

**NOVASTAR NIM TRUST, SERIES 2003-N1****Statement to Certificateholders****December 28, 2004****DISTRIBUTION IN DOLLARS**

<b>CLASS</b>	<b>ORIGINAL FACE VALUE</b>	<b>BEGINNING PRINCIPAL BALANCE</b>	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>	<b>REALIZED LOSSES</b>	<b>DEFERRED INTEREST</b>	<b>ENDING PRINCIPAL BALANCE</b>
<b>NOTE</b>	86,500,000.00	12,513,132.99	3,181,978.56	77,007.91	3,258,986.47	0.00	0.00	9,331,154.43
<b>CERT</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTALS</b>	86,500,000.00	12,513,132.99	3,181,978.56	77,007.91	3,258,986.47	0.00	0.00	9,331,154.43

**FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE**

<b>CLASS</b>	<b>CUSIP</b>	<b>BEGINNING PRINCIPAL</b>	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>TOTAL</b>	<b>ENDING PRINCIPAL</b>
<b>NOTE</b>	66987XCP8	144.66049699	36.78587931	0.89026486	37.67614416	107.87461769
<b>TOTALS</b>		144.66049699	36.78587931	0.89026486	37.67614416	107.87461769

**PASS-THROUGH RATES**

<b>CLASS</b>	<b>CURRENT PASS-THRU RATE</b>
<b>NOTE</b>	7.385000 %

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

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## NOVASTAR NIM TRUST, SERIES 2003-N1

December 28, 2004

Section 6.04(a)(i)	Available Funds	3,258,986.47
	Amounts Received From Underlying Certificates - Class X	2,292,696.52
	Amounts Received From Underlying Certificates - Class P	803,377.20
	Amounts Received From Underlying Certificates - Class O	0.00
	Amounts Received With Respect to Pre-Funding Reserve Account	0.00
	Amounts Received With Respect to Cap Agreements	162,912.75
Section 6.04(a)(ii)	Payment Allocable to Interest	77,007.91
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	3,181,978.56
Section 6.04(a)(iv)	Note Balance	9,331,154.43
Section 6.04(a)(ix)	Amounts Transferred From Pre-Funding Reserve to NovaStar Mortgage	0.00
Section 6.04(a)(ix)	Amounts on Deposit in Pre-Funding Reserve Account	0.00