

## NovaStar Mortgage Funding Trust, Series 2004-4

## Statement to Certificateholders

July 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	1,101,921,394.20	55,190,276.36	3,131,986.28	58,322,262.64	0.00	0.00	1,046,731,117.84
A1B	319,800,000.00	275,523,426.00	13,799,726.65	795,976.77	14,595,703.42	0.00	0.00	261,723,699.35
A2A	268,000,000.00	171,987,126.35	26,393,198.74	468,773.08	26,861,971.82	0.00	0.00	145,593,927.61
A2B	131,100,000.00	131,100,000.00	0.00	372,624.95	372,624.95	0.00	0.00	131,100,000.00
A2C	107,100,000.00	107,100,000.00	0.00	317,737.85	317,737.85	0.00	0.00	107,100,000.00
M1	95,000,000.00	95,000,000.00	0.00	290,706.97	290,706.97	0.00	0.00	95,000,000.00
M2	51,250,000.00	51,250,000.00	0.00	158,821.81	158,821.81	0.00	0.00	51,250,000.00
M3	43,750,000.00	43,750,000.00	0.00	137,280.99	137,280.99	0.00	0.00	43,750,000.00
M4	22,500,000.00	22,500,000.00	0.00	77,251.65	77,251.65	0.00	0.00	22,500,000.00
M5	32,500,000.00	32,500,000.00	0.00	112,849.61	112,849.61	0.00	0.00	32,500,000.00
M6	25,000,000.00	25,000,000.00	0.00	88,751.83	88,751.83	0.00	0.00	25,000,000.00
B1	25,000,000.00	25,000,000.00	0.00	97,501.83	97,501.83	0.00	0.00	25,000,000.00
B2	25,000,000.00	25,000,000.00	0.00	99,446.28	99,446.28	0.00	0.00	25,000,000.00
B3	25,000,000.00	25,000,000.00	0.00	124,724.06	124,724.06	0.00	0.00	25,000,000.00
B4	18,750,000.00	18,750,000.00	0.00	99,376.38	99,376.38	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>2,151,381,946.55</b>	<b>95,383,201.75</b>	<b>6,373,810.34</b>	<b>101,757,012.09</b>	<b>0.00</b>	<b>0.00</b>	<b>2,055,998,744.80</b>
<b>C</b>	<b>2,500,000,000.00</b>	<b>2,182,632,207.24</b>	<b>0.00</b>	<b>6,919,408.65</b>	<b>6,919,408.65</b>	<b>0.00</b>	<b>0.00</b>	<b>2,087,249,005.49</b>

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE							PASS-THROUGH RATES	
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS-THRU RATE
A1A	66987WBN6	861.54917451	43.15111522	2.44877739	45.59989260	818.39805930	A1A	3.654380 %
A1B	66987WBP1	861.54917448	43.15111523	2.48898302	45.64009825	818.39805926	A1B	3.714380 %
A2A	66987WBQ9	641.74300877	98.48208485	1.74915328	100.23123813	543.26092392	A2A	3.504380 %
A2B	66987WBR7	1,000.00000000	0.00000000	2.84229558	2.84229558	1,000.00000000	A2B	3.654380 %
A2C	66987WBS5	1,000.00000000	0.00000000	2.96673996	2.96673996	1,000.00000000	A2C	3.814380 %
M1	66987WBT3	1,000.00000000	0.00000000	3.06007337	3.06007337	1,000.00000000	M1	3.934380 %
M2	66987WBU0	1,000.00000000	0.00000000	3.09896215	3.09896215	1,000.00000000	M2	3.984380 %
M3	66987WBV8	1,000.00000000	0.00000000	3.13785120	3.13785120	1,000.00000000	M3	4.034380 %
M4	66987WBW6	1,000.00000000	0.00000000	3.43340667	3.43340667	1,000.00000000	M4	4.414380 %
M5	66987WBX4	1,000.00000000	0.00000000	3.47229569	3.47229569	1,000.00000000	M5	4.464380 %
M6	66987WBY2	1,000.00000000	0.00000000	3.55007320	3.55007320	1,000.00000000	M6	4.564380 %
B1	66987WBZ9	1,000.00000000	0.00000000	3.90007320	3.90007320	1,000.00000000	B1	5.014380 %

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FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE							PASS-THROUGH RATES	
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS-THRU RATE
B2	66987WCA3	1,000.00000000	0.00000000	3.97785120	3.97785120	1,000.00000000	B2	5.114380 %
B3	66987WCB1	1,000.00000000	0.00000000	4.98896240	4.98896240	1,000.00000000	B3	6.414380 %
B4	66987WCC9	1,000.00000000	0.00000000	5.30007360	5.30007360	1,000.00000000	B4	6.814380 %
<b>TOTALS</b>		871.44585177	38.63623362	2.58179659	41.21803021	832.80961815		
C	66987WCE5	873.05288290	0.00000000	2.76776346	2.76776346	834.89960220	C	0.000000 %

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

Ariella Kaminer  
 JPMorgan Chase Bank, N.A. - Structured Finance Services  
 4 New York Plaza, Floor 6,  
 New York, New York 10004  
 Tel: (212) 623-5431 / Fax: (212) 623-5931  
 Email: ariella.x.kaminer@jpmchase.com

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	REMIC Available Funds - Group I	79,172,607.70
	REMIC Available Funds - Group II	29,425,647.89
Sec. 4.03	Principal	
	Group I Scheduled Principal	1,171,835.77
	Group I Prepayments in Full	67,351,026.19
	Group I Curtailments	80,349.16
	Group I Net Liquidation Proceeds	270,606.59
	Group I Realized Losses	161,154.85
	Group II Scheduled Principal	334,814.16
	Group II Prepayments in Full	25,576,454.75
	Group II Curtailments	25,890.70
	Group II Net Liquidation Proceeds	411,069.61
	Group II Realized Losses	-521.02
	Total Scheduled Principal	1,506,649.93
	Total Prepayments in Full	92,927,480.94
	Total Curtailments	106,239.86
	Total Net Liquidation Proceeds	681,676.20
	Total Realized Losses	160,633.83
Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1A	55,190,276.36
	Class A-1B	13,799,726.65
	Class A-2A	26,393,198.74
	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

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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	3,131,986.28
Class A-1B	795,976.77
Class A-2A	468,773.08
Class A-2b	372,624.95
Class A-2C	317,737.85
Class M-1	290,706.97
Class M-2	158,821.81
Class M-3	137,280.99
Class M-4	77,251.65
Class M-5	112,849.61
Class M-6	88,751.83
Class B-1	97,501.83
Class B-2	99,446.28
Class B-3	124,724.06
Class B-4	99,376.38

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Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	1,677,510,856.16
		Group I Ending Pool Balance	1,608,475,883.63
		Group II Beginning Pool Balance	505,121,090.39
		Group II Ending Pool Balance	478,772,861.17
		Total Beginning Pool Balance	2,182,631,946.55
		Total Ending Pool Balance	2,087,248,744.80

Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	13,676
		Aggregate Principal Balance of Mortgage Loans	2,087,248,744.80
		Beginning Weighted Average Mortgage Rate	7.6173%
		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	1,560,523,831.84
		Number of 0-30 Days	10,944
		Balance of 30-59 Days	10,918,684.43
		Number of 30-59 Days	89
		Balance of 60-89 Days	6,068,223.29
		Number of 60-89 Days	44
		Balance of 90+ Days	2,000,697.13
		Number of 90+ Days	16
	Contractual Bankruptcy - Group I		
		Balance of 0-30 Days	5,899,130.00
		Number of 0-30 Days	41
		Balance of 30-59 Days	700,797.48

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Number of 30-59 Days	5
Balance of 60-89 Days	950,944.43
Number of 60-89 Days	7
Balance of 60-89 Days	3,286,438.07
Number of 60-89 Days	26

Legal Delinquency - Group I

Balance of 0-30 Days	1,560,523,831.84
Number of 0-30 Days	10,944
Balance of 30-59 Days	10,918,684.43
Number of 30-59 Days	89
Balance of 60-89 Days	6,068,223.29
Number of 60-89 Days	44
Balance of 60-89 Days	2,000,697.13
Number of 60-89 Days	16

Legal Bankruptcy - Group I

Balance of 0-30 Days	8,011,410.05
Number of 0-30 Days	58
Balance of 30-59 Days	1,153,562.68
Number of 30-59 Days	10
Balance of 60-89 Days	561,478.27
Number of 60-89 Days	3
Balance of 60-89 Days	1,110,858.98
Number of 60-89 Days	8

Sec. 4.03 (a)(v) B

Loans in Foreclosure - Group I

Balance of 0-30 Days	268,811.67
Number of 0-30 Days	3
Balance of 30-59 Days	555,814.42
Number of 30-59 Days	3
Balance of 60-89 Days	624,249.63
Number of 60-89 Days	7

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Balance of 60-89 Days	12,942,663.23
Number of 60-89 Days	93
Contractual Delinquency - Group II	
Balance of 0-30 Days	466,286,665.09
Number of 0-30 Days	2,307
Balance of 30-59 Days	3,197,218.68
Number of 30-59 Days	20
Balance of 60-89 Days	1,228,686.95
Number of 60-89 Days	5
Balance of 90+ Days	925,989.16
Number of 90+ Days	6
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	1,242,328.69
Number of 0-30 Days	6
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	1,337,912.68
Number of 90+ Days	6
Legal Delinquency - Group II	
Balance of 0-30 Days	466,286,665.09
Number of 0-30 Days	2,307
Balance of 30-59 Days	3,197,218.68
Number of 30-59 Days	20
Balance of 60-89 Days	1,228,686.95
Number of 60-89 Days	5
Balance of 90+ Days	925,989.16
Number of 90+ Days	6

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	Legal Bankruptcy - Group II	
	Balance of 0-30 Days	1,797,990.79
	Number of 0-30 Days	8
	Balance of 30-59 Days	0.00
	Number of 30-59 Days	0
	Balance of 60-89 Days	172,962.56
	Number of 60-89 Days	2
	Balance of 90+ Days	609,288.02
	Number of 90+ Days	2
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	105,563.66
	Number of 60-89 Days	1
	Balance of 90+ Days	3,445,803.70
	Number of 90+ Days	15

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Sec. 4.03(a)(v) C

Loans in REO

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REO by Group			
Group Number	Number of Loans	Principal Balance	Percentage
1	27	3,735,598.01	0.23%
2	5	1,002,692.56	0.21%

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Sec. 4.03(a)(vi)	Principal Prepayments		
		Group I Prepayments	67,351,026.19
		Group II Prepayments	25,576,454.75
Sec. 4.03 (a)(vii)	Realized Losses		
		Group I Liquidated Loan Balance	431,761.44
		Group I Net Liquidation Proceeds	270,606.59
		Group I Current Period Realized Losses	161,154.85
		Group I Recoveries of Prior Losses	0.00
		Group I Subsequent Losses	0.00
		Group I Cumulative Liquidated Loan Balance	1,191,933.99
		Group I Cumulative Net Liquidation Proceeds	1,018,870.45
		Group I Cumulative Recoveries of Prior Losses	840.09
		Group I Cumulative Subsequent Losses	0.00
		Group I Cumulative Realized Losses	172,223.45
		Group II Liquidated Loan Balance	411,069.61
		Group II Net Liquidation Proceeds	411,069.61
		Group II Current Period Realized Losses	-521.02
		Group II Recoveries of Prior Losses	521.02
		Group II Subsequent Losses	0.00
		Group II Cumulative Liquidated Loan Balance	550,914.70
		Group II Cumulative Net Liquidation Proceeds	546,020.50
		Group II Cumulative Recoveries of Prior Losses	521.02
		Group II Cumulative Subsequent Losses	66.25
		Group II Cumulative Realized Losses	4,439.43
		Total Liquidated Loan Balance	842,831.05

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	Total Net Liquidation Proceeds	681,676.20
	Total Current Period Realized Losses	160,633.83
	Total Recoveries of Prior Losses	521.02
	Total Subsequent Losses	0.00
	Total Cumulative Liquidated Loan Balance	1,742,848.69
	Total Cumulative Net Liquidation Proceeds	1,564,890.95
	Total Cumulative Recoveries of Prior Losses	1,361.11
	Total Cumulative Subsequent Losses	66.25
	Total Cumulative Realized Losses	176,662.88
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
	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	18.10%

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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
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	3.6544%
REMIC Pass-Through Rate - A-1B	3.7144%
REMIC Pass-Through Rate - A-2A	3.5044%
REMIC Pass-Through Rate - A-2B	3.6544%
REMIC Pass-Through Rate - A-2C	3.8144%
REMIC Pass-Through Rate - M-1	3.9344%
REMIC Pass-Through Rate - M-2	3.9844%
REMIC Pass-Through Rate - M-3	4.0344%
REMIC Pass-Through Rate - M-4	4.4144%
REMIC Pass-Through Rate - M-5	4.4644%
REMIC Pass-Through Rate - M-6	4.5644%
REMIC Pass-Through Rate - B-1	5.0144%
REMIC Pass-Through Rate - B-2	5.1144%
REMIC Pass-Through Rate - B-3	6.4144%
REMIC Pass-Through Rate - B-4	6.8144%
Next REMIC Pass-Through Rate - A-1A	3.8000%
Next REMIC Pass-Through Rate - A-1B	3.8600%
Next REMIC Pass-Through Rate - A-2A	3.6500%
Next REMIC Pass-Through Rate - A-2B	3.8000%
Next REMIC Pass-Through Rate - A-2C	3.9600%
Next REMIC Pass-Through Rate - M-1	4.0800%
Next REMIC Pass-Through Rate - M-2	4.1300%
Next REMIC Pass-Through Rate - M-3	4.1800%
Next REMIC Pass-Through Rate - M-4	4.5600%
Next REMIC Pass-Through Rate - M-5	4.6100%
Next REMIC Pass-Through Rate - M-6	4.7100%
Next REMIC Pass-Through Rate - B-1	5.1600%
Next REMIC Pass-Through Rate - B-2	5.2600%
Next REMIC Pass-Through Rate - B-3	6.5600%
Next REMIC Pass-Through Rate - B-3	6.9600%

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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
Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
	Underwritten Certificates Principal Balance		2,055,998,744.80
	Swap Notional Amount		1,435,000,000.00
	Difference		620,998,744.80
	Funds paid to Swap Counterparty		-87,366.34

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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	1,183,062.81
	Insurance Proceeds	0.00