

NOVASTAR NIM TRUST, SERIES 2004-N2

Statement to Certificateholders

May 26, 2005

DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
N2	157,500,000.00	57,575,752.37	8,135,525.53	213,893.92	8,349,419.45	0.00	0.00	49,440,226.84
CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	157,500,000.00	57,575,752.37	8,135,525.53	213,893.92	8,349,419.45	0.00	0.00	49,440,226.84

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
N2	669885AB1	365.56033251	51.65413035	1.35805663	53.01218698	313.90620216
TOTALS		365.56033251	51.65413035	1.35805663	53.01218698	313.90620216

PASS-THROUGH RATES

CLASS	CURRENT PASS-THRU RATE
N2	4.458000 %

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	8,349,419.45
	Underlying Trust Fund 2004-1	
	Amounts Received From Underlying Certificates - Class X	3,447,026.35
	Amounts Received From Underlying Certificates - Class P	1,160,176.90
	Amounts Received From Underlying Certificates - Class O	0.00
	Underlying Trust Fund 2004-2	
	Amounts Received From Underlying Certificates - Class X	3,021,625.22
	Amounts Received From Underlying Certificates - Class P	720,590.98
	Amounts Received From Underlying Certificates - Class O	0.00
Section 6.04(a)(ii)	Payment Allocable to Interest	213,893.92
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	8,135,525.53
Section 6.04(a)(iv)	Balance	49,440,226.84