

## NOVASTAR NIM TRUST, SERIES 2004-N3

## Statement to Certificateholders

October 26, 2005

## DISTRIBUTION IN DOLLARS

CLASS	ORIGINAL FACE VALUE	BEGINNING PRINCIPAL BALANCE	PRINCIPAL	INTEREST	TOTAL	REALIZED LOSSES	DEFERRED INTEREST	ENDING PRINCIPAL BALANCE
N3	201,000,000.00	78,791,987.05	10,375,028.28	260,473.18	10,635,501.46	0.00	0.00	68,416,958.77
CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTALS</b>	201,000,000.00	78,791,987.05	10,375,028.28	260,473.18	10,635,501.46	0.00	0.00	68,416,958.77

## FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS- THRU RATE
N3	669885AC9	391.99993557	51.61705612	1.29588647	52.91294259	340.38287945	N3	3.967000 %
<b>TOTALS</b>		391.99993557	51.61705612	1.29588647	52.91294259	340.38287945		

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	10,635,501.46
	Underlying Trust Fund 2004-3	
	Amounts Received From Underlying Certificates - Class C	4,984,328.26
	Underlying Trust Fund 2004-4	
	Amounts Received From Underlying Certificates - Class C	5,651,173.20
Section 6.04(a)(ii)	Payment Allocable to Interest	260,473.18
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	10,375,028.28
Section 6.04(an3 Balance		68,416,958.77