

**NovaStar NIM Trust, Series 2005-N1**  
**Statement to Certificateholders**  
**September 27, 2005**

**DISTRIBUTION IN DOLLARS**

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
<b>NOTE</b>	130,875,000.00	106,803,362.81	8,500,892.02	425,166.39	8,926,058.41	0.00	0.00	98,302,470.79
<b>REIT CERT</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TRS CERT</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTALS</b>	130,875,000.00	106,803,362.81	8,500,892.02	425,166.39	8,926,058.41	0.00	0.00	98,302,470.79

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

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL
<b>NOTE</b>	669885AD7	816.07154010	64.95428478	3.24864481	68.20292959	751.11725532
<b>TOTALS</b>		816.07154010	64.95428478	3.24864481	68.20292959	751.11725532

**PASS-THROUGH RATES**

CLASS	CURRENT PASS- THRU RATE
<b>NOTE</b>	4.777000 %

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

Ariella Kaminer  
JPMorgan Chase Bank, N.A. - Structured Finance Services  
4 New York Plaza, Floor 6,  
New York, New York 10004  
Tel: (212) 623-5431 / Fax: (212) 623-5931  
Email: ariella.x.kaminer@jpmchase.com

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September 27, 2005

Section 6.04(a)(i)	Available Funds	8,926,058.41
	Underlying Trust Fund 2005-1	
	Amounts Received From Underlying Certificates - Class C	5,409,136.24
	Underlying Trust Fund 2005-2	
	Amounts Received From Underlying Certificates - Class C	3,516,922.17
Section 6.04(a)(ii)	Payment Allocable to Interest	425,166.39
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	8,500,892.02
Section 6.04(a)NOTE Balance		98,302,470.79