

NOVASTAR NIM TRUST, SERIES 2004-N3

Statement to Certificateholders

March 28, 2006

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	33,406,761.20	7,160,651.27	110,437.18	7,271,088.45	0.00	0.00	26,246,109.93
CERT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	201,000,000.00	33,406,761.20	7,160,651.27	110,437.18	7,271,088.45	0.00	0.00	26,246,109.93

FACTOR INFORMATION PER \$1000 OF ORIGINAL FACE

CLASS	CUSIP	BEGINNING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL	ENDING PRINCIPAL	CLASS	CURRENT PASS- THRU RATE
N3	669885AC9	166.20279204	35.62513070	0.54943871	36.17456940	130.57766134	N3	3.967000 %
TOTALS		166.20279204	35.62513070	0.54943871	36.17456940	130.57766134		

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	7,271,088.45
	Underlying Trust Fund 2004-3	
	Amounts Received From Underlying Certificates - Class C	3,140,157.52
	Underlying Trust Fund 2004-4	
	Amounts Received From Underlying Certificates - Class C	4,130,930.93
Section 6.04(a)(ii)	Payment Allocable to Interest	110,437.18
	Interest Shortfall Paid	0.00
	Current Interest Shortfall	0.00
	Outstanding Interest Shortfall	0.00
Section 6.04(a)(iii)	Payment Allocable to Principal	7,160,651.27
Section 6.04(an3 Balance		26,246,109.93