

NOVASTAR NIM TRUST, SERIES 2004-N3

Statement to Certificateholders

August 26, 2005

DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
N3	201,000,000.00	101,956,062.50	11,428,056.67	337,049.75	11,765,106.42	0.00	0.00	90,528,005.83
CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	201,000,000.00	101,956,062.50	11,428,056.67	337,049.75	11,765,106.42	0.00	0.00	90,528,005.83

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
N3	669885AC9	507.24409204	56.85600333	1.67686443	58.53286776	450.38808871
TOTALS		507.24409204	56.85600333	1.67686443	58.53286776	450.38808871

PASS-THROUGH RATES

CLASS	CURRENT PASS- THRU RATE
N3	3.967000 %

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

Ariella Kaminer
 JPMorgan Chase Bank, N.A. - Structured Finance Services
 4 New York Plaza, Floor 6,
 New York, New York 10004
 Tel: (212) 623-5431 / Fax: (212) 623-5931
 Email: ariella.x.kaminer@jpmchase.com

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Section 6.04(a)(i)	Available Funds	11,765,106.42
	Underlying Trust Fund 2004-3	
	Amounts Received From Underlying Certificates - Class C	5,586,046.27
	Underlying Trust Fund 2004-4	
	Amounts Received From Underlying Certificates - Class C	6,179,060.15
Section 6.04(a)(ii)	Payment Allocable to Interest	337,049.75
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	11,428,056.67
Section 6.04(an3 Balance		90,528,005.83