

NovaStar Mortgage Funding Trust, Series 2004-2

Statement to Certificateholders

April 25, 2005

DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
A1	944,800,000.00	766,551,716.04	44,946,645.04	2,099,074.12	47,045,719.16	0.00	0.00	721,605,071.00
A2	100,000,000.00	73,169,032.85	3,835,844.99	200,676.23	4,036,521.22	0.00	0.00	69,333,187.86
A3	55,000,000.00	17,168,336.33	5,408,541.44	44,203.70	5,452,745.14	0.00	0.00	11,759,794.89
A4	68,000,000.00	68,000,000.00	0.00	183,864.44	183,864.44	0.00	0.00	68,000,000.00
A5	18,000,000.00	18,000,000.00	0.00	51,925.00	51,925.00	0.00	0.00	18,000,000.00
M1	77,000,000.00	77,000,000.00	0.00	227,428.06	227,428.06	0.00	0.00	77,000,000.00
M2	21,000,000.00	21,000,000.00	0.00	63,834.17	63,834.17	0.00	0.00	21,000,000.00
M3	17,500,000.00	17,500,000.00	0.00	59,524.31	59,524.31	0.00	0.00	17,500,000.00
M4	21,000,000.00	21,000,000.00	0.00	73,237.50	73,237.50	0.00	0.00	21,000,000.00
M5	14,000,000.00	14,000,000.00	0.00	52,441.67	52,441.67	0.00	0.00	14,000,000.00
B1	14,000,000.00	14,000,000.00	0.00	57,866.67	57,866.67	0.00	0.00	14,000,000.00
B2	10,500,000.00	10,500,000.00	0.00	44,756.25	44,756.25	0.00	0.00	10,500,000.00
B3	14,000,000.00	14,000,000.00	0.00	76,552.78	76,552.78	0.00	0.00	14,000,000.00
P	100.00	100.00	0.00	898,755.57	898,755.57	0.00	0.00	100.00
O	25,199,900.00	25,200,000.00	0.00	0.00	0.00	0.00	0.00	25,200,000.00
R	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	1,400,000,000.00	1,157,089,185.22	54,191,031.47	4,134,140.47	58,325,171.94	0.00	0.00	1,102,898,153.75
X	1,400,000,000.00	1,157,089,185.22	0.00	3,164,858.52	3,164,858.52	0.00	0.00	1,102,898,153.75

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FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
A1	66987XEN1	811.33754873	47.57265563	2.22171266	49.79436829	763.76489310
A2	66987XEP6	731.69032850	38.35844990	2.00676230	40.36521220	693.33187860
A3	66987XEQ4	312.15156964	98.33711709	0.80370364	99.14082073	213.81445255
A4	66987XER2	1,000.00000000	0.00000000	2.70388882	2.70388882	1,000.00000000
A5	66987XES0	1,000.00000000	0.00000000	2.88472222	2.88472222	1,000.00000000
M1	66987XET8	1,000.00000000	0.00000000	2.95361117	2.95361117	1,000.00000000
M2	66987XEU5	1,000.00000000	0.00000000	3.03972238	3.03972238	1,000.00000000
M3	66987XEV3	1,000.00000000	0.00000000	3.40138914	3.40138914	1,000.00000000
M4	66987XEW1	1,000.00000000	0.00000000	3.48750000	3.48750000	1,000.00000000
M5	66987XEX9	1,000.00000000	0.00000000	3.74583357	3.74583357	1,000.00000000
B1	66987XEY7	1,000.00000000	0.00000000	4.13333357	4.13333357	1,000.00000000
B2	66987XEZ4	1,000.00000000	0.00000000	4.26250000	4.26250000	1,000.00000000
B3	66987XFA8	1,000.00000000	0.00000000	5.46805571	5.46805571	1,000.00000000
P	66987XFB6	1,000.00000000	0.00000000	8,987,555.70000000	8,987,555.70000000	1,000.00000000
O	66987XFE0	1,000.00396827	0.00000000	0.00000000	0.00000000	1,000.00396827
TOTALS		826.49227516	38.70787962	2.95295748	41.66083710	787.78439554
X	66987XFD2	826.49227516	0.00000000	2.26061323	2.26061323	787.78439554

PASS-THROUGH RATES

CLASS	CURRENT PASS-THRU RATE
A1	3.180000 %
A2	3.185000 %
A3	2.990000 %
A4	3.140000 %
A5	3.350000 %
M1	3.430000 %
M2	3.530000 %
M3	3.950000 %
M4	4.050000 %
M5	4.350000 %
B1	4.800000 %
B2	4.950000 %
B3	6.350000 %
P	.000000 %
O	.000000 %
X	3.176349 %

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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	50,420,013.89
	REMIC Available Funds - Group II	10,642,840.36
Sec. 4.03	Principal	
	Group I Scheduled Principal	768,698.24
	Group I Prepayments in Full	43,226,105.66
	Group I Curtailments	162,924.98
	Group I Net Liquidation Proceeds	565,443.25
	Group I Realized Losses	51,460.30
	Group II Scheduled Principal	147,398.93
	Group II Prepayments in Full	8,902,765.03
	Group II Curtailments	12,012.58
	Group II Net Liquidation Proceeds	136,247.17
	Group II Realized Losses	225,695.24
Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1	44,946,645.04
	Class A-2	3,835,844.99
	Class A-3	5,408,541.44
	Class A-4	0.00
	Class A-5	0.00
	Class M-1	0.00

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Class M-4	0.00
Class M-5	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	2,099,074.12
Class A-2	200,676.23
Class A-3	44,203.70
Class A-4	183,864.44
Class A-5	51,925.00
Class M-1	227,428.06
Class M-2	63,834.17
Class M-3	59,524.31
Class M-4	73,237.50
Class M-5	52,441.67
Class B-1	57,866.67
Class B-2	44,756.25
Class B-3	76,552.78
Class I	0.00

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		Class P - Prepay Penalty	898,755.57
Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	937,272,196.68
		Group I Ending Pool Balance	892,497,564.27
		Group II Beginning Pool Balance	219,816,988.54
		Group II Ending Pool Balance	210,400,589.48
		Total Beginning Pool Balance	1,157,089,185.22
		Total Ending Pool Balance	1,102,898,153.75
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	7,815
		Aggregate Principal Balance of Mortgage Loans	1,102,898,153.75
		Beginning Weighted Average Mortgage Rate	7.4716 %
		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	867,747,751.44
		Number of 0-30 Days	6,295
		Balance of 30-59 Days	2,587,071.45

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Number of 30-59 Days	21
Balance of 60-89 Days	1,794,939.47
Number of 60-89 Days	16
Balance of 90+ Days	1,154,557.28
Number of 90+ Days	11
Contractual Bankruptcy - Group I	
Balance of 0-30 Days	2,873,129.51
Number of 0-30 Days	26
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	379,123.76
Number of 60-89 Days	6
Balance of 60-89 Days	2,329,211.06
Number of 60-89 Days	22
Legal Delinquency - Group I	
Balance of 0-30 Days	867,747,751.44
Number of 0-30 Days	6,295
Balance of 30-59 Days	2,587,071.45
Number of 30-59 Days	21
Balance of 60-89 Days	1,794,939.47
Number of 60-89 Days	16
Balance of 60-89 Days	1,154,557.28
Number of 60-89 Days	11

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Legal Bankruptcy - Group I

Balance of 0-30 Days	4,552,123.58
Number of 0-30 Days	44
Balance of 30-59 Days	555,085.93
Number of 30-59 Days	7
Balance of 60-89 Days	108,303.31
Number of 60-89 Days	1
Balance of 60-89 Days	365,951.51
Number of 60-89 Days	2

Sec. 4.03 (a)(v) B

Loans in Foreclosure - Group I

Balance of 0-30 Days	294,320.23
Number of 0-30 Days	3
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	490,439.51
Number of 60-89 Days	3
Balance of 60-89 Days	9,562,998.08
Number of 60-89 Days	67

Contractual Delinquency - Group II

Balance of 0-30 Days	198,566,468.93
Number of 0-30 Days	1,227
Balance of 30-59 Days	1,738,097.94

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Number of 30-59 Days	8
Balance of 60-89 Days	1,474,553.48
Number of 60-89 Days	12
Balance of 90+ Days	339,778.26
Number of 90+ Days	5
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	600,828.36
Number of 0-30 Days	10
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	177,292.84
Number of 60-89 Days	1
Balance of 90+ Days	1,657,677.15
Number of 90+ Days	14
Legal Delinquency - Group II	
Balance of 0-30 Days	198,566,468.93
Number of 0-30 Days	1,227
Balance of 30-59 Days	1,738,097.94
Number of 30-59 Days	8
Balance of 60-89 Days	1,474,553.48
Number of 60-89 Days	12
Balance of 90+ Days	339,778.26
Number of 90+ Days	5

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Legal Bankruptcy - Group II

Balance of 0-30 Days	1,838,444.71
Number of 0-30 Days	20
Balance of 30-59 Days	433,600.47
Number of 30-59 Days	3
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 90+ Days	163,753.17
Number of 90+ Days	2

Sec. 4.03 (a)(v) B

Loans in Foreclosure - Group II

Balance of 0-30 Days	0.00
Number of 0-30 Days	0
Balance of 30-59 Days	59,285.52
Number of 30-59 Days	1
Balance of 60-89 Days	97,714.42
Number of 60-89 Days	2
Balance of 90+ Days	3,547,408.66
Number of 90+ Days	27

Sec. 4.03(a)(v) C

Loans in REO

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Group 1		
Number	Principal Balance	Percentage
27	3,284,022.48	0.37 %

Group 2		
Number	Principal Balance	Percentage
11	2,141,483.92	1.02 %

Sec. 4.03(a)(vi)	Principal Prepayments		
	Group I Prepayments		43,226,105.66
	Group II Prepayments		8,902,765.03
Sec. 4.03 (a)(vii)	Realized Losses		
	Group I Liquidated Loan Balance		616,903.55
	Group I Net Liquidation Proceeds		565,443.25
	Group I Recoveries of Prior Losses		0.00
	Group I Subsequent Losses		0.00
	Group I Current Period Realized Losses		51,460.30
	Group I Cumulative Liquidated Loan Balance		2,257,863.16
	Group I Cumulative Net Liquidation Proceeds		1,839,121.12
	Group I Cumulative Recoveries of Prior Losses		1,105.71
	Group I Cumulative Subsequent Losses		0.00
	Group I Cumulative Realized Losses		417,636.33

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Group II Liquidated Loan Balance	354,222.53
Group II Net Liquidation Proceeds	136,247.17
Group II Recoveries of Prior Losses	0.00
Group II Subsequent Losses	0.00
Group II Current Period Realized Losses	225,695.24
Group II Cumulative Liquidated Loan Balance	1,151,164.75
Group II Cumulative Net Liquidation Proceeds	754,654.31
Group II Cumulative Recoveries of Prior Losses	0.00
Group II Cumulative Subsequent Losses	0.00
Group II Cumulative Realized Losses	404,230.32
Total Liquidated Loan Balance	971,126.08
Total Net Liquidation Proceeds	701,690.42
Total Recoveries of Prior Losses	0.00
Total Subsequent Losses	0.00
Total Current Period Realized Losses	277,155.54
Total Cumulative Liquidated Loan Balance	3,409,027.91
Total Cumulative Net Liquidation Proceeds	2,593,775.43
Total Cumulative Recoveries of Prior Losses	1,105.71
Total Cumulative Subsequent Losses	0.00
Total Cumulative Realized Losses	821,866.65

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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 - A-3	0.00
	Unpaid Interest Shortfall - A-4	0.00
	Unpaid Interest Shortfall - A-5	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 - 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
	PPIS Interest Reduction Class A1	0.00
	PPIS Interest Reduction Class A2	0.00
	PPIS Interest Reduction Class A3	0.00
	PPIS Interest Reduction Class A4	0.00
	PPIS Interest Reduction Class A5	0.00
	PPIS Interest Reduction Class M1	0.00
	PPIS Interest Reduction Class M2	0.00



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PPIS Interest Reduction Class M3		0.00
PPIS Interest Reduction Class M4		0.00
PPIS Interest Reduction Class M5		0.00
PPIS Interest Reduction Class B1		0.00
PPIS Interest Reduction Class B2		0.00
PPIS Interest Reduction Class B3		0.00
Sec. 4.03 (a)(xi)	Credit Enhancement Percentage	18.51 %
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-2	0.00
	Available Funds Cap Carryforward Amount - A-3	0.00
	Available Funds Cap Carryforward Amount - A-4	0.00
	Available Funds Cap Carryforward Amount - A-5	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 - M-4	0.00
	Available Funds Cap Carryforward Amount - M-5	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

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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 - A-3	0.00
Remaining Available Funds Cap Carryforward Amount - A-4	0.00
Remaining Available Funds Cap Carryforward Amount - A-5	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 - 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	3.1800 %
REMIC Pass-Through Rate - A-2	3.1850 %
REMIC Pass-Through Rate - A-3	2.9900 %
REMIC Pass-Through Rate - A-4	3.1400 %
REMIC Pass-Through Rate - A-5	3.3500 %
REMIC Pass-Through Rate - M-1	3.4300 %
REMIC Pass-Through Rate - M-2	3.5300 %
REMIC Pass-Through Rate - M-3	3.9500 %
REMIC Pass-Through Rate - M-4	4.0500 %

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REMIC Pass-Through Rate - M-5	4.3500 %
REMIC Pass-Through Rate - B-1	4.8000 %
REMIC Pass-Through Rate - B-2	4.9500 %
REMIC Pass-Through Rate - B-3	6.3500 %
Next REMIC Pass-Through Rate - A-1	3.3500 %
Next REMIC Pass-Through Rate - A-2	3.3550 %
Next REMIC Pass-Through Rate - A-3	3.1600 %
Next REMIC Pass-Through Rate - A-4	3.3100 %
Next REMIC Pass-Through Rate - A-5	3.5200 %
Next REMIC Pass-Through Rate - M-1	3.6000 %
Next REMIC Pass-Through Rate - M-2	3.7000 %
Next REMIC Pass-Through Rate - M-3	4.1200 %
Next REMIC Pass-Through Rate - M-4	4.2200 %
Next REMIC Pass-Through Rate - M-5	4.5200 %
Next REMIC Pass-Through Rate - B-1	4.9700 %
Next REMIC Pass-Through Rate - B-2	5.1200 %
Next REMIC Pass-Through Rate - B-3	6.5200 %

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 - A-3	0.00
Supplemental Interest Payment - A-4	0.00
Supplemental Interest Payment - A-5	0.00

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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 - B-1	0.00
Supplemental Interest Payment - B-2	0.00
Supplemental Interest Payment - B-3	13,265.94

Sec. 4.03 (a)(xv)

Swap Notional Amount and the Underwritten Certificates Principal Balance

Underwritten Certificates Principal Balance	1,077,698,153.75
Swap Notional Amount	825,000,000.00
Difference	252,698,153.75
Funds paid to Swap Counterparty	-496,058.33

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Sec. 4.03 (a)(xvi)	Overcollateralization Amounts		
	Required Overcollateralization Amount		25,200,000.00
	Overcollateralization Amount		25,200,000.00
Sec. 4.03 (a)(xvi)	Excess Cashflow		2,951,501.75