

NOVASTAR NIM TRUST, SERIES 2004-N3

April 26, 2006

Table of Contents

<i>Distribution Report</i>	-----	2
<i>Factor Report</i>	-----	2

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



NOVASTAR NIM TRUST, SERIES 2004-N3

April 26, 2006

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	26,246,109.93	6,325,432.79	86,765.27	6,412,198.06	0.00	0.00	19,920,677.14
CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	201,000,000.00	26,246,109.93	6,325,432.79	86,765.27	6,412,198.06	0.00	0.00	19,920,677.14

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CURRENT PASS-THRU RATE
N3	669885AC9	130.57766134	31.46981488	0.43166801	31.90148289	99.10784647	3.967000%
TOTALS		130.57766134	31.46981488	0.43166801	31.90148289	99.10784647	

NOVASTAR NIM TRUST, SERIES 2004-N3**April 26, 2006**

Section 6.04(a)(i)	Available Funds	6,412,198.06
	Underlying Trust Fund 2004-3	
	Amounts Received From Underlying Certificates - Class C	2,572,186.22
	Underlying Trust Fund 2004-4	
	Amounts Received From Underlying Certificates - Class C	3,840,011.84
Section 6.04(a)(ii)	Payment Allocable to Interest	86,765.27
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	6,325,432.79
Section 6.04(an3 Balance		19,920,677.14