

NovaStar Mortgage Funding Trust, Series 2006-MTA1

September 25, 2008

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

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THE BANK OF NEW YORK MELLON

NovaStar Mortgage Funding Trust, Series 2006-MTA1

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| DISTRIBUTION IN DOLLARS | | | | | | | | |
|-------------------------|---------------------|-----------------------------|--------------|--------------|--------------|-----------------|-------------------|--------------------------|
| CLASS | ORIGINAL FACE VALUE | BEGINNING PRINCIPAL BALANCE | PRINCIPAL | INTEREST | TOTAL | REALIZED LOSSES | DEFERRED INTEREST | ENDING PRINCIPAL BALANCE |
| IA1 | 518,700,000.00 | 296,427,712.23 | 2,243,501.18 | 683,292.88 | 2,926,794.06 | 0.00 | 0.00 | 294,184,211.05 |
| IIA1A | 331,740,000.00 | 177,469,414.01 | 2,755,044.53 | 406,790.86 | 3,161,835.39 | 0.00 | 0.00 | 174,714,369.48 |
| IIA1B | 138,225,000.00 | 73,947,436.85 | 1,147,963.90 | 172,684.27 | 1,320,648.17 | 0.00 | 0.00 | 72,799,472.95 |
| IIA1C | 82,935,000.00 | 44,369,127.28 | 688,788.67 | 104,758.32 | 793,546.99 | 0.00 | 0.00 | 43,680,338.61 |
| M1 | 40,200,000.00 | 40,224,785.74 | 0.00 | 98,090.69 | 98,090.69 | 0.00 | 0.00 | 40,224,785.74 |
| M2 | 19,200,000.00 | 19,212,029.97 | 0.00 | 47,180.63 | 47,180.63 | 0.00 | 0.00 | 19,212,029.97 |
| M3 | 11,400,000.00 | 11,407,256.79 | 0.00 | 28,210.23 | 28,210.23 | 0.00 | 0.00 | 11,407,256.79 |
| M4 | 9,600,000.00 | 9,606,590.98 | 0.00 | 24,584.41 | 24,584.41 | 0.00 | 0.00 | 9,606,590.98 |
| M5 | 6,600,000.00 | 6,604,696.30 | 0.00 | 17,186.57 | 17,186.57 | 0.00 | 0.00 | 6,604,696.30 |
| M6 | 6,000,000.00 | 6,004,419.36 | 0.00 | 15,883.07 | 15,883.07 | 0.00 | 0.00 | 6,004,419.36 |
| M7 | 6,000,000.00 | 6,004,569.36 | 0.00 | 16,142.00 | 16,142.00 | 0.00 | 0.00 | 6,004,569.36 |
| M8 | 6,000,000.00 | 6,006,519.36 | 0.00 | 19,509.22 | 19,509.22 | 0.00 | 0.00 | 6,006,519.36 |
| M9 | 6,000,000.00 | 6,007,869.36 | 0.00 | 21,841.66 | 21,841.66 | 0.00 | 0.00 | 6,007,869.36 |
| M10 | 6,000,000.00 | 6,007,869.36 | 0.00 | 21,841.66 | 21,841.66 | 0.00 | 0.00 | 6,007,869.36 |
| TRUST_CERT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTALS | 1,188,600,000.00 | 709,300,296.95 | 6,835,298.28 | 1,677,996.47 | 8,513,294.75 | 0.00 | 0.00 | 702,464,998.67 |
| X | 1,061,223,414.00 | 720,600,547.20 | 0.00 | 420,350.32 | 420,350.32 | 0.00 | 0.00 | 713,117,881.06 |
| C | 11,400,000.00 | 11,300,250.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10,652,882.39 |



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| FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE | | | | | | | |
|--|-----------|---------------------|------------|------------|------------|------------------|------------------------|
| CLASS | CUSIP | BEGINNING PRINCIPAL | PRINCIPAL | INTEREST | TOTAL | ENDING PRINCIPAL | CURRENT PASS-THRU RATE |
| IA1 | 66988UAA8 | 571.48199774 | 4.32523844 | 1.31731806 | 5.64255651 | 567.15675930 | 2.676880% |
| IIA1A | 66988UAB6 | 534.96537653 | 8.30483068 | 1.22623398 | 9.53106466 | 526.66054585 | 2.661880% |
| IIA1B | 66988UAC4 | 534.97874372 | 8.30503816 | 1.24929839 | 9.55433655 | 526.67370555 | 2.711880% |
| IIA1C | 66988UAD2 | 534.98676409 | 8.30516272 | 1.26313764 | 9.56830036 | 526.68160138 | 2.741880% |
| M1 | 66988UAF7 | 1,000.61656070 | 0.00000000 | 2.44006692 | 2.44006692 | 1,000.61656070 | 2.831880% |
| M2 | 66988UAG5 | 1,000.62656094 | 0.00000000 | 2.45732448 | 2.45732448 | 1,000.62656094 | 2.851880% |
| M3 | 66988UAH3 | 1,000.63656053 | 0.00000000 | 2.47458158 | 2.47458158 | 1,000.63656053 | 2.871880% |
| M4 | 66988UAJ9 | 1,000.68656042 | 0.00000000 | 2.56087604 | 2.56087604 | 1,000.68656042 | 2.971880% |
| M5 | 66988UAK6 | 1,000.71156061 | 0.00000000 | 2.60402576 | 2.60402576 | 1,000.71156061 | 3.021880% |
| M6 | 66988UAL4 | 1,000.73656000 | 0.00000000 | 2.64717833 | 2.64717833 | 1,000.73656000 | 3.071880% |
| M7 | 66988UAM2 | 1,000.76156000 | 0.00000000 | 2.69033333 | 2.69033333 | 1,000.76156000 | 3.121880% |
| M8 | 66988UAN0 | 1,001.08656000 | 0.00000000 | 3.25153667 | 3.25153667 | 1,001.08656000 | 3.771880% |
| M9 | 66988UAP5 | 1,001.31156000 | 0.00000000 | 3.64027667 | 3.64027667 | 1,001.31156000 | 4.221880% |
| M10 | 66988UAQ3 | 1,001.31156000 | 0.00000000 | 3.64027667 | 3.64027667 | 1,001.31156000 | 4.221880% |
| TOTALS | | 596.75273174 | 5.75071368 | 1.41174194 | 7.16245562 | 591.00201806 | |
| X | 66988UAE0 | 679.02812706 | 0.00000000 | 0.39609974 | 0.39609974 | 671.97714605 | 0.700000% |
| C | 66988UAR1 | 991.25002193 | 0.00000000 | 0.00000000 | 0.00000000 | 934.46336754 | 0.000000% |



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Principal and Interest Distribution

| | Principal Distribution | Accrued Note Interest | Interest Distribution | Unpaid Interest Shortfall Amount | AFC Carryforward Amount | Remaining AFC Carryforward Amount |
|-----------|------------------------|-----------------------|-----------------------|----------------------------------|-------------------------|-----------------------------------|
| Class A1A | 2,243,501.18 | 683,292.88 | 683,292.88 | 0.00 | 0.00 | 0.00 |
| Class A2A | 2,755,044.53 | 406,790.86 | 406,790.86 | 0.00 | 0.00 | 0.00 |
| Class A2B | 1,147,963.90 | 172,684.27 | 172,684.27 | 0.00 | 0.00 | 0.00 |
| Class A2C | 688,788.67 | 104,758.32 | 104,758.32 | 0.00 | 0.00 | 0.00 |
| Class M1 | 0.00 | 98,090.69 | 98,090.69 | 0.00 | 0.00 | 0.00 |
| Class M2 | 0.00 | 47,180.63 | 47,180.63 | 0.00 | 0.00 | 0.00 |
| Class M3 | 0.00 | 28,210.23 | 28,210.23 | 0.00 | 0.00 | 0.00 |
| Class M4 | 0.00 | 24,584.41 | 24,584.41 | 0.00 | 0.00 | 0.00 |
| Class M5 | 0.00 | 17,186.57 | 17,186.57 | 0.00 | 0.00 | 0.00 |
| Class M6 | 0.00 | 15,883.07 | 15,883.07 | 0.00 | 0.00 | 0.00 |
| Class M7 | 0.00 | 16,142.00 | 16,142.00 | 0.00 | 0.00 | 0.00 |
| Class M8 | 0.00 | 19,509.22 | 19,509.22 | 0.00 | 0.00 | 0.00 |
| Class M9 | 0.00 | 21,841.66 | 21,841.66 | 0.00 | 0.00 | 0.00 |
| Class M10 | 0.00 | 21,841.66 | 21,841.66 | 0.00 | 0.00 | 0.00 |

Credit Enhancement Percentage

17.81%



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| | |
|---|------|
| Total Balance of Pre-Funding Account | 0.00 |
| Group I Balance of Pre-Funding Account | 0.00 |
| Group II Balance of Pre-Funding Account | 0.00 |
| Interest Earned on Pre-Funding Amount | 0.00 |

Section 4.03(a)(v) A Loans Delinquent

Contractual Delinquency

| | Group I | Group II |
|--------------------------|----------------|----------------|
| Balance of 0 to 29 Days | 243,487,362.47 | 237,975,625.00 |
| Number of 0 to 29 Days | 878 | 406 |
| Balance of 30 to 59 Days | 10,940,811.48 | 13,331,790.95 |
| Number of 30 to 59 Days | 38 | 24 |
| Balance of 60 to 89 Days | 10,046,512.84 | 10,837,704.48 |
| Number of 60 to 89 Days | 35 | 20 |
| Balance of 90 Plus Days | 61,153,638.18 | 63,312,967.65 |
| Number of 90 Plus Days | 190 | 112 |

Contractual Bankruptcy

| | Group I | Group II |
|--------------------------|--------------|--------------|
| Balance of 0 to 29 Days | 1,259,282.04 | 0.00 |
| Number of 0 to 29 Days | 5 | 0 |
| Balance of 30 to 59 Days | 0.00 | 835,958.41 |
| Number of 30 to 59 Days | 0 | 2 |
| Balance of 60 to 89 Days | 278,506.31 | 544,736.03 |
| Number of 60 to 89 Days | 1 | 1 |
| Balance of 90 Plus Days | 2,925,578.27 | 3,296,743.98 |
| Number of 90 Plus Days | 9 | 5 |

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Legal Delinquency

| | Group I | Group II |
|--------------------------|----------------|----------------|
| Balance of 0 to 29 Days | 243,487,362.47 | 237,975,625.00 |
| Number of 0 to 29 Days | 878 | 406 |
| Balance of 30 to 59 Days | 10,940,811.48 | 13,331,790.95 |
| Number of 30 to 59 Days | 38 | 24 |
| Balance of 60 to 89 Days | 10,046,512.84 | 10,837,704.48 |
| Number of 60 to 89 Days | 35 | 20 |
| Balance of 90 Plus Days | 61,153,638.18 | 63,312,967.65 |
| Number of 90 Plus Days | 190 | 112 |

Loans in Foreclosure

| | Group I | Group II |
|--------------------------|---------------|---------------|
| Balance of 0 to 29 Days | 0.00 | 0.00 |
| Number of 0 to 29 Days | 0 | 0 |
| Balance of 30 to 59 Days | 0.00 | 0.00 |
| Number of 30 to 59 Days | 0 | 0 |
| Balance of 60 to 89 Days | 0.00 | 0.00 |
| Number of 60 to 89 Days | 0 | 0 |
| Balance of 90 Plus Days | 19,513,784.20 | 16,355,828.68 |
| Number of 90 Plus Days | 61 | 26 |

Legal Bankruptcy

| | Group I | Group II |
|--------------------------|--------------|--------------|
| Balance of 0 to 29 Days | 1,259,282.04 | 529,338.31 |
| Number of 0 to 29 Days | 5 | 1 |
| Balance of 30 to 59 Days | 271,875.64 | 835,958.41 |
| Number of 30 to 59 Days | 1 | 2 |
| Balance of 60 to 89 Days | 278,506.31 | 1,082,009.47 |
| Number of 60 to 89 Days | 1 | 2 |
| Balance of 90 Plus Days | 2,653,702.63 | 2,230,132.23 |
| Number of 90 Plus Days | 8 | 3 |



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Total Delinquency Report

| | Contractual Delinquency | Contractual Bankruptcy | Legal Delinquency | Loans in Foreclosure | Legal Bankruptcy |
|----------------------------------|----------------------------|---------------------------|----------------------|----------------------------|---------------------|
| Balance of 0 to 29 Days | 481,462,987.47 | 1,259,282.04 | 481,462,987.47 | 0.00 | 1,788,620.35 |
| Number of 0 to 29 Days | 1,284 | 5 | 1,284 | 0 | 6 |
| Balance of 30 to 59 Days | 24,272,602.43 | 835,958.41 | 24,272,602.43 | 0.00 | 1,107,834.05 |
| Number of 30 to 59 Days | 62 | 2 | 62 | 0 | 3 |
| Balance of 60 to 89 Days | 20,884,217.32 | 823,242.34 | 20,884,217.32 | 0.00 | 1,360,515.78 |
| Number of 60 to 89 Days | 55 | 2 | 55 | 0 | 3 |
| Balance of 90 Plus Days | 124,466,605.83 | 6,222,322.25 | 124,466,605.83 | 35,869,612.88 | 4,883,834.86 |
| Number of 90 Plus Days | 302 | 14 | 302 | 87 | 11 |
| Total Aggregate Principal Amount | 651,086,413.05 | 9,140,805.04 | 651,086,413.05 | 35,869,612.88 | 9,140,805.04 |
| Total Number of Mortgage Loans | 1,703 | 23 | 1,703 | 87 | 23 |



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Sec. 4.03 (a)(vii)

Realized Losses

Current Period Realized Losses

| | Group I | Group II | Total |
|---------------------------------|--------------|--------------|--------------|
| Liquidated Loan Balance | 1,265,373.26 | 3,151,477.06 | 4,416,850.32 |
| Net Liquidation Proceeds | 709,782.44 | 1,611,538.81 | 2,321,321.25 |
| Recoveries of Prior Losses | 155.00 | 7,701.53 | 7,856.53 |
| Subsequent Losses | 509.00 | 355.12 | 864.12 |
| Current Period Non Recoverables | 0.00 | 0.00 | 0.00 |
| Realized Losses | 555,944.82 | 1,532,591.84 | 2,088,536.66 |

Cumulative Losses

| | Group I | Group II | Total |
|----------------------------|--------------|---------------|---------------|
| Liquidated Loan Balance | 7,231,798.38 | 18,217,049.87 | 25,448,848.25 |
| Net Liquidation Proceeds | 4,132,666.39 | 11,191,427.45 | 15,324,093.84 |
| Recoveries of Prior Losses | 134,128.28 | 18,989.03 | 153,117.31 |
| Subsequent Losses | 105,624.19 | 36,902.12 | 142,526.31 |
| Non Recoverables Advances | 0.00 | 0.00 | 0.00 |
| Realized Losses | 3,070,627.90 | 7,043,535.51 | 10,114,163.41 |

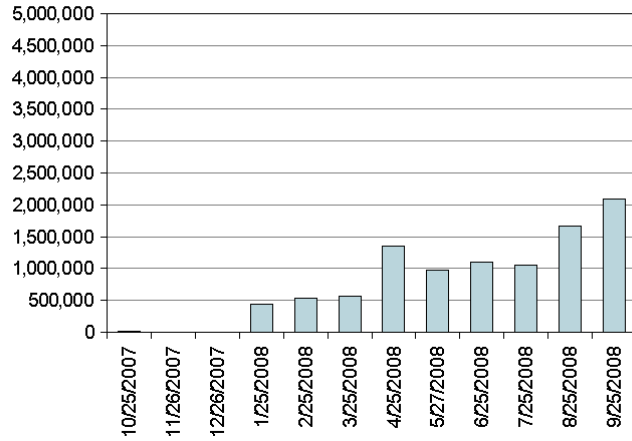
Realized Loss Report

| | Total Current Loss | Total Cumulative Loss |
|----------------------------|--------------------|-----------------------|
| Liquidated Loan Balance | 4,416,850.32 | 25,448,848.25 |
| Net Liquidation Proceeds | 2,321,321.25 | 15,324,093.84 |
| Recoveries of Prior Losses | 7,856.53 | 153,117.31 |
| Subsequent Losses | 864.12 | 142,526.31 |
| Non Recoverable Advances | 0.00 | 0.00 |
| Realized Losses | 2,088,536.66 | 10,114,163.41 |

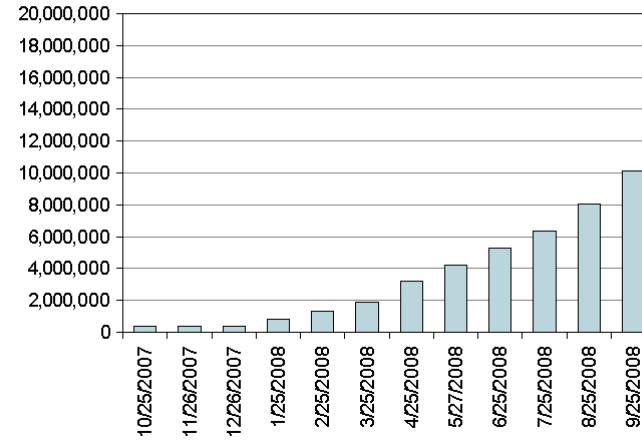
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Current Loss



Cummulative Loss



NovaStar Mortgage Funding Trust, Series 2006-MTA1

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REMIC Pass Through Rates

| | LIBOR Certificate Uncapped Pass Through Rate for Current Distribution Date | LIBOR Certificates Uncapped Pass Through Rate for Next Distribution Date |
|-----------|--|--|
| Class A1A | 2.6769% | 3.4119% |
| Class A2A | 2.6619% | 3.3969% |
| Class A2B | 2.7119% | 3.4469% |
| Class A2C | 2.7419% | 3.4769% |
| Class M1 | 2.8319% | 3.5669% |
| Class M2 | 2.8519% | 3.5869% |
| Class M3 | 2.8719% | 3.6069% |
| Class M4 | 2.9719% | 3.7069% |
| Class M5 | 3.0219% | 3.7569% |
| Class M6 | 3.0719% | 3.8069% |
| Class M7 | 3.1219% | 3.8569% |
| Class M8 | 3.7719% | 4.5069% |
| Class M9 | 4.2219% | 4.9569% |
| Class M10 | 4.2219% | 4.9569% |



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Overcollateralization Amounts

| | |
|---------------------------------------|---------------|
| Required Overcollateralization Amount | 11,400,000.00 |
| Overcollateralization Amount | 10,652,882.39 |

| | |
|-----------------|------|
| Excess Cashflow | 0.00 |
|-----------------|------|

Mortgage Insurance

| | |
|--------------------|-----------|
| MI Premiums | 23,925.21 |
| Insurance Proceeds | 0.00 |

Trigger Event Reporting

| | |
|--|----------|
| 3 Month Rolling Average Delinquency % | 26.5782% |
| Senior Enhancement Percentage | 4.6743% |
| Does the Delinquency Average % Exceed the Senior Enhancement Percentage? | YES |

| | |
|---|---------|
| Aggregate Losses as a % of Initial Collateral Balance | 0.8428% |
| Current Loss Threshold | 0.2250% |
| Does the Aggregate Loss % Exceed the Loss Threshold? | YES |

