

NovaStar NIM Trust, Series 2005-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	130,875,000.00	115,639,487.26	8,836,124.45	460,341.53	9,296,465.98	0.00	0.00	106,803,362.81
REIT CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TRS CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	130,875,000.00	115,639,487.26	8,836,124.45	460,341.53	9,296,465.98	0.00	0.00	106,803,362.81

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
NOTE	669885AD7	883.58729521	67.51575511	3.51741379	71.03316890	816.07154010
TOTALS		883.58729521	67.51575511	3.51741379	71.03316890	816.07154010

PASS-THROUGH RATES

CLASS	CURRENT PASS- THRU RATE
NOTE	4.777000 %

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

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\$834.20 of Interest was paid as Principal during June and July payments.

Current Beginning Balance increased this month by that amount.

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Section 6.04(a)(i)	Available Funds	9,296,465.98
	Underlying Trust Fund 2005-1	
	Amounts Received From Underlying Certificates - Class C	5,345,742.72
	Underlying Trust Fund 2005-2	
	Amounts Received From Underlying Certificates - Class C	3,950,723.26
Section 6.04(a)(ii)	Payment Allocable to Interest	460,341.53
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	8,836,124.45
Section 6.04(a)NOTE Balance		106,803,362.81

\$834.20 of Interest was paid as Principal during June and July payments.
Current Beginning Balance increased this month by that amount.