

## NovaStar Mortgage Funding Trust, Series 2004-4

## Statement to Certificateholders

March 25, 2005

## 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	1,246,841,065.44	20,246,360.14	2,899,598.17	23,145,958.31	0.00	0.00	1,226,594,705.30
A1B	319,800,000.00	311,759,009.16	5,062,381.53	739,561.65	5,801,943.18	0.00	0.00	306,696,627.63
A2A	268,000,000.00	247,289,429.53	11,933,352.86	546,234.87	12,479,587.73	0.00	0.00	235,356,076.67
A2B	131,100,000.00	131,100,000.00	0.00	304,880.33	304,880.33	0.00	0.00	131,100,000.00
A2C	107,100,000.00	107,100,000.00	0.00	262,395.00	262,395.00	0.00	0.00	107,100,000.00
M1	95,000,000.00	95,000,000.00	0.00	241,616.67	241,616.67	0.00	0.00	95,000,000.00
M2	51,250,000.00	51,250,000.00	0.00	132,338.89	132,338.89	0.00	0.00	51,250,000.00
M3	43,750,000.00	43,750,000.00	0.00	114,673.61	114,673.61	0.00	0.00	43,750,000.00
M4	22,500,000.00	22,500,000.00	0.00	65,625.00	65,625.00	0.00	0.00	22,500,000.00
M5	32,500,000.00	32,500,000.00	0.00	96,055.56	96,055.56	0.00	0.00	32,500,000.00
M6	25,000,000.00	25,000,000.00	0.00	75,833.33	75,833.33	0.00	0.00	25,000,000.00
B1	25,000,000.00	25,000,000.00	0.00	84,583.33	84,583.33	0.00	0.00	25,000,000.00
B2	25,000,000.00	25,000,000.00	0.00	86,527.78	86,527.78	0.00	0.00	25,000,000.00
B3	25,000,000.00	25,000,000.00	0.00	111,805.56	111,805.56	0.00	0.00	25,000,000.00
B4	18,750,000.00	18,750,000.00	0.00	89,687.50	89,687.50	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
<b>TOTALS</b>	<b>2,468,750,000.00</b>	<b>2,407,839,504.13</b>	<b>37,242,094.53</b>	<b>5,851,417.25</b>	<b>43,093,511.78</b>	<b>0.00</b>	<b>0.00</b>	<b>2,370,597,409.60</b>
<b>C</b>	<b>2,500,000,000.00</b>	<b>2,439,089,764.81</b>	<b>0.00</b>	<b>7,026,923.58</b>	<b>7,026,923.58</b>	<b>0.00</b>	<b>0.00</b>	<b>2,401,847,670.28</b>

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## FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
A1A	66987WBN6	974.85618877	15.82983592	2.26708223	18.09691815	959.02635285
A1B	66987WBP1	974.85618874	15.82983593	2.31257552	18.14241144	959.02635281
A2A	66987WBQ9	922.72175198	44.52743604	2.03818981	46.56562586	878.19431593
A2B	66987WBR7	1,000.00000000	0.00000000	2.32555553	2.32555553	1,000.00000000
A2C	66987WBS5	1,000.00000000	0.00000000	2.45000000	2.45000000	1,000.00000000
M1	66987WBT3	1,000.00000000	0.00000000	2.54333337	2.54333337	1,000.00000000
M2	66987WBU0	1,000.00000000	0.00000000	2.58222224	2.58222224	1,000.00000000
M3	66987WBV8	1,000.00000000	0.00000000	2.62111109	2.62111109	1,000.00000000
M4	66987WBW6	1,000.00000000	0.00000000	2.91666667	2.91666667	1,000.00000000
M5	66987WBX4	1,000.00000000	0.00000000	2.95555569	2.95555569	1,000.00000000
M6	66987WBY2	1,000.00000000	0.00000000	3.03333320	3.03333320	1,000.00000000
B1	66987WBZ9	1,000.00000000	0.00000000	3.38333320	3.38333320	1,000.00000000
B2	66987WCA3	1,000.00000000	0.00000000	3.46111120	3.46111120	1,000.00000000
B3	66987WCB1	1,000.00000000	0.00000000	4.47222240	4.47222240	1,000.00000000
B4	66987WCC9	1,000.00000000	0.00000000	4.78333333	4.78333333	1,000.00000000
<b>TOTALS</b>		975.32739408	15.08540538	2.37019433	17.45559971	960.24198870
<b>C</b>	66987WCE5	975.63590592	0.00000000	2.81076943	2.81076943	960.73906811

## PASS-THROUGH RATES

CLASS	CURRENT PASS-THRU RATE
A1A	2.990000 %
A1B	3.050000 %
A2A	2.840000 %
A2B	2.990000 %
A2C	3.150000 %
M1	3.270000 %
M2	3.320000 %
M3	3.370000 %
M4	3.750000 %
M5	3.800000 %
M6	3.900000 %
B1	4.350000 %
B2	4.450000 %
B3	5.750000 %
B4	6.150000 %
<b>C</b>	.000000 %

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

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## NovaStar Mortgage Funding Trust, Series 2004-4

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	REMIC Available Funds - Group I	35,723,752.88
	REMIC Available Funds - Group II	15,061,043.24
Sec. 4.03	Principal	
	Group I Scheduled Principal	1,248,933.45
	Group I Prepayments in Full	23,621,379.02
	Group I Curtailments	435,103.22
	Group I Net Liquidation Proceeds	0.00
	Group I Realized Losses	0.00
	Group II Scheduled Principal	363,324.13
	Group II Prepayments in Full	11,414,675.96
	Group II Curtailments	18,833.65
	Group II Net Liquidation Proceeds	134,950.89
	Group II Realized Losses	4,894.20
	Total Scheduled Principal	1,612,257.58
	Total Prepayments in Full	35,036,054.98
	Total Curtailments	453,936.87
	Total Net Liquidation Proceeds	134,950.89
	Total Realized Losses	4,894.20
Sec. 4.03(a)(i)	Distributions of Principal	

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Class A-1A	20,246,360.14
Class A-1B	5,062,381.53
Class A-2A	11,933,352.86
Class A-2B	0.00
Class A-2C	0.00
Class M-1	0.00
Class M-4	0.00
Class M-5	0.00
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	2,899,598.17
Class A-1B	739,561.65
Class A-2A	546,234.87
Class A-2b	304,880.33
Class A-2C	262,395.00
Class M-1	241,616.67
Class M-2	132,338.89

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Class M-3	114,673.61
Class M-4	65,625.00
Class M-5	96,055.56
Class M-6	75,833.33
Class B-1	84,583.33
Class B-2	86,527.78
Class B-3	111,805.56
Class B-4	89,687.50

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Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	1,858,666,156.36
		Group I Ending Pool Balance	1,833,360,740.66
		Group II Beginning Pool Balance	580,423,347.77
		Group II Ending Pool Balance	568,486,668.94
		Total Beginning Pool Balance	2,439,089,504.13
		Total Ending Pool Balance	2,401,847,409.60
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	15,271
		Aggregate Principal Balance of Mortgage Loans	2,401,847,409.60
		Beginning Weighted Average Mortgage Rate	7.6364 %
		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	1,812,526,316.92
		Number of 0-30 Days	12,439
		Balance of 30-59 Days	8,989,456.48
		Number of 30-59 Days	67
		Balance of 60-89 Days	4,323,534.76

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Number of 60-89 Days	29
Balance of 90+ Days	1,534,310.33
Number of 90+ Days	10
Contractual Bankruptcy - Group I	
Balance of 0-30 Days	3,017,056.84
Number of 0-30 Days	21
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	256,902.00
Number of 60-89 Days	2
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Legal Delinquency - Group I	
Balance of 0-30 Days	1,812,526,316.92
Number of 0-30 Days	12,439
Balance of 30-59 Days	8,989,456.48
Number of 30-59 Days	67
Balance of 60-89 Days	4,323,534.76
Number of 60-89 Days	29
Balance of 60-89 Days	1,534,310.33
Number of 60-89 Days	10
Legal Bankruptcy - Group I	

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	Balance of 0-30 Days	3,174,236.63
	Number of 0-30 Days	22
	Balance of 30-59 Days	99,722.21
	Number of 30-59 Days	1
	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 I	
	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	279,720.58
	Number of 60-89 Days	2
	Balance of 60-89 Days	2,433,442.75
	Number of 60-89 Days	16
	Contractual Delinquency - Group II	
	Balance of 0-30 Days	564,215,288.37
	Number of 0-30 Days	2,658
	Balance of 30-59 Days	2,315,679.91
	Number of 30-59 Days	15
	Balance of 60-89 Days	599,462.84

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Number of 60-89 Days	4
Balance of 90+ Days	438,280.48
Number of 90+ Days	2
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	150,704.47
Number of 0-30 Days	2
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	0.00
Number of 90+ Days	0
Legal Delinquency - Group II	
Balance of 0-30 Days	564,215,288.37
Number of 0-30 Days	2,658
Balance of 30-59 Days	2,315,679.91
Number of 30-59 Days	15
Balance of 60-89 Days	599,462.84
Number of 60-89 Days	4
Balance of 90+ Days	438,280.48
Number of 90+ Days	2
Legal Bankruptcy - Group II	

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Balance of 0-30 Days	150,704.47
Number of 0-30 Days	2
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	0.00
Number of 90+ Days	0

Sec. 4.03 (a)(v) B	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	0.00
	Number of 60-89 Days	0
	Balance of 90+ Days	767,252.87
	Number of 90+ Days	4

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Sec. 4.03(a)(v) C

Loans in REO

Group 1		
Number	Principal Balance	Percentage
0	0.00	0.00 %

Group 2		
Number	Principal Balance	Percentage
0	0.00	0.00 %

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Sec. 4.03(a)(vi)	Principal Prepayments		
	Group I Prepayments		23,621,379.02
	Group II Prepayments		11,414,675.96
Sec. 4.03 (a)(vii)	Realized Losses		
	Group I Liquidated Loan Balance		0.00
	Group I Net Liquidation Proceeds		0.00
	Group I Current Period Realized Losses		0.00
	Group I Recoveries of Prior Losses		0.00
	Group I Subsequent Losses		0.00
	Group I Cumulative Liquidated Loan Balance		0.00
	Group I Cumulative Net Liquidation Proceeds		0.00
	Group I Cumulative Recoveries of Prior Losses		0.00
	Group I Cumulative Subsequent Losses		0.00
	Group I Cumulative Realized Losses		0.00
	Group II Liquidated Loan Balance		139,845.09
	Group II Net Liquidation Proceeds		134,950.89
	Group II Current Period Realized Losses		4,894.20
	Group II Recoveries of Prior Losses		0.00
	Group II Subsequent Losses		0.00

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Group II Cumulative Liquidated Loan Balance	139,845.09
Group II Cumulative Net Liquidation Proceeds	134,950.89
Group II Cumulative Recoveries of Prior Losses	0.00
Group II Cumulative Subsequent Losses	0.00
Group II Cumulative Realized Losses	4,894.20
Total Liquidated Loan Balance	139,845.09
Total Net Liquidation Proceeds	134,950.89
Total Current Period Realized Losses	4,894.20
Total Recoveries of Prior Losses	0.00
Total Subsequent Losses	0.00
Total Cumulative Liquidated Loan Balance	139,845.09
Total Cumulative Net Liquidation Proceeds	134,950.89
Total Cumulative Recoveries of Prior Losses	0.00
Total Cumulative Subsequent Losses	0.00
Total Cumulative Realized Losses	4,894.20

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

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	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	16.19 %
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

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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	2.9900 %
	REMIC Pass-Through Rate - A-1B	3.0500 %
	REMIC Pass-Through Rate - A-2A	2.8400 %
	REMIC Pass-Through Rate - A-2B	2.9900 %
	REMIC Pass-Through Rate - A-2C	3.1500 %
	REMIC Pass-Through Rate - M-1	3.2700 %
	REMIC Pass-Through Rate - M-2	3.3200 %
	REMIC Pass-Through Rate - M-3	3.3700 %
	REMIC Pass-Through Rate - M-4	3.7500 %
	REMIC Pass-Through Rate - M-5	3.8000 %
	REMIC Pass-Through Rate - M-6	3.9000 %
	REMIC Pass-Through Rate - B-1	4.3500 %
	REMIC Pass-Through Rate - B-2	4.4500 %
	REMIC Pass-Through Rate - B-3	5.7500 %
	REMIC Pass-Through Rate - B-4	6.1500 %
	Next REMIC Pass-Through Rate - A-1A	3.1900 %
	Next REMIC Pass-Through Rate - A-1B	3.2500 %
	Next REMIC Pass-Through Rate - A-2A	3.0400 %
	Next REMIC Pass-Through Rate - A-2B	3.1900 %
	Next REMIC Pass-Through Rate - A-2C	3.3500 %
	Next REMIC Pass-Through Rate - M-1	3.4700 %
	Next REMIC Pass-Through Rate - M-2	3.5200 %
	Next REMIC Pass-Through Rate - M-3	3.5700 %

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Next REMIC Pass-Through Rate - M-4	3.9500 %
Next REMIC Pass-Through Rate - M-5	4.0000 %
Next REMIC Pass-Through Rate - M-6	4.1000 %
Next REMIC Pass-Through Rate - B-1	4.5500 %
Next REMIC Pass-Through Rate - B-2	4.6500 %
Next REMIC Pass-Through Rate - B-3	5.9500 %
Next REMIC Pass-Through Rate - B-3	6.3500 %

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

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Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
	Underwritten Certificates Principal Balance		2,370,597,409.60
	Swap Notional Amount		1,435,000,000.00
	Difference		935,597,409.60
	Funds paid to Swap Counterparty		654,155.56

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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		1,423,248.19
	Insurance Proceeds		0.00