

NOVASTAR NIM TRUST, SERIES 2004-N1

Statement to Certificateholders

July 26, 2005

DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
NOTE	156,600,000.00	8,844,212.42	5,769,801.66	32,856.25	5,802,657.91	0.00	0.00	3,074,410.76
CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	156,600,000.00	8,844,212.42	5,769,801.66	32,856.25	5,802,657.91	0.00	0.00	3,074,410.76

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
NOTE	669885AA3	56.47645223	36.84419962	0.20981003	37.05400964	19.63225262
TOTALS		56.47645223	36.84419962	0.20981003	37.05400964	19.63225262

PASS-THROUGH RATES

CLASS	CURRENT PASS- THRU RATE
NOTE	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	5,802,657.91
	Underlying Trust Fund 2003-3	
	Amounts Received From Underlying Certificates - Class X	1,877,834.29
	Amounts Received From Underlying Certificates - Class P	666,648.10
	Amounts Received From Underlying Certificates - Class O	0.00
	Underlying Trust Fund 2003-4	
	Amounts Received From Underlying Certificates - Class X	2,331,864.76
	Amounts Received From Underlying Certificates - Class P	926,310.76
	Amounts Received From Underlying Certificates - Class O	0.00
Section 6.04(a)(ii)	Payment Allocable to Interest	32,856.25
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	5,769,801.66
Section 6.04(a)(iv)	Note Balance	3,074,410.76