

NovaStar Mortgage Funding Trust Series 2003-4

Statement to Certificateholders

August 25, 2004

DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
A1	1,074,859,000.00	961,361,371.95	32,276,858.09	1,458,064.75	33,734,922.84	0.00	0.00	929,084,513.86
A2A	52,000,000.00	37,799,232.61	2,508,612.40	52,603.93	2,561,216.33	0.00	0.00	35,290,620.21
A2B	25,101,000.00	25,101,000.00	0.00	41,835.00	41,835.00	0.00	0.00	25,101,000.00
A2C	77,102,000.00	62,901,048.43	2,508,644.93	95,399.92	2,604,044.85	0.00	0.00	60,392,403.50
A3	64,688,000.00	55,746,714.64	2,959,416.33	90,123.86	3,049,540.19	0.00	0.00	52,787,298.31
M1	75,000,000.00	75,000,000.00	0.00	135,000.00	135,000.00	0.00	0.00	75,000,000.00
M2	60,000,000.00	60,000,000.00	0.00	153,750.00	153,750.00	0.00	0.00	60,000,000.00
M3	15,000,000.00	15,000,000.00	0.00	41,250.00	41,250.00	0.00	0.00	15,000,000.00
B1	15,000,000.00	15,000,000.00	0.00	49,375.00	49,375.00	0.00	0.00	15,000,000.00
B2	15,000,000.00	15,000,000.00	0.00	58,750.00	58,750.00	0.00	0.00	15,000,000.00
B3	8,250,000.00	8,250,000.00	0.00	35,750.00	35,750.00	0.00	0.00	8,250,000.00
P	100.00	100.00	0.00	687,062.82	687,062.82	0.00	0.00	100.00
O	17,999,900.00	18,000,000.00	0.00	0.00	0.00	0.00	0.00	18,000,000.00
R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	1,500,000,000.00	1,349,159,467.63	40,253,531.75	2,898,965.28	43,152,497.03	0.00	0.00	1,308,905,935.88
X	1,500,000,000.00	1,349,159,467.63	0.00	4,576,245.04	4,576,245.04	0.00	0.00	1,308,905,935.88

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FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
A1	66987XDE2	894.40696124	30.02892295	1.35651723	31.38544017	864.37803829
A2A	66987XDF9	726.90831942	48.24254615	1.01161404	49.25416019	678.66577327
A2B	66987XDG7	1,000.00000000	0.00000000	1.66666667	1.66666667	1,000.00000000
A2C	66987XDH5	815.81604148	32.53670372	1.23732095	33.77402467	783.27933776
A3	66987XDJ1	861.77829953	45.74907757	1.39320832	47.14228590	816.02922196
M1	66987XDK8	1,000.00000000	0.00000000	1.80000000	1.80000000	1,000.00000000
M2	66987XDL6	1,000.00000000	0.00000000	2.56250000	2.56250000	1,000.00000000
M3	66987XDM4	1,000.00000000	0.00000000	2.75000000	2.75000000	1,000.00000000
B1	66987XDN2	1,000.00000000	0.00000000	3.29166667	3.29166667	1,000.00000000
B2	66987XDP7	1,000.00000000	0.00000000	3.91666667	3.91666667	1,000.00000000
B3	66987XDU6	1,000.00000000	0.00000000	4.33333333	4.33333333	1,000.00000000
P	66987XDQ5	1,000.00000000	0.00000000	6,870,628.20000000	6,870,628.20000000	1,000.00000000
O	66987XDT9	1,000.00555559	0.00000000	0.00000000	0.00000000	1,000.00555559
TOTALS		899.43964509	26.83568783	1.93264352	28.76833135	872.60395725
X	66987XDS1	899.43964509	0.00000000	3.05083003	3.05083003	872.60395725

PASS-THROUGH RATES

CLASS	CURRENT PASS-THRU RATE
A1	1.820000 %
A2A	1.670000 %
A2B	2.000000 %
A2C	1.820000 %
A3	1.940000 %
M1	2.160000 %
M2	3.075000 %
M3	3.300000 %
B1	3.950000 %
B2	4.700000 %
B3	5.200000 %
P	.000000 %
O	.000000 %
X	4.070308 %

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

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	REMIC Available Funds - Group I	38,970,401.78
	REMIC Available Funds - Group II	5,892,166.52
	REMIC Available Funds - Group III	3,459,027.38
Sec. 4.03	Principal	
	Group I Scheduled Principal	1,099,635.70
	Group I Prepayments in Full	30,739,003.92
	Group I Curtailments	110,390.81
	Group I Net Liquidation Proceeds	294,479.32
	Group I Realized Losses	41,589.82
	Group II Scheduled Principal	141,091.64
	Group II Prepayments in Full	4,864,854.56
	Group II Curtailments	6,127.32
	Group II Net Liquidation Proceeds	0.00
	Group II Realized Losses	0.00
	Group III Scheduled Principal	62,104.52
	Group III Prepayments in Full	2,887,293.91
	Group III Curtailments	6,960.24
	Group III Net Liquidation Proceeds	0.00
	Group III Realized Losses	0.00

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Total Scheduled Principal	1,302,831.86
Total Prepayments in Full	38,491,152.39
Total Curtailments	123,478.37
Total Net Liquidation Proceeds	294,479.32
Total Realized Losses	41,589.82

Sec. 4.03(a)(i)

Distributions of Principal

Class A-1	32,276,858.09
Class A-2A	2,508,612.40
Class A-2B	0.00
Class A-2C	2,508,644.93
Class A-3	2,959,416.33
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 B-3	0.00
Class P	0.00

Sec. 4.03(a)(ii)

Distributions of Interest

Class A-1	1,458,064.75
Class A-2A	52,603.93

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Class A-2B	41,835.00
Class A-2C	95,399.92
Class A-3	90,123.86
Class M-1	135,000.00
Class M-2	153,750.00
Class M-3	41,250.00
Class B-1	49,375.00
Class B-2	58,750.00
Class B-3	35,750.00
Class I	586,979.17
Class P - Prepay Penalty	687,062.82

Sec. 4.03(a)(iii) Pool Balances

Group I Beginning Pool Balance	1,132,702,959.12
Group I Ending Pool Balance	1,100,417,859.56
Group II Beginning Pool Balance	150,394,653.92
Group II Ending Pool Balance	145,382,580.40
Group III Beginning Pool Balance	66,061,854.59
Group III Ending Pool Balance	63,105,495.92
Total Beginning Pool Balance	1,349,159,467.63
Total Ending Pool Balance	1,308,905,935.88

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

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Number of Mortgage Loans	9,468
Aggregate Principal Balance of Mortgage Loans	1,308,905,935.88
Beginning Weighted Average Mortgage Rate	7.4213 %
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	1,081,747,894.75
Number of 0-30 Days	7,782
Balance of 30-59 Days	4,414,134.81
Number of 30-59 Days	32
Balance of 60-89 Days	1,177,027.85
Number of 60-89 Days	10
Balance of 90+ Days	412,474.46
Number of 90+ Days	3

Contractual Bankruptcy - Group I

Balance of 0-30 Days	4,052,221.12
Number of 0-30 Days	32
Balance of 30-59 Days	588,081.65
Number of 30-59 Days	3
Balance of 60-89 Days	256,664.86
Number of 60-89 Days	2

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	Balance of 60-89 Days	678,865.33
	Number of 60-89 Days	7
	Legal Delinquency - Group I	
	Balance of 0-30 Days	1,081,747,894.75
	Number of 0-30 Days	7,782
	Balance of 30-59 Days	4,414,134.81
	Number of 30-59 Days	32
	Balance of 60-89 Days	1,177,027.85
	Number of 60-89 Days	10
	Balance of 60-89 Days	412,474.46
	Number of 60-89 Days	3
	Legal Bankruptcy - Group I	
	Balance of 0-30 Days	4,682,906.12
	Number of 0-30 Days	38
	Balance of 30-59 Days	668,493.07
	Number of 30-59 Days	4
	Balance of 60-89 Days	137,763.00
	Number of 60-89 Days	1
	Balance of 60-89 Days	86,670.77
	Number of 60-89 Days	1
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group I	
	Balance of 0-30 Days	437,647.89

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	Number of 0-30 Days	3
	Balance of 30-59 Days	440,647.80
	Number of 30-59 Days	3
	Balance of 60-89 Days	252,171.30
	Number of 60-89 Days	1
	Balance of 60-89 Days	4,052,675.20
	Number of 60-89 Days	29
Section 4.03(a)(v) A	Loans Delinquent	
	Contractual Delinquency - Group II	
	Balance of 0-30 Days	140,753,799.26
	Number of 0-30 Days	606
	Balance of 30-59 Days	920,480.94
	Number of 30-59 Days	8
	Balance of 60-89 Days	249,058.11
	Number of 60-89 Days	3
	Balance of 90+ Days	804,081.30
	Number of 90+ Days	4
	Contractual Bankruptcy - Group II	
	Balance of 0-30 Days	1,024,627.48
	Number of 0-30 Days	3
	Balance of 30-59 Days	139,761.83
	Number of 30-59 Days	1
	Balance of 60-89 Days	0.00

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Number of 60-89 Days	0
Balance of 60-89 Days	376,525.21
Number of 60-89 Days	1
Legal Delinquency - Group II	
Balance of 0-30 Days	140,753,799.26
Number of 0-30 Days	606
Balance of 30-59 Days	920,480.94
Number of 30-59 Days	8
Balance of 60-89 Days	249,058.11
Number of 60-89 Days	3
Balance of 60-89 Days	804,081.30
Number of 60-89 Days	4
Legal Bankruptcy - Group II	
Balance of 0-30 Days	1,540,914.52
Number of 0-30 Days	5
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 60-89 Days	0.00
Number of 60-89 Days	0

Sec. 4.03 (a)(v) B

Loans in Foreclosure - Group II

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Balance of 0-30 Days	103,365.75
Number of 0-30 Days	1
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	259,754.20
Number of 60-89 Days	1
Balance of 60-89 Days	415,973.29
Number of 60-89 Days	4

Section 4.03(a)(v) A

Loans Delinquent

Contractual Delinquency - Group III

Balance of 0-30 Days	61,298,475.66
Number of 0-30 Days	896
Balance of 30-59 Days	384,827.46
Number of 30-59 Days	5
Balance of 60-89 Days	30,861.72
Number of 60-89 Days	1
Balance of 90+ Days	502,219.64
Number of 90+ Days	3

Contractual Bankruptcy - Group III

Balance of 0-30 Days	151,027.55
Number of 0-30 Days	4
Balance of 30-59 Days	0.00
Number of 30-59 Days	0



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Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Legal Delinquency - Group III	
Balance of 0-30 Days	61,298,475.66
Number of 0-30 Days	896
Balance of 30-59 Days	384,827.46
Number of 30-59 Days	5
Balance of 60-89 Days	30,861.72
Number of 60-89 Days	1
Balance of 60-89 Days	502,219.64
Number of 60-89 Days	3
Legal Bankruptcy - Group III	
Balance of 0-30 Days	151,027.55
Number of 0-30 Days	4
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 60-89 Days	0.00
Number of 60-89 Days	0

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Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group III		
	Balance of 0-30 Days		52,070.12
	Number of 0-30 Days		1
	Balance of 30-59 Days		0.00
	Number of 30-59 Days		0
	Balance of 60-89 Days		17,091.75
	Number of 60-89 Days		1
	Balance of 60-89 Days		513,415.71
	Number of 60-89 Days		5

Sec. 4.03(a)(v) C Loans in REO

Group 1		
Number	Principal Balance	Percentage
10	1,907,352.54	0.17 %

Group 2		
Number	Principal Balance	Percentage
1	335,153.03	0.23 %

Group 3		
Number	Principal Balance	Percentage
2	155,506.31	0.25 %

Sec. 4.03(a)(vi)	Principal Prepayments		
	Group I Prepayments		30,739,003.92
	Group II Prepayments		4,864,854.56
	Group III Prepayments		2,887,293.91

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Sec. 4.03 (a)(vii)	Realized Losses	
	Group I Liquidated Loan Balance	336,069.13
	Group I Net Liquidation Proceeds	294,479.32
	Group I Current Period Realized Losses	41,589.82
	Group I Recoveries of Prior Losses	0.00
	Group I Subsequent Losses	0.00
	Group I Cumulative Liquidated Loan Balance	1,060,144.38
	Group I Cumulative Net Liquidation Proceeds	959,962.19
	Group I Cumulative Recoveries of Prior Losses	0.00
	Group I Cumulative Subsequent Losses	0.00
	Group I Cumulative Realized Losses	100,182.20
	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	151,830.81
	Group II Cumulative Net Liquidation Proceeds	149,888.70
	Group II Cumulative Recoveries of Prior Losses	0.00
	Group II Cumulative Subsequent Losses	0.00

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Group II Cumulative Realized Losses	1,942.11
Group III Liquidated Loan Balance	0.00
Group III Net Liquidation Proceeds	0.00
Group III Current Period Realized Losses	0.00
Group III Recoveries of Prior Losses	0.00
Group III Subsequent Losses	0.00
Group III Cumulative Liquidated Loan Balance	0.00
Group III Cumulative Net Liquidation Proceeds	0.00
Group III Cumulative Recoveries of Prior Losses	0.00
Group III Cumulative Subsequent Losses	0.00
Group III Cumulative Realized Losses	0.00
Total Liquidated Loan Balance	336,069.13
Total Net Liquidation Proceeds	294,479.32
Total Current Period Realized Losses	41,589.82
Total Recoveries of Prior Losses	0.00
Total Subsequent Losses	0.00
Total Cumulative Liquidated Loan Balance	1,211,975.19
Total Cumulative Net Liquidation Proceeds	1,109,850.89
Total Cumulative Recoveries of Prior Losses	0.00
Total Cumulative Subsequent Losses	0.00

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	Total Cumulative Realized Losses	102,124.31
Sec. 4.03 (a)(ix)	Unpaid Interest Shortfall Amounts	
	Unpaid Interest Shortfall - A-1	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-3	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 - B-1	0.00
	Unpaid Interest Shortfall - B-2	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	15.29 %
Sec. 4.03 (a)(xii)	Available Funds Cap Carryforward Amount	
	Available Funds Cap Carryforward Amount - A-1	0.00
	Available Funds Cap Carryforward Amount - A-2A	0.00
	Available Funds Cap Carryforward Amount - A-2B	0.00

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Available Funds Cap Carryforward Amount - A-2C	0.00
Available Funds Cap Carryforward Amount - A-3	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 - B-1	0.00
Available Funds Cap Carryforward Amount - B-2	0.00
Available Funds Cap Carryforward Amount - B-3	0.00
Remaining Available Funds Cap Carryforward Amount - A-1	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-3	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
Remaining Available Funds Cap Carryforward Amount - B-3	0.00

Sec. 4.03 (a)(xiii)

REMIC Pass-Through Rates

REMIC Pass-Through Rate - A-1	1.8200 %
REMIC Pass-Through Rate - A-2A	1.6700 %

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REMIC Pass-Through Rate - A-2B	2.0000 %
REMIC Pass-Through Rate - A-2C	1.8200 %
REMIC Pass-Through Rate - A-3	1.9400 %
REMIC Pass-Through Rate - M-1	2.1600 %
REMIC Pass-Through Rate - M-2	3.0750 %
REMIC Pass-Through Rate - M-3	3.3000 %
REMIC Pass-Through Rate - B-1	3.9500 %
REMIC Pass-Through Rate - B-2	4.7000 %
REMIC Pass-Through Rate - B-3	5.2000 %
Next REMIC Pass-Through Rate - A-1	1.9850 %
Next REMIC Pass-Through Rate - A-2A	1.8350 %
Next REMIC Pass-Through Rate - A-2B	2.1650 %
Next REMIC Pass-Through Rate - A-2C	1.9850 %
Next REMIC Pass-Through Rate - A-3	2.1050 %
Next REMIC Pass-Through Rate - M-1	2.3250 %
Next REMIC Pass-Through Rate - M-2	3.2400 %
Next REMIC Pass-Through Rate - M-3	3.4650 %
Next REMIC Pass-Through Rate - B-1	4.1150 %
Next REMIC Pass-Through Rate - B-2	4.8650 %
Next REMIC Pass-Through Rate - B-3	5.3650 %

Sec. 4.03 (a)(xiv)

Supplemental Interest Payment

Supplemental Interest Payment - A-1	0.00
Supplemental Interest Payment - A-2A	0.00

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Supplemental Interest Payment - A-2B	0.00
Supplemental Interest Payment - A-2C	0.00
Supplemental Interest Payment - A-3	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
Supplemental Interest Payment - B-3	0.00

Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance	
	Underwritten Certificates Principal Balance	1,290,905,935.88
	Swap Notional Amount	900,000,000.00
	Difference	390,905,935.88
	Funds paid to Swap Counterparty	586,979.17

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Sec. 4.03 (a)(xvi)	Overcollateralization Amounts		
		Required Overcollateralization Amount	18,000,000.00
		Overcollateralization Amount	18,000,000.00
Sec. 4.03 (a)(xvi)	Excess Cashflow		4,617,834.85