

NOVASTAR NIM TRUST, SERIES 2004-N3

May 26, 2006

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

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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	19,920,677.14	5,747,493.93	65,854.44	5,813,348.37	0.00	0.00	14,173,183.21
CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	201,000,000.00	19,920,677.14	5,747,493.93	65,854.44	5,813,348.37	0.00	0.00	14,173,183.21

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CURRENT PASS-THRU RATE
N3	669885AC9	99.10784647	28.59449716	0.32763403	28.92213119	70.51334930	3.967000%
TOTALS		99.10784647	28.59449716	0.32763403	28.92213119	70.51334930	

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Section 6.04(a)(i)	Available Funds	5,813,348.37
	Underlying Trust Fund 2004-3	
	Amounts Received From Underlying Certificates - Class C	2,697,616.41
	Underlying Trust Fund 2004-4	
	Amounts Received From Underlying Certificates - Class C	3,115,731.96
Section 6.04(a)(ii)	Payment Allocable to Interest	65,854.44
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	5,747,493.93
Section 6.04(an3 Balance		14,173,183.21