

NOVASTAR NIM TRUST, SERIES 2004-N1

Statement to Certificateholders

January 26, 2005

DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
NOTE	156,600,000.00	48,830,036.10	8,041,526.03	181,403.58	8,222,929.61	0.00	0.00	40,788,510.07
CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	156,600,000.00	48,830,036.10	8,041,526.03	181,403.58	8,222,929.61	0.00	0.00	40,788,510.07

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS-THRU RATE
NOTE	669885AA3	311.81376820	51.35074093	1.15838812	52.50912905	260.46302727	NOTE	4.458000 %
TOTALS		311.81376820	51.35074093	1.15838812	52.50912905	260.46302727		

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

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Section 6.04(a)(i)	Available Funds	8,222,929.61
	Underlying Trust Fund 2003-3	
	Amounts Received From Underlying Certificates - Class X	2,764,730.72
	Amounts Received From Underlying Certificates - Class P	982,420.61
	Amounts Received From Underlying Certificates - Class O	0.00
	Underlying Trust Fund 2003-4	
	Amounts Received From Underlying Certificates - Class X	3,312,145.01
	Amounts Received From Underlying Certificates - Class P	1,163,633.27
	Amounts Received From Underlying Certificates - Class O	0.00
Section 6.04(a)(ii)	Payment Allocable to Interest	181,403.58
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	8,041,526.03
Section 6.04(a)(iv)	Note Balance	40,788,510.07