

NOVASTAR NIM TRUST, SERIES 2004-N1

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
NOTE	156,600,000.00	3,074,410.76	3,074,410.76	11,421.44	3,085,832.20	0.00	0.00	0.00
CERT	0.00	0.00	0.00	1,437,431.29	1,437,431.29	0.00	0.00	0.00
TOTALS	156,600,000.00	3,074,410.76	3,074,410.76	1,448,852.73	4,523,263.49	0.00	0.00	0.00

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS- THRU RATE
NOTE	669885AA3	19.63225262	19.63225262	0.07293384	19.70518646	0.00000000	NOTE	4.458000 %
TOTALS		19.63225262	19.63225262	9.25193314	28.88418576	0.00000000		

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	4,523,263.49
	Underlying Trust Fund 2003-3	
	Amounts Received From Underlying Certificates - Class X	1,559,035.87
	Amounts Received From Underlying Certificates - Class P	546,051.78
	Amounts Received From Underlying Certificates - Class O	0.00
	Underlying Trust Fund 2003-4	
	Amounts Received From Underlying Certificates - Class X	1,767,599.70
	Amounts Received From Underlying Certificates - Class P	650,576.14
	Amounts Received From Underlying Certificates - Class O	0.00
Section 6.04(a)(ii)	Payment Allocable to Interest	11,421.44
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	3,074,410.76
Section 6.04(a)(iv)	Note Balance	0.00