

Nomura Home Equity Loan, Inc., Home Equity Loan Trust, Series 2006-HE3



| Pool Summary | | September-08 | |
|------------------------------------|---------|---------------|-------|
| Delinquency Status Summary: | | | |
| | % | \$ | # |
| Current | 57.16% | \$336,500,093 | 3,305 |
| 30 Day DQ | 7.51% | \$44,211,261 | - |
| 60 Day DQ | 3.65% | \$21,487,497 | - |
| 90+ Day DQ | 5.19% | \$30,553,455 | - |
| Bankruptcy | 2.11% | \$12,421,539 | - |
| Foreclosure | 13.00% | \$76,530,812 | - |
| Real Estate Owned (REO) | 11.38% | \$66,993,895 | - |
| Total 90+ Days Bucket | 31.68% | \$186,499,702 | - |
| Total | 100.00% | \$588,698,553 | 3,305 |

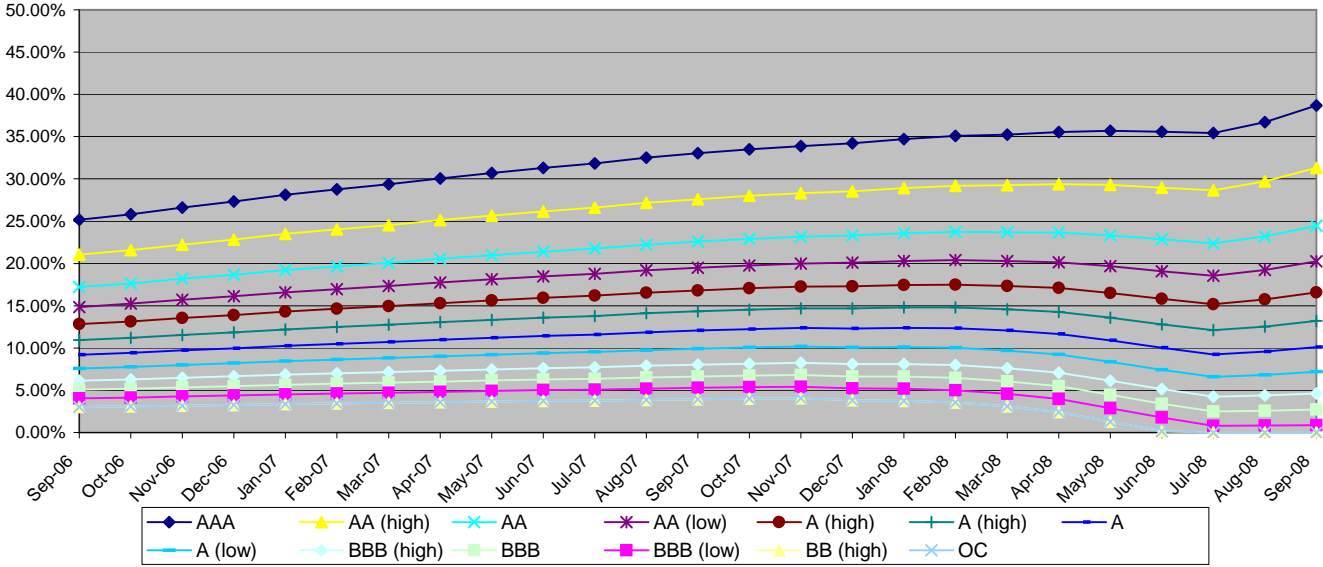
| Excess Spread, Delinquency and Loss Analysis: | | |
|---|--------|---------------|
| | % | \$ |
| Excess Spread (XS) Annualized | 4.61% | 27,136,890 |
| Monthly XS - 3 month average | 5.63% | 33,156,348 |
| Total 90+ Days Bucket - 3 month average | 32.72% | 192,603,198 |
| Delinquency Coverage Ratio: | 0.37 | |
| 3 Month Average XS + OC / potential losses from Total 90+ Days Bucket | | |
| DBRS Single B Cum loss assumption at Deal inception | 4.75% | 51,059,089 |
| Monthly losses - 3 month average | 1.37% | 14,747,114 |
| Cumulative Losses to date as a percent of original balance | 7.46% | 80,228,590.74 |

| Pool Statistics: | | | |
|--|--|--------------------------|---------------|
| Current: | | Original | |
| Mortgage Originator | People's Choice 44%, First NLC 15% | Balance | 1,074,928,198 |
| Servicer | Ocwen 99%, Wells Fargo 1%) | Mortgage Insurer | NA |
| Provider of Reps and Warranties | Nomura Credit & Capital, Inc. | % of loans with MI | 0.00% |
| Trustee | HSBC Bank USA N.A. | DT LTV Coverage | 0.00% |
| Repurchase/EPDs | NA | LTV | 79.38% |
| % of original balance with modifications | NA | Combined LTV | 84.09% |
| % repayment plan/forebearance | NA | FICO | 618 |
| Current balance | \$588,698,553 | RWFICO | 601 |
| Pool Factor | 54.77% | WAM | 355 |
| Current OC as % of current Balance | 0.00% | WAC | 8.18% |
| Months of seasoning | 25 | OC (At Issuance) | 2.95% |
| Pricing CPR | 49.84% | OC Target | 2.95% |
| Current CPR | 27.24% | Fixed | 17.20% |
| WAM | 327 | ARM | 82.80% |
| WAC | 8.17% | average month to reset | 26 |
| | | Cash-out | 60.27% |
| | | Purchase | 36.30% |
| | | 1st lien with piggy back | 29.07% |
| | | Second Liens | 3.37% |
| | | Fully Amortizing | 62.41% |
| | | Balloons | 18.18% |
| | | Interest Only | 19.41% |
| | | average I/O period | 61 |
| | | Investor Owned | 6.33% |
| | | Single Family | 87.02% |
| | | Full Doc | 0.00% |
| | | Limited Doc | 54.15% |
| | | Stated Doc | 45.35% |
| Trigger & Step-down Analysis | | | |
| DQ Trigger | FAIL | | |
| Total 60+ days Bucket | 35.33% | | |
| DQ Trigger Threshold | 12.55% | | |
| Cum Loss Trigger | FAIL | | |
| Cumulative Losses to date as a percent of original balance | 7.46% | | |
| Cum Loss Trigger Threshold | 1.50% | | |
| Step-down Date | No | | |

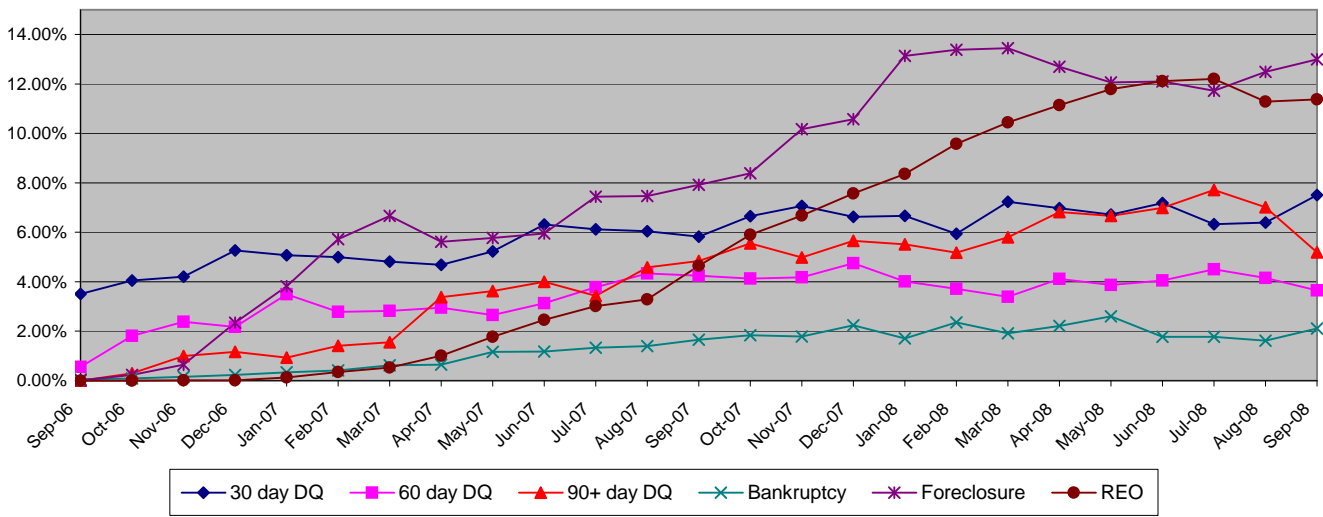
PARsurveillance@dbrs.com

| Class Information | | | | | | | | | | |
|-------------------|-----------------|----------------|---------------|--------------|--------------|-------------------------|-----------------------------|----------------|--------------------|----------------------------|
| Class Name | Original Rating | Current Rating | Original CE % | Current CE % | Gross Loss % | Current Bond Balance \$ | Current Period Writedown \$ | Class Factor % | Curr CE / Orig. CE | Delinquency Coverage Ratio |
| I-A | AAA | AAA | 24.65% | 38.68% | 27.50% | 204,424,657 | - | 46.28% | 1.57 | 2.94 |
| II-A-1 | AAA | AAA | 24.65% | 38.68% | 27.50% | 80,343,851 | - | 31.70% | 1.57 | 2.94 |
| II-A-2 | AAA | AAA | 24.65% | 38.68% | 27.50% | 26,761,000 | - | 100.00% | 1.57 | 2.94 |
| II-A-3 | AAA | AAA | 24.65% | 38.68% | 27.50% | 71,405,000 | - | 100.00% | 1.57 | 2.94 |
| II-A-4 | AAA | AAA | 24.65% | 38.68% | 27.50% | 16,605,000 | - | 100.00% | 1.57 | 2.94 |
| M-1 | AA (high) | AA (high) | 20.60% | 31.28% | 22.33% | 43,534,000 | - | 100.00% | 1.52 | 2.45 |
| M-2 | AA | A (high) | 16.85% | 24.44% | 19.75% | 40,309,000 | - | 100.00% | 1.45 | 2.00 |
| M-3 | AA (low) | A (low) | 14.55% | 20.24% | 17.75% | 24,723,000 | - | 100.00% | 1.39 | 1.72 |
| M-4 | A (high) | BBB (high) | 12.55% | 16.59% | 15.75% | 21,498,000 | - | 100.00% | 1.32 | 1.48 |
| M-5 | A (high) | BBB | 10.70% | 13.21% | 15.75% | 19,886,000 | - | 100.00% | 1.23 | 1.25 |
| M-6 | A | BBB (low) | 9.00% | 10.10% | 13.75% | 18,273,000 | - | 100.00% | 1.12 | 1.05 |
| M-7 | A (low) | BB (high) | 7.40% | 7.18% | 12.25% | 17,198,000 | - | 100.00% | 0.97 | 0.85 |
| M-8 | BBB (high) | BB | 6.00% | 4.63% | 10.75% | 15,048,000 | - | 100.00% | 0.77 | 0.68 |
| M-9 | BBB | BB (low) | 4.95% | 2.71% | 9.25% | 11,286,000 | - | 100.00% | 0.55 | 0.55 |
| B-1 | BBB (low) | B | 3.95% | 0.88% | 8.42% | 10,749,000 | - | 100.00% | 0.22 | 0.43 |
| B-2 | BB (high) | B (low) | 2.95% | 0.00% | 7.58% | 5,199,000 | - | 48.37% | 0.00 | 0.37 |
| P | NR | NR | 0.00% | 0.00% | - | 100 | - | 100.00% | - | - |
| OC | NR | NR | 2.95% | 0.00% | - | - | (17,193,916) | 0.00% | 0.00 | - |

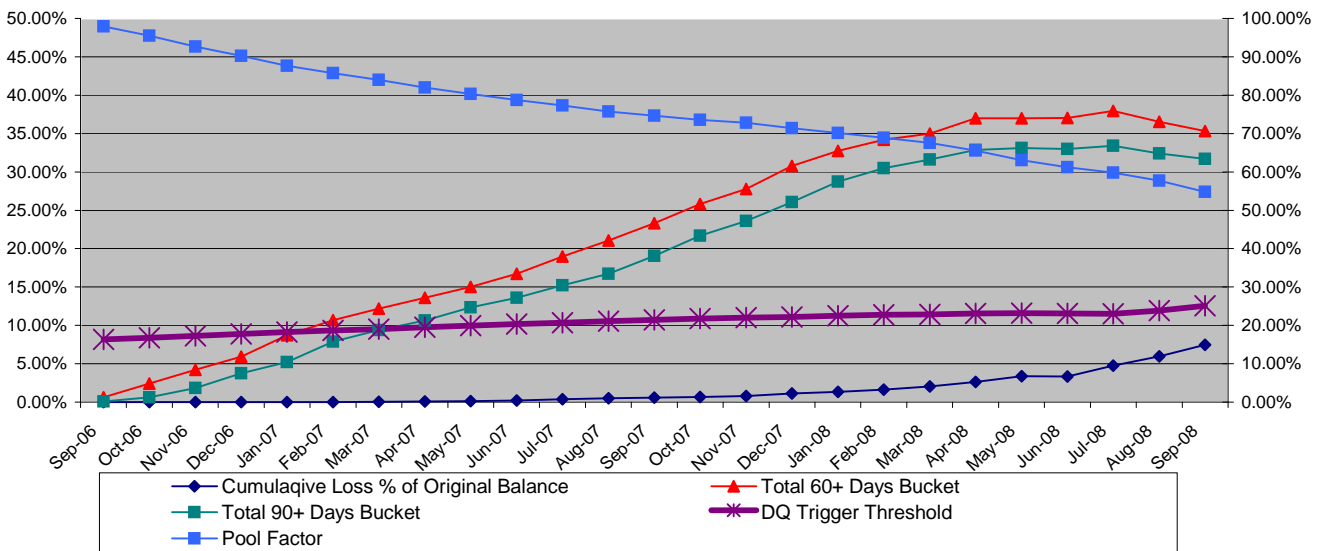
Credit Enhancement Graph



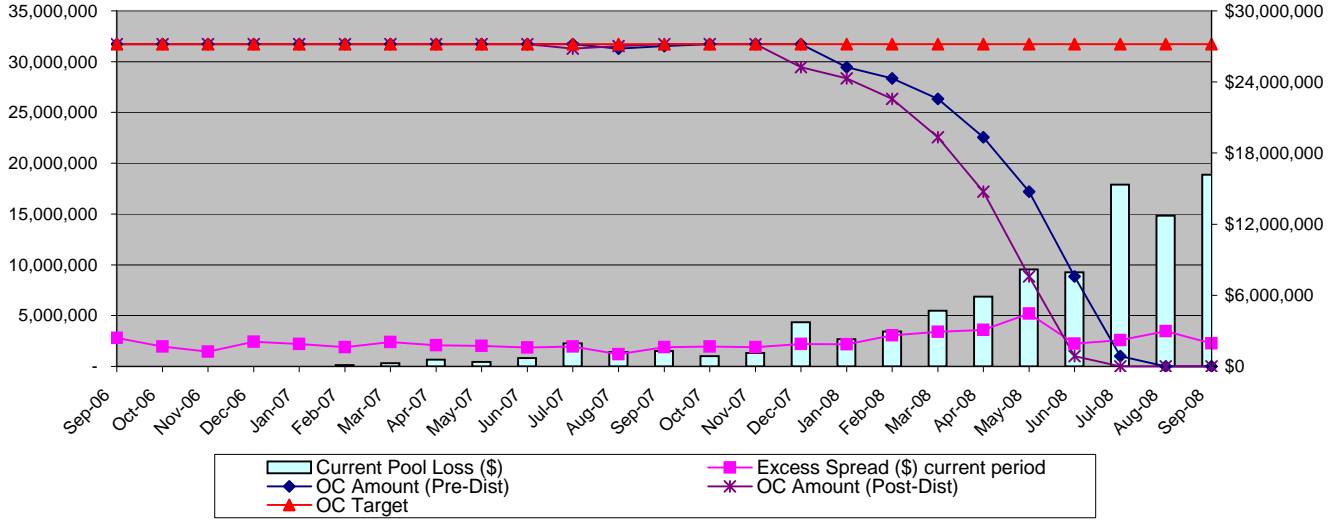
Delinquency Graph



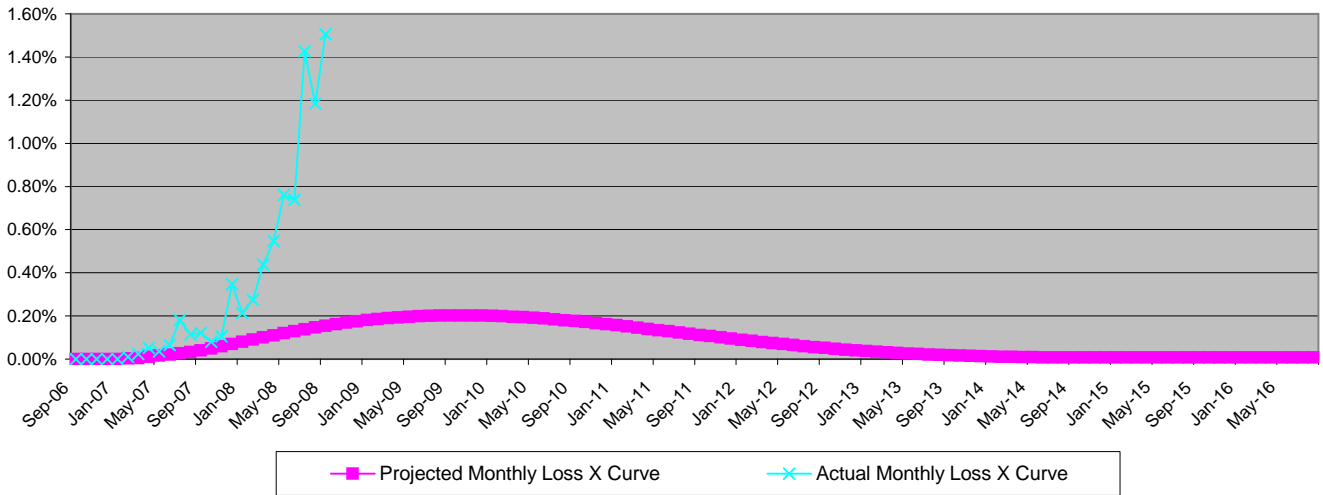
Performance Trend Analysis



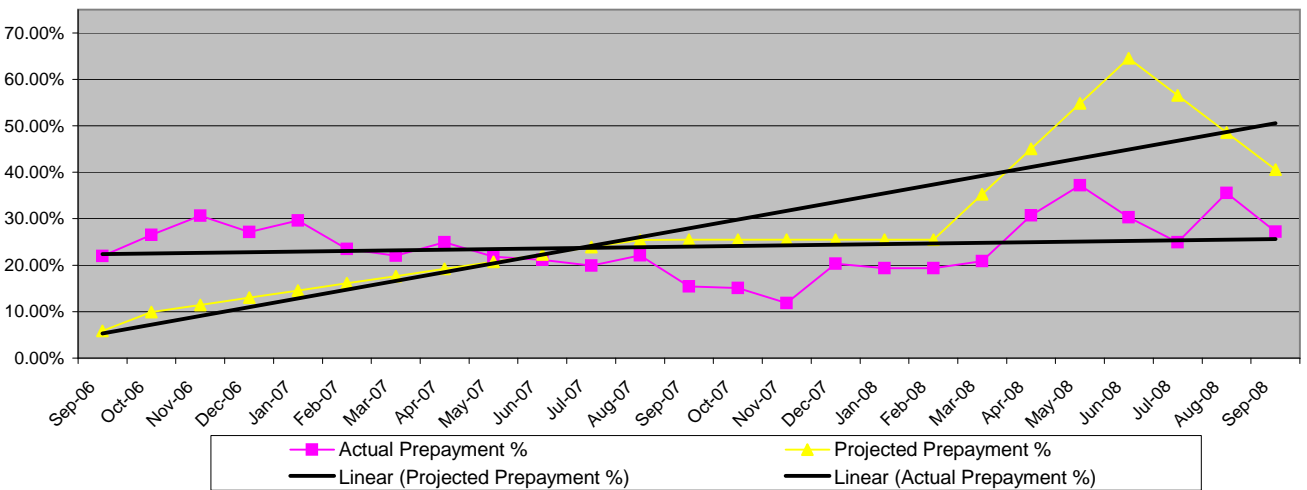
Overcollateralization, Excess Spread & Monthly Losses



Loss Timing Curve vs. Actual Collateral Losses



Actual vs. Projected Prepayments



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