

## NovaStar Mortgage Funding Trust, Series 2006-1

April 25, 2007

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

Andrew Cooper  
Bank of New York - Structured Finance  
101 Barclay Street, Floor 4W  
New York, New York 10286  
Tel: (212) 815-8124 / Fax: (212) 815-3910  
Email: andrew.m.cooper@bankofny.com



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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	767,078,000.00	490,193,610.18	24,401,334.76	2,238,550.82	26,639,885.58	0.00	0.00	465,792,275.42
A2A	182,000,000.00	60,243,551.85	13,304,278.42	270,091.92	13,574,370.34	0.00	0.00	46,939,273.43
A2B	91,700,000.00	91,700,000.00	0.00	414,942.50	414,942.50	0.00	0.00	91,700,000.00
A2C	71,400,000.00	71,400,000.00	0.00	326,060.00	326,060.00	0.00	0.00	71,400,000.00
A2D	32,621,000.00	32,621,000.00	0.00	151,959.49	151,959.49	0.00	0.00	32,621,000.00
M1	78,300,000.00	78,300,000.00	0.00	366,705.00	366,705.00	0.00	0.00	78,300,000.00
M2	21,600,000.00	21,600,000.00	0.00	102,060.00	102,060.00	0.00	0.00	21,600,000.00
M3	18,900,000.00	18,900,000.00	0.00	90,247.50	90,247.50	0.00	0.00	18,900,000.00
M4	18,225,000.00	18,225,000.00	0.00	87,480.00	87,480.00	0.00	0.00	18,225,000.00
M5	12,825,000.00	12,825,000.00	0.00	62,521.88	62,521.88	0.00	0.00	12,825,000.00
M6	10,125,000.00	10,125,000.00	0.00	53,325.00	53,325.00	0.00	0.00	10,125,000.00
M7	8,775,000.00	8,775,000.00	0.00	47,092.50	47,092.50	0.00	0.00	8,775,000.00
M8	7,425,000.00	7,425,000.00	0.00	44,983.13	44,983.13	0.00	0.00	7,425,000.00
M9	8,775,000.00	8,775,000.00	0.00	57,183.75	57,183.75	0.00	0.00	8,775,000.00
M10	6,750,000.00	6,750,000.00	0.00	43,987.50	43,987.50	0.00	0.00	6,750,000.00
M11	6,750,000.00	6,750,000.00	0.00	43,987.50	43,987.50	0.00	0.00	6,750,000.00
C	0.00	0.00	0.00	434,590.92	434,590.92	0.00	0.00	0.00
TRUST_CERT	0.00	0.00	0.00	1,247,830.70	1,247,830.70	0.00	0.00	0.00
TOTALS	1,343,249,000.00	944,608,162.03	37,705,613.18	6,083,600.11	43,789,213.29	0.00	0.00	906,902,548.85



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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	669884AA6	639.04011089	31.81076078	2.91828317	34.72904396	607.22935011	5.480000%
A2A	669884AB4	331.00852665	73.10043088	1.48402154	74.58445242	257.90809577	5.380000%
A2B	669884AC2	1,000.00000000	0.00000000	4.52500000	4.52500000	1,000.00000000	5.430000%
A2C	669884AD0	1,000.00000000	0.00000000	4.56666667	4.56666667	1,000.00000000	5.480000%
A2D	669884AE8	1,000.00000000	0.00000000	4.65833328	4.65833328	1,000.00000000	5.590000%
M1	669884AF5	1,000.00000000	0.00000000	4.68333333	4.68333333	1,000.00000000	5.620000%
M2	669884AG3	1,000.00000000	0.00000000	4.72500000	4.72500000	1,000.00000000	5.670000%
M3	669884AH1	1,000.00000000	0.00000000	4.77500000	4.77500000	1,000.00000000	5.730000%
M4	669884AJ7	1,000.00000000	0.00000000	4.80000000	4.80000000	1,000.00000000	5.760000%
M5	669884AK4	1,000.00000000	0.00000000	4.87500039	4.87500039	1,000.00000000	5.850000%
M6	669884AL2	1,000.00000000	0.00000000	5.26666667	5.26666667	1,000.00000000	6.320000%
M7	669884AM0	1,000.00000000	0.00000000	5.36666667	5.36666667	1,000.00000000	6.440000%
M8	669884AN8	1,000.00000000	0.00000000	6.05833401	6.05833401	1,000.00000000	7.270000%
M9	669884AP3	1,000.00000000	0.00000000	6.51666667	6.51666667	1,000.00000000	7.820000%
M10	669884AQ1	1,000.00000000	0.00000000	6.51666667	6.51666667	1,000.00000000	7.820000%
M11	669884AR9	1,000.00000000	0.00000000	6.51666667	6.51666667	1,000.00000000	7.820000%
TOTALS		703.22640257	28.07045692	4.52901890	32.59947582	675.15594566	



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Available Funds - Group I	28,282,336.25
Available Funds - Group II	15,215,185.39
 Principal	
Group I Scheduled Principal	380,856.24
Group I Prepayments in Full	22,987,338.01
Group I Curtailments	248,789.02
Group I Net Liquidation Proceeds	469,116.50
Group I Realized Losses	141,067.68
 Group II Scheduled Principal	 146,400.33
Group II Prepayments in Full	12,799,688.91
Group II Curtailments	18,875.20
Group II Net Liquidation Proceeds	167,439.20
Group II Realized Losses	375,392.74
 Total Scheduled Principal	 527,256.57
Total Prepayments in Full	35,787,026.92
Total Curtailments	267,664.22
Total Net Liquidation Proceeds	636,555.70
Total Realized Losses	516,460.42
 Distributions of Principal	
Class A-1A	24,401,334.76
Class A-2A	13,304,278.42
Class A-2B	0.00
Class A-2C	0.00
Class A-2D	0.00
Class M-1	0.00
Class M-4	0.00



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Class M-5	0.00
Class M-6	0.00
Class M-2	0.00
Class M-3	0.00
Class M7	0.00
Class M8	0.00
Class M9	0.00
Class M10	0.00
Class M11	0.00

## Distributions of Interest

Class A-1A	2,238,550.82
Class A-2A	270,091.92
Class A-2b	414,942.50
Class A-2C	326,060.00
Class A-2D	151,959.49
Class M-1	366,705.00
Class M-2	102,060.00
Class M-3	90,247.50
Class M-4	87,480.00
Class M-5	62,521.88
Class M-6	53,325.00
Class M-7	47,092.50
Class M-8	44,983.13
Class M-9	57,183.75
Class M-10	43,987.50
Class M-11	43,987.50



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Collateral Interest Detail

Group I Gross Interest	4,467,347.76
Group I Servicing Fee	261,607.79
Group I Custodian Fee	836.20
Group I Trustee Fee	1,831.25
Group I MI Premium	322,080.73
Group II Gross Interest	2,314,762.64
Group II Servicing Fee	134,791.20
Group II Custodian Fee	344.20
Group II Trustee Fee	943.54
Group II MI Premium	185,897.52
Total Gross Interest	6,782,110.40
Total Servicing Fee	396,398.99
Total Custodian Fee	1,180.40
Total Trustee Fee	2,774.79
Total MI Premium	507,978.25

Collateral Prepay Penalty Detail

Group I Prepay Penalty	323,201.89
Group II Prepay Penalty	111,389.03
Total Prepay Penalty	434,590.92

Pool Balances

Group I Beginning Pool Balance	627,858,662.12
Group I Ending Pool Balance	603,639,451.85
Group II Beginning Pool Balance	323,499,497.38
Group II Ending Pool Balance	310,013,094.47



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Total Beginning Pool Balance	951,358,159.50
Total Ending Pool Balance	913,652,546.32
 Mortgage Loan Information as of Determination Date	
Number of Mortgage Loans	5,699
Aggregate Principal Balance of Mortgage Loans	913,652,546.32
Beginning Weighted Average Mortgage Rate	8.5546%
Swap Funds Outgoing Payment	0.00
Swap Funds Received	259,291.65
Wachovia Swap	44,666.66
Deutsche Swap	63,187.49
Greenwich Swap	151,437.50
 Cap Funds Received	 78,333.33
Cap Fee	45,933.33
 Loans Delinquent	
Contractual Delinquency - Group I	
Balance of 0-30 Days	543,865,654.94
Number of 0-30 Days	3,674
Balance of 30-59 Days	9,172,636.57
Number of 30-59 Days	54
Balance of 60-89 Days	3,578,637.04
Number of 60-89 Days	20
Balance of 90+ Days	2,446,010.96
Number of 90+ Days	17
 Contractual Bankruptcy - Group I	
Balance of 0-30 Days	716,675.85
Number of 0-30 Days	6



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Balance of 30-59 Days	50,905.98
Number of 30-59 Days	1
Balance of 60-89 Days	688,615.17
Number of 60-89 Days	4
Balance of 90+ Days	4,667,887.96
Number of 90+ Days	31
Legal Delinquency - Group I	
Balance of 0-30 Days	543,865,654.94
Number of 0-30 Days	3,674
Balance of 30-59 Days	9,172,636.57
Number of 30-59 Days	54
Balance of 60-89 Days	3,578,637.04
Number of 60-89 Days	20
Balance of 90+ Days	2,446,010.96
Number of 90+ Days	17
Legal Bankruptcy - Group I	
Balance of 0-30 Days	3,587,178.43
Number of 0-30 Days	25
Balance of 30-59 Days	688,162.18
Number of 30-59 Days	5
Balance of 60-89 Days	882,918.41
Number of 60-89 Days	7
Balance of 90+ Days	965,825.94
Number of 90+ Days	5
Loans in Foreclosure - Group I	
Balance of 0-30 Days	1,464,664.02
Number of 0-30 Days	11
Balance of 30-59 Days	190,863.09
Number of 30-59 Days	1



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Balance of 60-89 Days	727,095.80
Number of 60-89 Days	3
Balance of 90+ Days	23,339,558.85
Number of 90+ Days	134
Contractual Delinquency - Group II	
Balance of 0-30 Days	261,827,603.44
Number of 0-30 Days	1,438
Balance of 30-59 Days	6,135,796.84
Number of 30-59 Days	37
Balance of 60-89 Days	4,448,266.84
Number of 60-89 Days	20
Balance of 90+ Days	3,297,797.43
Number of 90+ Days	20
Contractual Bankruptcy - Group II	
Balance of 0-30 Days	156,987.04
Number of 0-30 Days	1
Balance of 30-59 Days	167,140.28
Number of 30-59 Days	2
Balance of 60-89 Days	100,893.87
Number of 60-89 Days	1
Balance of 90+ Days	2,197,938.34
Number of 90+ Days	10
Legal Delinquency - Group II	
Balance of 0-30 Days	261,827,603.44
Number of 0-30 Days	1,438
Balance of 30-59 Days	6,135,796.84
Number of 30-59 Days	37
Balance of 60-89 Days	4,448,266.84
Number of 60-89 Days	20



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Balance of 90+ Days	3,297,797.43
Number of 90+ Days	20
<b>Legal Bankruptcy - Group II</b>	
Balance of 0-30 Days	1,812,301.91
Number of 0-30 Days	8
Balance of 30-59 Days	579,495.34
Number of 30-59 Days	4
Balance of 60-89 Days	231,162.28
Number of 60-89 Days	2
Balance of 90+ Days	0.00
Number of 90+ Days	0
<b>Loans in Foreclosure - Group II</b>	
Balance of 0-30 Days	853,664.81
Number of 0-30 Days	6
Balance of 30-59 Days	242,620.44
Number of 30-59 Days	1
Balance of 60-89 Days	475,099.72
Number of 60-89 Days	2
Balance of 90+ Days	16,314,602.98
Number of 90+ Days	71

**Loans in REO**

REO Group Report			
Group Number	Number of Loans	Principal Balance	Percentage
1	72	12,730,245.63	2.11%
2	62	13,794,682.44	4.45%
Total	134	26,524,928.07	2.90%



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## Total Number and Aggregate Principal Amounts of Mortgage Loans in Delinquency

	Contractual Delinquency	Contractual Bankruptcy	Legal Delinquency	Legal Bankruptcy	Foreclosure
Balance of 0 to 30 Days	805,693,258.38	873,662.89	805,693,258.38	5,399,480.34	2,318,328.83
Number of 0 to 30 Days	5,112	7	5,112	33	17
Balance of 30 to 59 Days	15,308,433.41	218,046.26	15,308,433.41	1,267,657.52	433,483.53
Number of 30 to 59 Days	91	3	91	9	2
Balance of 60 to 89 Days	8,026,903.88	789,509.04	8,026,903.88	1,114,080.69	1,202,195.52
Number of 60 to 89 Days	40	5	40	9	5
Balance of 90 Plus Days	5,743,808.39	6,865,826.30	5,743,808.39	965,825.94	39,654,161.83
Number of 90 Plus Days	37	41	37	5	205
Total Aggregate Principal Amount	834,772,404.06	8,747,044.49	834,772,404.06	8,747,044.49	43,608,169.71
Total Number of Mortgage Loans	5,280	56	5,280	56	229

## Principal Prepayments

Group I Prepayments	22,987,338.01
Group II Prepayments	12,799,688.91

## Realized Losses

Group I Liquidated Loan Balance	602,226.98
Group I Net Liquidation Proceeds	469,116.50
Group I Current Period Realized Losses	141,067.68
Group I Recoveries of Prior Losses	0.00
Group I Current Period Non-Recoverable Advances	7,957.20
Group I Subsequent Losses	0.00
Group I Cumulative Liquidated Loan Balance	8,009,673.63
Group I Cumulative Net Liquidation Proceeds	5,402,376.44
Group I Cumulative Recoveries of Prior Losses	3,491.63
Group I Cumulative Subsequent Losses	80,528.57
Group I Cumulative Non-Recoverable Advances	9,897.76



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Group I Cumulative Realized Losses	2,694,231.89
Group II Liquidated Loan Balance	521,438.48
Group II Net Liquidation Proceeds	167,439.20
Group II Current Period Realized Losses	375,392.74
Group II Recoveries of Prior Losses	0.00
Group II Current Period Non-Recoverable Advances	21,393.46
Group II Subsequent Losses	0.00
Group II Cumulative Liquidated Loan Balance	6,742,151.73
Group II Cumulative Net Liquidation Proceeds	5,153,038.47
Group II Cumulative Recoveries of Prior Losses	219,820.73
Group II Cumulative Subsequent Losses	261,604.98
Group II Cumulative Non-Recoverable Advances	33,916.05
Group II Cumulative Realized Losses	1,664,813.56

Realized Loss Report

	Total Current Loss	Total Cumulative Loss
Liquidated Loan Balance	1,123,665.46	14,751,825.36
Net Liquidation Proceeds	636,555.70	10,555,414.91
Recoveries of Prior Losses	0.00	223,312.36
Subsequent Losses	0.00	342,133.55
Non Recoverable Advances	29,350.66	43,813.81
Realized Losses	516,460.42	4,359,045.45

Unpaid Interest Shortfall Amounts

Unpaid Interest Shortfall - A-1A	0.00
Unpaid Interest Shortfall - A-2A	0.00
Unpaid Interest Shortfall - A-2B	0.00



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Unpaid Interest Shortfall - A-2C	0.00
Unpaid Interest Shortfall - A-2D	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 - M7	0.00
Unpaid Interest Shortfall - M8	0.00
Unpaid Interest Shortfall - M9	0.00
Unpaid Interest Shortfall - M10	0.00
Unpaid Interest Shortfall - M11	0.00
Prepayment Interest Shortfalls not covered by the Servicer	0.00
Credit Enhancement Percentage	21.57%
Available Funds Cap Shortfall Amount	
Current Period Available Funds Cap Shortfall Amount - A-1A	0.00
Current Period Available Funds Cap Shortfall Amount - A-2A	0.00
Current Period Available Funds Cap Shortfall Amount - A-2B	0.00
Current Period Available Funds Cap Shortfall Amount - A-2C	0.00
Current Period Available Funds Cap Shortfall Amount - A-2D	0.00
Current Period Available Funds Cap Shortfall Amount - M-1	0.00
Current Period Available Funds Cap Shortfall Amount - M-2	0.00
Current Period Available Funds Cap Shortfall Amount - M-3	0.00
Current Period Available Funds Cap Shortfall Amount - M-4	0.00
Current Period Available Funds Cap Shortfall Amount - M-5	0.00
Current Period Available Funds Cap Shortfall Amount - M-6	0.00
Current Period Available Funds Cap Shortfall Amount - M7	0.00



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Current Period Available Funds Cap Shortfall Amount - M8	0.00
Current Period Available Funds Cap Shortfall Amount - M9	3,045.60
Current Period Available Funds Cap Shortfall Amount - M10	2,342.77
Current Period Available Funds Cap Shortfall Amount - M11	2,342.77
Available Funds Cap Shortfall Amount Repaid This Period- A-1A	0.00
Available Funds Cap Shortfall Amount Repaid This Period- A-2A	0.00
Available Funds Cap Shortfall Amount Repaid This Period- A-2B	0.00
Available Funds Cap Shortfall Amount Repaid This Period- A-2C	0.00
Available Funds Cap Shortfall Amount Repaid This Period- A-2D	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-1	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-2	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-3	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-4	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-5	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M-6	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M7	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M8	0.00
Available Funds Cap Shortfall Amount Repaid This Period- M9	3,045.60
Available Funds Cap Shortfall Amount Repaid This Period- M10	2,342.77
Available Funds Cap Shortfall Amount Repaid This Period- M11	2,342.77
Remaining Available Funds Cap Shortfall Amount - A-1A	0.00
Remaining Available Funds Cap Shortfall Amount - A-2A	0.00
Remaining Available Funds Cap Shortfall Amount - A-2B	0.00
Remaining Available Funds Cap Shortfall Amount - A-2C	0.00
Remaining Available Funds Cap Shortfall Amount - A-2D	0.00
Remaining Available Funds Cap Shortfall Amount - M-1	0.00
Remaining Available Funds Cap Shortfall Amount - M-2	0.00
Remaining Available Funds Cap Shortfall Amount - M-3	0.00
Remaining Available Funds Cap Shortfall Amount - M-4	0.00
Remaining Available Funds Cap Shortfall Amount - M-5	0.00



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Remaining Available Funds Cap Shortfall Amount - M-6	0.00
Remaining Available Funds Cap Shortfall Amount - M7	0.00
Remaining Available Funds Cap Shortfall Amount - M8	0.00
Remaining Available Funds Cap Shortfall Amount - M9	0.00
Remaining Available Funds Cap Shortfall Amount - M10	0.00
Remaining Available Funds Cap Shortfall Amount - M11	0.00

REMIC Pass-Thru Rates

REMIC Pass-Thru Rate - A-1A	5.4800%
REMIC Pass-Thru Rate - A-2A	5.3800%
REMIC Pass-Thru Rate - A-2B	5.4300%
REMIC Pass-Thru Rate - A-2C	5.4800%
REMIC Pass-Thru Rate - A-2D	5.5900%
REMIC Pass-Thru Rate - M-1	5.6200%
REMIC Pass-Thru Rate - M-2	5.6700%
REMIC Pass-Thru Rate - M-3	5.7300%
REMIC Pass-Thru Rate - M-4	5.7600%
REMIC Pass-Thru Rate - M-5	5.8500%
REMIC Pass-Thru Rate - M-6	6.3200%
REMIC Pass-Thru Rate - M7	6.4400%
REMIC Pass-Thru Rate - M8	7.2700%
REMIC Pass-Thru Rate - M9	7.8200%
REMIC Pass-Thru Rate - M10	7.8200%
REMIC Pass-Thru Rate - M11	7.8200%
Next REMIC Pass-Thru Rate - A-1A	5.4800%
Next REMIC Pass-Thru Rate - A-2A	5.3800%
Next REMIC Pass-Thru Rate - A-2B	5.4300%
Next REMIC Pass-Thru Rate - A-2C	5.4800%
Next REMIC Pass-Thru Rate - A-2D	5.5900%
Next REMIC Pass-Thru Rate - M-1	5.6200%



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Next REMIC Pass-Thru Rate - M-2	5.6700%
Next REMIC Pass-Thru Rate - M-3	5.7300%
Next REMIC Pass-Thru Rate - M-4	5.7600%
Next REMIC Pass-Thru Rate - M-5	5.8500%
Next REMIC Pass-Thru Rate - M-6	6.3200%
Next REMIC Pass-Thru Rate - M-7	6.4400%
Next REMIC Pass-Thru Rate - M-8	7.2700%
Next REMIC Pass-Thru Rate - M-9	7.8200%
Next REMIC Pass-Thru Rate - M-10	7.8200%
Next REMIC Pass-Thru Rate - M-11	7.8200%

Underwritten Noteholders Principal Balance 906,902,548.85

Overcollateralization Amounts

Required Overcollateralization Amount	6,749,997.47
Overcollateralization Amount	6,749,997.47

Excess Cashflow 0.00

Mortgage Insurance

MI Premiums	507,978.25
Insurance Proceeds	0.00

