

## NovaStar Mortgage Funding Trust, Series 2004-4

## Statement to Certificateholders

October 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	923,838,521.40	59,957,983.86	3,103,327.57	63,061,311.43	0.00	0.00	863,880,537.54
A1B	319,800,000.00	230,995,745.99	14,991,839.91	787,118.00	15,778,957.91	0.00	0.00	216,003,906.08
A2A	268,000,000.00	94,798,893.89	21,017,253.37	306,990.42	21,324,243.79	0.00	0.00	73,781,640.52
A2B	131,100,000.00	131,100,000.00	0.00	440,386.75	440,386.75	0.00	0.00	131,100,000.00
A2C	107,100,000.00	107,100,000.00	0.00	373,570.75	373,570.75	0.00	0.00	107,100,000.00
M1	95,000,000.00	95,000,000.00	0.00	340,548.61	340,548.61	0.00	0.00	95,000,000.00
M2	51,250,000.00	51,250,000.00	0.00	185,781.25	185,781.25	0.00	0.00	51,250,000.00
M3	43,750,000.00	43,750,000.00	0.00	160,355.90	160,355.90	0.00	0.00	43,750,000.00
M4	22,500,000.00	22,500,000.00	0.00	89,356.25	89,356.25	0.00	0.00	22,500,000.00
M5	32,500,000.00	32,500,000.00	0.00	130,379.17	130,379.17	0.00	0.00	32,500,000.00
M6	25,000,000.00	25,000,000.00	0.00	102,305.56	102,305.56	0.00	0.00	25,000,000.00
B1	25,000,000.00	25,000,000.00	0.00	111,368.06	111,368.06	0.00	0.00	25,000,000.00
B2	25,000,000.00	25,000,000.00	0.00	113,381.94	113,381.94	0.00	0.00	25,000,000.00
B3	25,000,000.00	25,000,000.00	0.00	139,562.50	139,562.50	0.00	0.00	25,000,000.00
B4	18,750,000.00	18,750,000.00	0.00	110,713.54	110,713.54	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>1,851,583,161.28</b>	<b>95,967,077.14</b>	<b>6,495,146.27</b>	<b>102,462,223.41</b>	<b>0.00</b>	<b>0.00</b>	<b>1,755,616,084.14</b>
<b>C</b>	<b>2,500,000,000.00</b>	<b>1,882,833,421.97</b>	<b>0.00</b>	<b>5,651,173.20</b>	<b>5,651,173.20</b>	<b>0.00</b>	<b>0.00</b>	<b>1,786,866,344.83</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	722.31315199	46.87879895	2.42637027	49.30516922	675.43435304	A1A	4.170000 %
A1B	66987WBP1	722.31315194	46.87879897	2.46128205	49.34008102	675.43435297	A1B	4.230000 %
A2A	66987WBQ9	353.72721601	78.42258720	1.14548664	79.56807384	275.30462881	A2A	4.020000 %
A2B	66987WBR7	1,000.00000000	0.00000000	3.35916667	3.35916667	1,000.00000000	A2B	4.170000 %
A2C	66987WBS5	1,000.00000000	0.00000000	3.48805556	3.48805556	1,000.00000000	A2C	4.330000 %
M1	66987WBT3	1,000.00000000	0.00000000	3.58472221	3.58472221	1,000.00000000	M1	4.450000 %
M2	66987WBU0	1,000.00000000	0.00000000	3.62500000	3.62500000	1,000.00000000	M2	4.500000 %
M3	66987WBV8	1,000.00000000	0.00000000	3.66527771	3.66527771	1,000.00000000	M3	4.550000 %
M4	66987WBW6	1,000.00000000	0.00000000	3.97138889	3.97138889	1,000.00000000	M4	4.930000 %
M5	66987WBX4	1,000.00000000	0.00000000	4.01166677	4.01166677	1,000.00000000	M5	4.980000 %
M6	66987WBY2	1,000.00000000	0.00000000	4.09222240	4.09222240	1,000.00000000	M6	5.080000 %
B1	66987WBZ9	1,000.00000000	0.00000000	4.45472240	4.45472240	1,000.00000000	B1	5.530000 %
B2	66987WCA3	1,000.00000000	0.00000000	4.53527760	4.53527760	1,000.00000000	B2	5.630000 %

## NovaStar Mortgage Funding Trust, Series 2004-4

## Statement to Certificateholders

October 25, 2005

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE							PASS-THROUGH RATES	
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS-THRU RATE
B3	66987WCB1	1,000.00000000	0.00000000	5.58250000	5.58250000	1,000.00000000	B3	6.930000 %
B4	66987WCC9	1,000.00000000	0.00000000	5.90472213	5.90472213	1,000.00000000	B4	7.330000 %
<b>TOTALS</b>		750.00836913	38.87274011	2.63094532	41.50368543	711.13562902		
C	66987WCE5	753.13336879	0.00000000	2.26046928	2.26046928	714.74653793	C	0.000000 %

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

October 25, 2005

	REMIC Available Funds - Group I	83,891,874.55
	REMIC Available Funds - Group II	23,414,007.65
Sec. 4.03	Principal	
	Group I Scheduled Principal	1,047,530.97
	Group I Prepayments in Full	72,628,766.82
	Group I Curtailments	86,990.69
	Group I Net Liquidation Proceeds	852,472.19
	Group I Realized Losses	329,486.71
	Group II Scheduled Principal	295,662.76
	Group II Prepayments in Full	20,198,478.47
	Group II Curtailments	23,120.20
	Group II Net Liquidation Proceeds	406,314.75
	Group II Realized Losses	98,253.57
	Total Scheduled Principal	1,343,193.73
	Total Prepayments in Full	92,827,245.29
	Total Curtailments	110,110.89
	Total Net Liquidation Proceeds	1,258,786.94
	Total Realized Losses	427,740.28
Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1A	59,957,983.86
	Class A-1B	14,991,839.91
	Class A-2A	21,017,253.37
	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

## NovaStar Mortgage Funding Trust, Series 2004-4

October 25, 2005

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	3,103,327.57
Class A-1B	787,118.00
Class A-2A	306,990.42
Class A-2b	440,386.75
Class A-2C	373,570.75
Class M-1	340,548.61
Class M-2	185,781.25
Class M-3	160,355.90
Class M-4	89,356.25
Class M-5	130,379.17
Class M-6	102,305.56
Class B-1	111,368.06
Class B-2	113,381.94
Class B-3	139,562.50
Class B-4	110,713.54

## NovaStar Mortgage Funding Trust, Series 2004-4

October 25, 2005

Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	1,454,777,597.20
		Group I Ending Pool Balance	1,379,832,349.81
		Group II Beginning Pool Balance	428,055,564.08
		Group II Ending Pool Balance	407,033,734.33
		Total Beginning Pool Balance	1,882,833,161.28
		Total Ending Pool Balance	1,786,866,084.14
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	12,047
		Aggregate Principal Balance of Mortgage Loans	1,786,866,084.14
		Beginning Weighted Average Mortgage Rate	7.6051%
		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	1,312,342,569.54
		Number of 0-30 Days	9,432
		Balance of 30-59 Days	14,109,183.81
		Number of 30-59 Days	117
		Balance of 60-89 Days	6,673,397.31
		Number of 60-89 Days	51
		Balance of 90+ Days	9,190,953.53
		Number of 90+ Days	79
	Contractual Bankruptcy - Group I		
		Balance of 0-30 Days	5,082,059.10
		Number of 0-30 Days	39
		Balance of 30-59 Days	1,010,135.86

**NovaStar Mortgage Funding Trust, Series 2004-4**

**October 25, 2005**

	Number of 30-59 Days	6
	Balance of 60-89 Days	670,161.34
	Number of 60-89 Days	7
	Balance of 60-89 Days	6,788,835.25
	Number of 60-89 Days	57
	<b>Legal Delinquency - Group I</b>	
	Balance of 0-30 Days	1,312,342,569.54
	Number of 0-30 Days	9,432
	Balance of 30-59 Days	14,109,183.81
	Number of 30-59 Days	117
	Balance of 60-89 Days	6,673,397.31
	Number of 60-89 Days	51
	Balance of 60-89 Days	9,190,953.53
	Number of 60-89 Days	79
	<b>Legal Bankruptcy - Group I</b>	
	Balance of 0-30 Days	7,015,340.27
	Number of 0-30 Days	56
	Balance of 30-59 Days	2,724,059.01
	Number of 30-59 Days	23
	Balance of 60-89 Days	1,533,842.02
	Number of 60-89 Days	11
	Balance of 60-89 Days	2,277,950.25
	Number of 60-89 Days	19
Sec. 4.03 (a)(v) B	<b>Loans in Foreclosure - Group I</b>	
	Balance of 0-30 Days	1,740,770.10
	Number of 0-30 Days	15
	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

**NovaStar Mortgage Funding Trust, Series 2004-4**

**October 25, 2005**

Balance of 60-89 Days	16,003,561.29
Number of 60-89 Days	120
Contractual Delinquency - Group II	
Balance of 0-30 Days	388,487,295.94
Number of 0-30 Days	1,971
Balance of 30-59 Days	3,516,480.26
Number of 30-59 Days	24
Balance of 60-89 Days	2,407,519.29
Number of 60-89 Days	12
Balance of 90+ Days	2,575,923.75
Number of 90+ Days	10
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	680,618.99
Number of 0-30 Days	6
Balance of 30-59 Days	0.00
Number of 30-59 Days	0
Balance of 60-89 Days	64,830.77
Number of 60-89 Days	1
Balance of 90+ Days	1,148,277.91
Number of 90+ Days	8
Legal Delinquency - Group II	
Balance of 0-30 Days	388,487,295.94
Number of 0-30 Days	1,971
Balance of 30-59 Days	3,516,480.26
Number of 30-59 Days	24
Balance of 60-89 Days	2,407,519.29
Number of 60-89 Days	12
Balance of 90+ Days	2,575,923.75
Number of 90+ Days	10

## NovaStar Mortgage Funding Trust, Series 2004-4

October 25, 2005

	Legal Bankruptcy - Group II	
	Balance of 0-30 Days	1,299,483.16
	Number of 0-30 Days	9
	Balance of 30-59 Days	117,937.51
	Number of 30-59 Days	1
	Balance of 60-89 Days	0.00
	Number of 60-89 Days	0
	Balance of 90+ Days	476,307.00
	Number of 90+ Days	5
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group II	0.00
	Balance of 0-30 Days	1,488,022.06
	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 90+ Days	5,431,285.36
	Number of 90+ Days	30

**NovaStar Mortgage Funding Trust, Series 2004-4**  
**October 25, 2005**

Sec. 4.03(a)(v) C

Loans in REO

**NovaStar Mortgage Funding Trust, Series 2004-4**

**October 25, 2005**

REO by Group			
Group Number	Number of Loans	Principal Balance	Percentage
1	52	6,220,722.68	0.45%
2	6	1,233,480.00	0.30%

**NovaStar Mortgage Funding Trust, Series 2004-4**  
**October 25, 2005**

Sec. 4.03(a)(vi)	Principal Prepayments		
		Group I Prepayments	72,628,766.82
		Group II Prepayments	20,198,478.47
Sec. 4.03 (a)(vii)	Realized Losses		
		Group I Liquidated Loan Balance	1,181,958.90
		Group I Net Liquidation Proceeds	852,472.19
		Group I Current Period Realized Losses	329,486.71
		Group I Recoveries of Prior Losses	0.00
		Group I Subsequent Losses	0.00
		Group I Cumulative Liquidated Loan Balance	3,364,689.14
		Group I Cumulative Net Liquidation Proceeds	2,429,607.90
		Group I Cumulative Recoveries of Prior Losses	840.09
		Group I Cumulative Subsequent Losses	0.00
		Group I Cumulative Realized Losses	934,241.15
		Group II Liquidated Loan Balance	504,568.32
		Group II Net Liquidation Proceeds	406,314.75
		Group II Current Period Realized Losses	98,253.57
		Group II Recoveries of Prior Losses	0.00
		Group II Subsequent Losses	0.00
		Group II Cumulative Liquidated Loan Balance	1,203,527.95
		Group II Cumulative Net Liquidation Proceeds	1,057,586.10
		Group II Cumulative Recoveries of Prior Losses	521.02
		Group II Cumulative Subsequent Losses	66.25
		Group II Cumulative Realized Losses	145,487.08
		Total Liquidated Loan Balance	1,686,527.22

NovaStar Mortgage Funding Trust, Series 2004-4

October 25, 2005

Total Net Liquidation Proceeds	1,258,786.94
Total Current Period Realized Losses	427,740.28
Total Recoveries of Prior Losses	0.00
Total Subsequent Losses	0.00
Total Cumulative Liquidated Loan Balance	4,568,217.09
Total Cumulative Net Liquidation Proceeds	3,487,194.00
Total Cumulative Recoveries of Prior Losses	1,361.11
Total Cumulative Subsequent Losses	66.25
Total Cumulative Realized Losses	1,079,728.23

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

20.98%

**NovaStar Mortgage Funding Trust, Series 2004-4**

**October 25, 2005**

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

NovaStar Mortgage Funding Trust, Series 2004-4

October 25, 2005

Sec. 4.03 (a)(xiii)

REMIC Pass-Through Rates

REMIC Pass-Through Rate - A-1A	4.1700%
REMIC Pass-Through Rate - A-1B	4.2300%
REMIC Pass-Through Rate - A-2A	4.0200%
REMIC Pass-Through Rate - A-2B	4.1700%
REMIC Pass-Through Rate - A-2C	4.3300%
REMIC Pass-Through Rate - M-1	4.4500%
REMIC Pass-Through Rate - M-2	4.5000%
REMIC Pass-Through Rate - M-3	4.5500%
REMIC Pass-Through Rate - M-4	4.9300%
REMIC Pass-Through Rate - M-5	4.9800%
REMIC Pass-Through Rate - M-6	5.0800%
REMIC Pass-Through Rate - B-1	5.5300%
REMIC Pass-Through Rate - B-2	5.6300%
REMIC Pass-Through Rate - B-3	6.9300%
REMIC Pass-Through Rate - B-4	7.3300%
Next REMIC Pass-Through Rate - A-1A	0.3400%
Next REMIC Pass-Through Rate - A-1B	0.4000%
Next REMIC Pass-Through Rate - A-2A	0.1900%
Next REMIC Pass-Through Rate - A-2B	0.3400%
Next REMIC Pass-Through Rate - A-2C	0.5000%
Next REMIC Pass-Through Rate - M-1	0.6200%
Next REMIC Pass-Through Rate - M-2	0.6700%
Next REMIC Pass-Through Rate - M-3	0.7200%
Next REMIC Pass-Through Rate - M-4	1.1000%
Next REMIC Pass-Through Rate - M-5	1.1500%
Next REMIC Pass-Through Rate - M-6	1.2500%
Next REMIC Pass-Through Rate - B-1	1.7000%
Next REMIC Pass-Through Rate - B-2	1.8000%
Next REMIC Pass-Through Rate - B-3	3.1000%
Next REMIC Pass-Through Rate - B-3	3.5000%

## NovaStar Mortgage Funding Trust, Series 2004-4

October 25, 2005

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		1,755,616,084.14
	Swap Notional Amount		1,435,000,000.00
	Difference		320,616,084.14
	Funds paid to Swap Counterparty		-815,523.61

**NovaStar Mortgage Funding Trust, Series 2004-4**  
**October 25, 2005**

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	989,063.76
	Insurance Proceeds	0.00