

## NovaStar Mortgage Funding Trust, Series 2004-4

## Statement to Certificateholders

March 27, 2006

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	653,927,591.82	37,140,061.79	2,502,683.34	39,642,745.13	0.00	0.00	616,787,530.03
A1B	319,800,000.00	163,507,461.96	9,286,467.36	633,399.02	9,919,866.38	0.00	0.00	154,220,994.60
A2A	268,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A2B	131,100,000.00	121,604,962.78	12,081,353.83	465,401.24	12,546,755.07	0.00	0.00	109,523,608.95
A2C	107,100,000.00	107,100,000.00	0.00	423,216.48	423,216.48	0.00	0.00	107,100,000.00
M1	95,000,000.00	95,000,000.00	0.00	384,268.77	384,268.77	0.00	0.00	95,000,000.00
M2	51,250,000.00	51,250,000.00	0.00	209,295.95	209,295.95	0.00	0.00	51,250,000.00
M3	43,750,000.00	43,750,000.00	0.00	180,368.66	180,368.66	0.00	0.00	43,750,000.00
M4	22,500,000.00	22,500,000.00	0.00	99,411.03	99,411.03	0.00	0.00	22,500,000.00
M5	32,500,000.00	32,500,000.00	0.00	144,857.59	144,857.59	0.00	0.00	32,500,000.00
M6	25,000,000.00	25,000,000.00	0.00	113,373.36	113,373.36	0.00	0.00	25,000,000.00
B1	25,000,000.00	25,000,000.00	0.00	122,123.36	122,123.36	0.00	0.00	25,000,000.00
B2	25,000,000.00	25,000,000.00	0.00	124,067.81	124,067.81	0.00	0.00	25,000,000.00
B3	25,000,000.00	25,000,000.00	0.00	149,345.58	149,345.58	0.00	0.00	25,000,000.00
B4	18,750,000.00	18,750,000.00	0.00	117,842.52	117,842.52	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>1,409,890,016.56</b>	<b>58,507,882.98</b>	<b>5,669,654.71</b>	<b>64,177,537.69</b>	<b>0.00</b>	<b>0.00</b>	<b>1,351,382,133.58</b>
<b>C</b>	<b>2,500,000,000.00</b>	<b>1,441,140,277.25</b>	<b>0.00</b>	<b>4,130,930.93</b>	<b>4,130,930.93</b>	<b>0.00</b>	<b>0.00</b>	<b>1,382,632,394.27</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	511.28036890	29.03835949	1.95675007	30.99510956	482.24200941	A1A	4.920630 %
A1B	66987WBP1	511.28036886	29.03835947	1.98060982	31.01896929	482.24200938	A1B	4.980630 %
A2A	66987WBQ9	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	A2A	4.770630 %
A2B	66987WBR7	927.57408680	92.15372868	3.54997132	95.70370000	835.42035812	A2B	4.920630 %
A2C	66987WBS5	1,000.00000000	0.00000000	3.95160112	3.95160112	1,000.00000000	A2C	5.080630 %
M1	66987WBT3	1,000.00000000	0.00000000	4.04493442	4.04493442	1,000.00000000	M1	5.200630 %
M2	66987WBU0	1,000.00000000	0.00000000	4.08382341	4.08382341	1,000.00000000	M2	5.250630 %
M3	66987WBV8	1,000.00000000	0.00000000	4.12271223	4.12271223	1,000.00000000	M3	5.300630 %
M4	66987WBW6	1,000.00000000	0.00000000	4.41826800	4.41826800	1,000.00000000	M4	5.680630 %
M5	66987WBX4	1,000.00000000	0.00000000	4.45715662	4.45715662	1,000.00000000	M5	5.730630 %
M6	66987WBY2	1,000.00000000	0.00000000	4.53493440	4.53493440	1,000.00000000	M6	5.830630 %
B1	66987WBZ9	1,000.00000000	0.00000000	4.88493440	4.88493440	1,000.00000000	B1	6.280630 %
B2	66987WCA3	1,000.00000000	0.00000000	4.96271240	4.96271240	1,000.00000000	B2	6.380630 %

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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
B3	66987WCB1	1,000.00000000	0.00000000	5.97382320	5.97382320	1,000.00000000	B3	7.680630 %
B4	66987WCC9	1,000.00000000	0.00000000	6.28493440	6.28493440	1,000.00000000	B4	8.080630 %
<b>TOTALS</b>		571.09469025	23.69939564	2.29656900	25.99596463	547.39529461		
C	66987WCE5	576.45611090	0.00000000	1.65237237	1.65237237	553.05295771	C	0.000000 %

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	52,979,127.94
	REMIC Available Funds - Group II	13,868,164.34
Sec. 4.03	Principal	
	Group I Scheduled Principal	857,041.89
	Group I Prepayments in Full	43,526,536.72
	Group I Curtailments	223,900.17
	Group I Net Liquidation Proceeds	1,453,306.48
	Group I Realized Losses	367,086.01
	Group II Scheduled Principal	240,618.72
	Group II Prepayments in Full	11,463,737.03
	Group II Curtailments	67,311.24
	Group II Net Liquidation Proceeds	218,309.11
	Group II Realized Losses	75,440.29
	Total Scheduled Principal	1,097,660.61
	Total Prepayments in Full	54,990,273.75
	Total Curtailments	291,211.41
	Total Net Liquidation Proceeds	1,671,615.59
	Total Realized Losses	442,526.30
Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1A	37,140,061.79
	Class A-1B	9,286,467.36
	Class A-2A	0.00
	Class A-2B	12,081,353.83
	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	2,502,683.34
Class A-1B	633,399.02
Class A-2A	0.00
Class A-2b	465,401.24
Class A-2C	423,216.48
Class M-1	384,268.77
Class M-2	209,295.95
Class M-3	180,368.66
Class M-4	99,411.03
Class M-5	144,857.59
Class M-6	113,373.36
Class B-1	122,123.36
Class B-2	124,067.81
Class B-3	149,345.58
Class B-4	117,842.52

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Sec. 4.03(a)(iii)	Pool Balances		
		Group I Beginning Pool Balance	1,117,111,349.10
		Group I Ending Pool Balance	1,070,668,882.53
		Group II Beginning Pool Balance	324,028,667.46
		Group II Ending Pool Balance	311,963,251.05
		Total Beginning Pool Balance	1,441,140,016.56
		Total Ending Pool Balance	1,382,632,133.58
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
		Number of Mortgage Loans	9,647
		Aggregate Principal Balance of Mortgage Loans	1,382,632,133.58
		Beginning Weighted Average Mortgage Rate	7.5883%
		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	997,542,016.14
		Number of 0-30 Days	7,427
		Balance of 30-59 Days	7,109,523.48
		Number of 30-59 Days	53
		Balance of 60-89 Days	4,359,307.32
		Number of 60-89 Days	31
		Balance of 90+ Days	5,588,082.92
		Number of 90+ Days	46
	Contractual Bankruptcy - Group I		
		Balance of 0-30 Days	4,244,826.14
		Number of 0-30 Days	36
		Balance of 30-59 Days	1,105,882.98

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Number of 30-59 Days	7
Balance of 60-89 Days	582,468.30
Number of 60-89 Days	6
Balance of 60-89 Days	9,473,627.90
Number of 60-89 Days	72

Legal Delinquency - Group I

Balance of 0-30 Days	997,542,016.14
Number of 0-30 Days	7,427
Balance of 30-59 Days	7,109,523.48
Number of 30-59 Days	53
Balance of 60-89 Days	4,359,307.32
Number of 60-89 Days	31
Balance of 60-89 Days	5,588,082.92
Number of 60-89 Days	46

Legal Bankruptcy - Group I

Balance of 0-30 Days	7,689,707.40
Number of 0-30 Days	61
Balance of 30-59 Days	2,675,360.67
Number of 30-59 Days	17
Balance of 60-89 Days	1,125,020.82
Number of 60-89 Days	12
Balance of 60-89 Days	3,916,716.43
Number of 60-89 Days	31

Sec. 4.03 (a)(v) B

Loans in Foreclosure - Group I

Balance of 0-30 Days	1,629,717.68
Number of 0-30 Days	14
Balance of 30-59 Days	57,693.45
Number of 30-59 Days	1
Balance of 60-89 Days	584,548.75
Number of 60-89 Days	4

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Balance of 60-89 Days	20,071,709.85
Number of 60-89 Days	159
Contractual Delinquency - Group II	
Balance of 0-30 Days	295,301,773.89
Number of 0-30 Days	1,533
Balance of 30-59 Days	2,895,622.91
Number of 30-59 Days	17
Balance of 60-89 Days	627,129.78
Number of 60-89 Days	6
Balance of 90+ Days	898,060.90
Number of 90+ Days	6
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	332,513.55
Number of 0-30 Days	3
Balance of 30-59 Days	58,330.51
Number of 30-59 Days	1
Balance of 60-89 Days	0.00
Number of 60-89 Days	0
Balance of 90+ Days	2,087,561.19
Number of 90+ Days	14
Legal Delinquency - Group II	
Balance of 0-30 Days	295,301,773.89
Number of 0-30 Days	1,533
Balance of 30-59 Days	2,895,622.91
Number of 30-59 Days	17
Balance of 60-89 Days	627,129.78
Number of 60-89 Days	6
Balance of 90+ Days	898,060.90
Number of 90+ Days	6

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	Legal Bankruptcy - Group II		
	Balance of 0-30 Days		1,426,528.90
	Number of 0-30 Days		10
	Balance of 30-59 Days		58,330.51
	Number of 30-59 Days		1
	Balance of 60-89 Days		293,171.47
	Number of 60-89 Days		3
	Balance of 90+ Days		700,374.37
	Number of 90+ Days		4
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group II		0.00
	Balance of 0-30 Days		591,368.28
	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		5,062,100.68
	Number of 90+ Days		30

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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	152	18,319,477.62	1.71%
2	27	4,108,789.36	1.32%

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Sec. 4.03(a)(vi)	Principal Prepayments		
		Group I Prepayments	43,526,536.72
		Group II Prepayments	11,463,737.03
Sec. 4.03 (a)(vii)	Realized Losses		
		Group I Liquidated Loan Balance	1,834,987.76
		Group I Net Liquidation Proceeds	1,453,306.48
		Group I Current Period Realized Losses	367,086.01
		Group I Recoveries of Prior Losses	14,595.27
		Group I Subsequent Losses	0.00
		Group I Cumulative Liquidated Loan Balance	10,614,699.56
		Group I Cumulative Net Liquidation Proceeds	7,718,236.92
		Group I Cumulative Recoveries of Prior Losses	69,006.75
		Group I Cumulative Subsequent Losses	153,903.73
		Group I Cumulative Realized Losses	2,998,319.79
		Group II Liquidated Loan Balance	293,749.40
		Group II Net Liquidation Proceeds	218,309.11
		Group II Current Period Realized Losses	75,440.29
		Group II Recoveries of Prior Losses	0.00
		Group II Subsequent Losses	0.00
		Group II Cumulative Liquidated Loan Balance	3,223,591.14
		Group II Cumulative Net Liquidation Proceeds	2,837,461.96
		Group II Cumulative Recoveries of Prior Losses	521.02
		Group II Cumulative Subsequent Losses	168.25
		Group II Cumulative Realized Losses	389,264.39
		Total Liquidated Loan Balance	2,128,737.16

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Total Net Liquidation Proceeds	1,671,615.59
Total Current Period Realized Losses	442,526.30
Total Recoveries of Prior Losses	14,595.27
Total Subsequent Losses	0.00
Total Cumulative Liquidated Loan Balance	13,838,290.70
Total Cumulative Net Liquidation Proceeds	10,555,698.88
Total Cumulative Recoveries of Prior Losses	69,527.77
Total Cumulative Subsequent Losses	154,071.98
Total Cumulative Realized Losses	3,387,584.18

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

27.41%

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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	4.9206%
REMIC Pass-Through Rate - A-1B	4.9806%
REMIC Pass-Through Rate - A-2A	4.7706%
REMIC Pass-Through Rate - A-2B	4.9206%
REMIC Pass-Through Rate - A-2C	5.0806%
REMIC Pass-Through Rate - M-1	5.2006%
REMIC Pass-Through Rate - M-2	5.2506%
REMIC Pass-Through Rate - M-3	5.3006%
REMIC Pass-Through Rate - M-4	5.6806%
REMIC Pass-Through Rate - M-5	5.7306%
REMIC Pass-Through Rate - M-6	5.8306%
REMIC Pass-Through Rate - B-1	6.2806%
REMIC Pass-Through Rate - B-2	6.3806%
REMIC Pass-Through Rate - B-3	7.6806%
REMIC Pass-Through Rate - B-4	8.0806%
Next REMIC Pass-Through Rate - A-1A	5.1581%
Next REMIC Pass-Through Rate - A-1B	5.2181%
Next REMIC Pass-Through Rate - A-2A	5.0081%
Next REMIC Pass-Through Rate - A-2B	5.1581%
Next REMIC Pass-Through Rate - A-2C	5.3181%
Next REMIC Pass-Through Rate - M-1	5.4381%
Next REMIC Pass-Through Rate - M-2	5.4881%
Next REMIC Pass-Through Rate - M-3	5.5381%
Next REMIC Pass-Through Rate - M-4	5.9181%
Next REMIC Pass-Through Rate - M-5	5.9681%
Next REMIC Pass-Through Rate - M-6	6.0681%
Next REMIC Pass-Through Rate - B-1	6.5181%
Next REMIC Pass-Through Rate - B-2	6.6181%
Next REMIC Pass-Through Rate - B-3	7.9181%
Next REMIC Pass-Through Rate - B-3	8.3181%

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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		1,351,382,133.58
	Swap Notional Amount		1,345,000,000.00
	Difference		6,382,133.58
	Funds paid to Swap Counterparty		-1,467,385.67

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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	744,432.05
	Insurance Proceeds	0.00