

NovaStar Mortgage Funding Trust, Series 2004-4

August 25, 2006

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

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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	478,991,379.69	29,165,494.48	2,361,360.98	31,526,855.46	0.00	0.00	449,825,885.21
A1B	319,800,000.00	119,766,570.15	7,292,513.79	596,620.50	7,889,134.29	0.00	0.00	112,474,056.36
A2A	268,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A2B	131,100,000.00	58,666,551.32	11,326,542.30	289,217.95	11,615,760.25	0.00	0.00	47,340,009.02
A2C	107,100,000.00	107,100,000.00	0.00	542,744.13	542,744.13	0.00	0.00	107,100,000.00
M1	95,000,000.00	95,000,000.00	0.00	491,242.36	491,242.36	0.00	0.00	95,000,000.00
M2	51,250,000.00	51,250,000.00	0.00	267,218.92	267,218.92	0.00	0.00	51,250,000.00
M3	43,750,000.00	43,750,000.00	0.00	229,997.40	229,997.40	0.00	0.00	43,750,000.00
M4	22,500,000.00	22,500,000.00	0.00	125,646.88	125,646.88	0.00	0.00	22,500,000.00
M5	32,500,000.00	32,500,000.00	0.00	182,889.24	182,889.24	0.00	0.00	32,500,000.00
M6	25,000,000.00	25,000,000.00	0.00	142,836.81	142,836.81	0.00	0.00	25,000,000.00
B1	25,000,000.00	25,000,000.00	0.00	152,524.31	152,524.31	0.00	0.00	25,000,000.00
B2	25,000,000.00	25,000,000.00	0.00	154,677.08	154,677.08	0.00	0.00	25,000,000.00
B3	25,000,000.00	25,000,000.00	0.00	182,663.19	182,663.19	0.00	0.00	25,000,000.00
B4	18,750,000.00	18,750,000.00	0.00	143,455.73	143,455.73	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
TOTALS	2,468,750,000.00	1,128,274,501.16	47,784,550.57	5,863,095.48	53,647,646.05	0.00	0.00	1,080,489,950.59
C	2,500,000,000.00	1,159,021,840.09	0.00	2,918,368.36	2,918,368.36	0.00	0.00	1,111,335,186.08

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FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE							
CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CURRENT PASS-THRU RATE
A1A	66987WBN6	374.50459710	22.80335769	1.84625565	24.64961334	351.70123941	5.725000%
A1B	66987WBP1	374.50459709	22.80335769	1.86560507	24.66896276	351.70123940	5.785000%
A2A	66987WBQ9	0.00000000	0.00000000	0.00000000	0.00000000	0.00000000	0.000000%
A2B	66987WBR7	447.49467063	86.39620366	2.20608658	88.60229024	361.09846697	5.725000%
A2C	66987WBS5	1,000.00000000	0.00000000	5.06763894	5.06763894	1,000.00000000	5.885000%
M1	66987WBT3	1,000.00000000	0.00000000	5.17097221	5.17097221	1,000.00000000	6.005000%
M2	66987WBU0	1,000.00000000	0.00000000	5.21402771	5.21402771	1,000.00000000	6.055000%
M3	66987WBV8	1,000.00000000	0.00000000	5.25708343	5.25708343	1,000.00000000	6.105000%
M4	66987WBW6	1,000.00000000	0.00000000	5.58430578	5.58430578	1,000.00000000	6.485000%
M5	66987WBX4	1,000.00000000	0.00000000	5.62736123	5.62736123	1,000.00000000	6.535000%
M6	66987WBY2	1,000.00000000	0.00000000	5.71347240	5.71347240	1,000.00000000	6.635000%
B1	66987WBZ9	1,000.00000000	0.00000000	6.10097240	6.10097240	1,000.00000000	7.085000%
B2	66987WCA3	1,000.00000000	0.00000000	6.18708320	6.18708320	1,000.00000000	7.185000%
B3	66987WCB1	1,000.00000000	0.00000000	7.30652760	7.30652760	1,000.00000000	8.485000%
B4	66987WCC9	1,000.00000000	0.00000000	7.65097227	7.65097227	1,000.00000000	6.249129%
TOTALS		457.02258275	19.35576732	2.37492475	21.73069207	437.66681543	
C	66987WCE5	463.60873604	0.00000000	1.16734734	1.16734734	444.53407443	0.000000%

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	REMIC Available Funds - Group I	41,540,918.58
	REMIC Available Funds - Group II	12,684,775.74
Sec. 4.03	Principal	
	Group I Scheduled Principal	718,682.49
	Group I Prepayments in Full	33,926,258.30
	Group I Curtailments	242,132.61
	Group I Net Liquidation Proceeds	1,144,027.43
	Group I Realized Losses	311,663.32
	Group II Scheduled Principal	207,174.07
	Group II Prepayments in Full	10,510,957.98
	Group II Curtailments	76,101.76
	Group II Net Liquidation Proceeds	406,410.03
	Group II Realized Losses	108,371.64
	Total Scheduled Principal	925,856.56
	Total Prepayments in Full	44,437,216.28
	Total Curtailments	318,234.37
	Total Net Liquidation Proceeds	1,550,437.46
	Total Realized Losses	420,034.96
Sec. 4.03(a)(i)	Distributions of Principal	
	Class A-1A	29,165,494.48
	Class A-1B	7,292,513.79
	Class A-2A	0.00
	Class A-2B	11,326,542.30
	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	2,361,360.98
	Class A-1B	596,620.50
	Class A-2A	0.00
	Class A-2b	289,217.95
	Class A-2C	542,744.13
	Class M-1	491,242.36
	Class M-2	267,218.92
	Class M-3	229,997.40
	Class M-4	125,646.88
	Class M-5	182,889.24
	Class M-6	142,836.81
	Class B-1	152,524.31
	Class B-2	154,677.08
	Class B-3	182,663.19
	Class B-4	143,455.73

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Sec. 4.03(a)(iii)	Pool Balances		
	Group I Beginning Pool Balance		897,762,666.80
	Group I Ending Pool Balance		861,385,028.27
	Group II Beginning Pool Balance		261,258,912.60
	Group II Ending Pool Balance		249,949,897.12
	Total Beginning Pool Balance		1,159,021,579.40
	Total Ending Pool Balance		1,111,334,925.39
Sec. 4.03(a)(iv)	Mortgage Loan Information as of Determination Date		
	Number of Mortgage Loans		7,901
	Aggregate Principal Balance of Mortgage Loans		1,111,334,925.39
	Beginning Weighted Average Mortgage Rate		7.5847%
	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		792,224,366.01
	Number of 0-30 Days		5,979
	Balance of 30-59 Days		10,836,186.28
	Number of 30-59 Days		86
	Balance of 60-89 Days		5,632,360.99
	Number of 60-89 Days		54
	Balance of 90+ Days		3,119,975.33
	Number of 90+ Days		28
	Contractual Bankrutpcy - Group I		
	Balance of 0-30 Days		2,990,653.23
	Number of 0-30 Days		24
	Balance of 30-59 Days		850,948.25

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	Number of 30-59 Days	8
	Balance of 60-89 Days	435,002.96
	Number of 60-89 Days	4
	Balance of 90+ Days	8,066,184.19
	Number of 90+ Days	66
	Legal Delinquency - Group I	
	Balance of 0-30 Days	792,135,604.09
	Number of 0-30 Days	5,978
	Balance of 30-59 Days	10,836,186.28
	Number of 30-59 Days	86
	Balance of 60-89 Days	5,301,089.55
	Number of 60-89 Days	52
	Balance of 90+ Days	3,540,008.69
	Number of 90+ Days	31
	Legal Bankruptcy - Group I	
	Balance of 0-30 Days	5,749,358.68
	Number of 0-30 Days	50
	Balance of 30-59 Days	1,764,235.17
	Number of 30-59 Days	14
	Balance of 60-89 Days	2,425,674.50
	Number of 60-89 Days	19
	Balance of 90+ Days	2,403,520.28
	Number of 90+ Days	19
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group I	
	Balance of 0-30 Days	1,388,675.38
	Number of 0-30 Days	15
	Balance of 30-59 Days	356,336.01
	Number of 30-59 Days	3
	Balance of 60-89 Days	0.00
	Number of 60-89 Days	0

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Balance of 90+ Days	12,397,345.30
Number of 90+ Days	100
Contractual Delinquency - Group II	
Balance of 0-30 Days	232,476,469.08
Number of 0-30 Days	1,229
Balance of 30-59 Days	2,784,344.47
Number of 30-59 Days	17
Balance of 60-89 Days	609,969.30
Number of 60-89 Days	6
Balance of 90+ Days	744,059.09
Number of 90+ Days	6
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	456,034.18
Number of 0-30 Days	4
Balance of 30-59 Days	57,914.02
Number of 30-59 Days	1
Balance of 60-89 Days	298,905.30
Number of 60-89 Days	1
Balance of 90+ Days	2,447,512.54
Number of 90+ Days	14
Legal Delinquency - Group II	
Balance of 0-30 Days	232,476,469.08
Number of 0-30 Days	1,229
Balance of 30-59 Days	2,784,344.47
Number of 30-59 Days	17
Balance of 60-89 Days	609,969.30
Number of 60-89 Days	6
Balance of 90+ Days	744,059.09
Number of 90+ Days	6

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	Legal Bankruptcy - Group II	
	Balance of 0-30 Days	1,333,557.73
	Number of 0-30 Days	8
	Balance of 30-59 Days	244,230.41
	Number of 30-59 Days	2
	Balance of 60-89 Days	584,760.31
	Number of 60-89 Days	4
	Balance of 90+ Days	1,097,817.59
	Number of 90+ Days	6
Sec. 4.03 (a)(v) B	Loans in Foreclosure - Group II	0.00
	Balance of 0-30 Days	616,251.26
	Number of 0-30 Days	3
	Balance of 30-59 Days	0.00
	Number of 30-59 Days	0
	Balance of 60-89 Days	277,939.78
	Number of 60-89 Days	2
	Balance of 90+ Days	4,786,702.53
	Number of 90+ Days	25

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Sec. 4.03(a)(v) C

Loans in REO

REO Group Report			
Group Number	Number of Loans	Principal Balance	Percentage
1	192	23,086,994.34	2.68%
2	34	4,393,795.57	1.76%

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Sec. 4.03(a)(vi)	Principal Prepayments	
	Group I Prepayments	33,926,258.30
	Group II Prepayments	10,510,957.98
Sec. 4.03 (a)(vii)	Realized Losses	
	Group I Liquidated Loan Balance	1,490,565.15
	Group I Net Liquidation Proceeds	1,144,027.43
	Group I Current Period Realized Losses	311,663.32
	Group I Recoveries of Prior Losses	21,663.98
	Group I Subsequent Losses	0.00
	Group I Cumulative Liquidated Loan Balance	21,226,597.50
	Group I Cumulative Net Liquidation Proceeds	15,359,019.77
	Group I Cumulative Recoveries of Prior Losses	129,864.97
	Group I Cumulative Subsequent Losses	555,164.13
	Group I Cumulative Realized Losses	6,313,617.73
	Group II Liquidated Loan Balance	514,781.67
	Group II Net Liquidation Proceeds	406,410.03
	Group II Current Period Realized Losses	108,371.64
	Group II Recoveries of Prior Losses	0.00
	Group II Subsequent Losses	0.00
	Group II Cumulative Liquidated Loan Balance	5,886,118.61
	Group II Cumulative Net Liquidation Proceeds	4,970,484.74
	Group II Cumulative Recoveries of Prior Losses	57,077.69
	Group II Cumulative Subsequent Losses	185,963.54
	Group II Cumulative Realized Losses	1,048,007.70
	Total Liquidated Loan Balance	2,005,346.82

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	Total Net Liquidation Proceeds	1,550,437.46
	Total Current Period Realized Losses	420,034.96
	Total Recoveries of Prior Losses	21,663.98
	Total Subsequent Losses	0.00
	 Total Cumulative Liquidated Loan Balance	 27,112,716.11
	Total Cumulative Net Liquidation Proceeds	20,329,504.51
	Total Cumulative Recoveries of Prior Losses	186,942.66
	Total Cumulative Subsequent Losses	741,127.67
	Total Cumulative Realized Losses	7,361,625.43
 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	 34.04%

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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	5.7250%
REMIC Pass-Through Rate - A-1B	5.7850%
REMIC Pass-Through Rate - A-2A	0.0000%
REMIC Pass-Through Rate - A-2B	5.7250%
REMIC Pass-Through Rate - A-2C	5.8850%
REMIC Pass-Through Rate - M-1	6.0050%
REMIC Pass-Through Rate - M-2	6.0550%
REMIC Pass-Through Rate - M-3	6.1050%
REMIC Pass-Through Rate - M-4	6.4850%
REMIC Pass-Through Rate - M-5	6.5350%
REMIC Pass-Through Rate - M-6	6.6350%
REMIC Pass-Through Rate - B-1	7.0850%
REMIC Pass-Through Rate - B-2	7.1850%
REMIC Pass-Through Rate - B-3	8.4850%
REMIC Pass-Through Rate - B-4	6.2491%
Next REMIC Pass-Through Rate - A-1A	5.6644%
Next REMIC Pass-Through Rate - A-1B	5.7244%
Next REMIC Pass-Through Rate - A-2A	5.5144%
Next REMIC Pass-Through Rate - A-2B	5.6644%
Next REMIC Pass-Through Rate - A-2C	5.8244%
Next REMIC Pass-Through Rate - M-1	5.9444%
Next REMIC Pass-Through Rate - M-2	5.9944%
Next REMIC Pass-Through Rate - M-3	6.0444%
Next REMIC Pass-Through Rate - M-4	6.4244%
Next REMIC Pass-Through Rate - M-5	6.4744%
Next REMIC Pass-Through Rate - M-6	6.5744%
Next REMIC Pass-Through Rate - B-1	7.0244%
Next REMIC Pass-Through Rate - B-2	7.1244%
Next REMIC Pass-Through Rate - B-3	8.4244%
Next REMIC Pass-Through Rate - B-3	8.8244%

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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		4,570.01
	Supplemental Interest Payment - M-5		8,000.43
	Supplemental Interest Payment - M-6		8,306.95
	Supplemental Interest Payment - B-1		17,994.45
	Supplemental Interest Payment - B-2		20,147.23
	Supplemental Interest Payment - B-3		48,133.34
	Supplemental Interest Payment - B-4		42,558.34
Sec. 4.03 (a)(xv)	Swap Notional Amount and the Underwritten Certificates Principal Balance		
	Underwritten Certificates Principal Balance		1,080,489,950.59
	Swap Notional Amount		935,000,000.00
	Difference		145,489,950.59
	Funds paid to Swap Counterparty		-2,345,343.75

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Sec. 4.03 (a)(xvi)	Overcollateralization Amounts	
	Required Overcollateralization Amount	31,250,000.00
	Overcollateralization Amount	30,844,974.80
Sec. 4.03 (a)(xvii)	Excess Cashflow	0.00
Sec. 4.03 (a)(xxiii)	Mortgage Insurance	
	MI Premiums	589,042.73
	Insurance Proceeds	0.00