76
		Funds paid to Swap Counterparty	709,312.50
Sec. 4.03 (a)(xvi)	Overcollateralization Amounts		
		Required Overcollateralization Amount	18,750,001.25
		Overcollateralization Amount	18,750,001.25
Sec. 4.03 (a)(xvi)	Excess Cashflow		4,645,802.01

JPMorgan