

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



Pool Summary		October-08	
<b>Delinquency Status Summary:</b>			
	%	\$	#
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

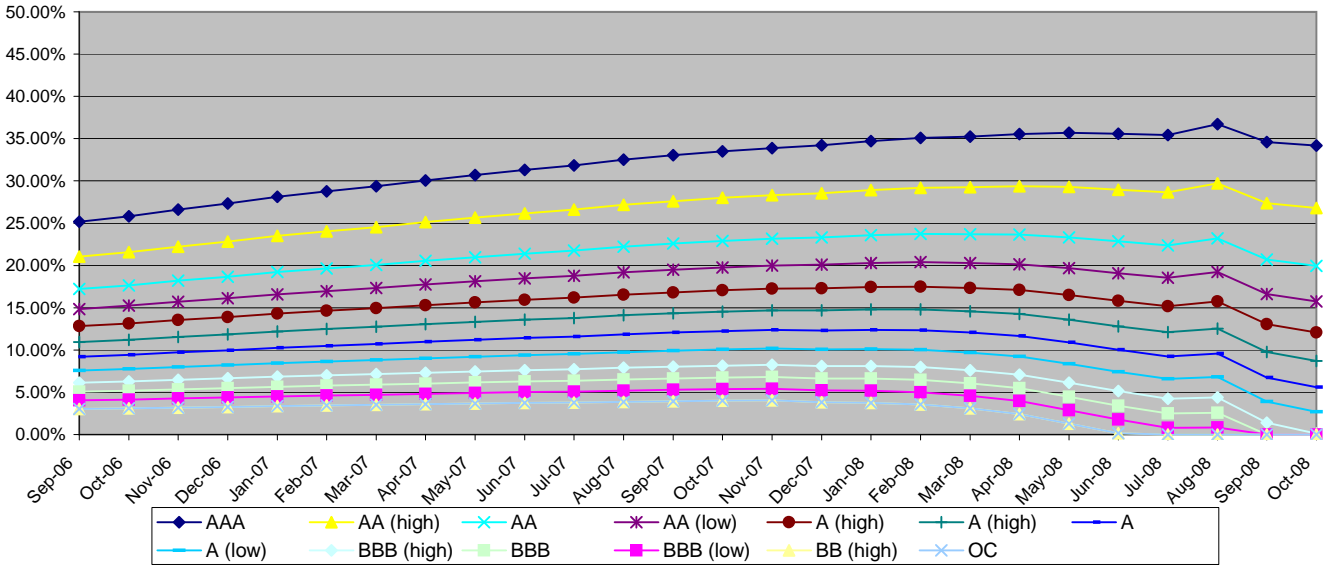
<b>Excess Spread, Delinquency and Loss Analysis:</b>		
	%	\$
Excess Spread (XS) Annualized	4.61%	27,136,890
Monthly XS - 3 month average	5.42%	31,926,968
Total 90+ Days Bucket - 3 month average	32.41%	190,775,257
Delinquency Coverage Ratio:	0.36	
3 Month Average XS + OC / potential losses from Total 90+ Days Bucket		
DBRS Single B Cum loss assumption at Deal inception	4.75%	51,059,089
Monthly losses - 3 month average	1.13%	12,105,350
Cumulative Losses to date as a percent of original balance	7.46%	80,228,590.74

<b>Pool Statistics:</b>			
<b>Current:</b>		<b>Original</b>	
Mortgage Originator	People's Choice 44%, First NLC 15%	Balance	1,074,928,198
		Mortgage Insurer	NA
		% of loans with MI	0.00%
Servicer	Ocwen 99%, Wells Fargo 1%)	DT LTV Coverage	0.00%
		LTV	79.38%
		Combined LTV	84.09%
Provider of Reps and Warranties	Nomura Credit & Capital, Inc.	FICO	618
		RWFICO	601
		WAM	355
Trustee	HSBC Bank USA N.A.	WAC	8.18%
		OC (At Issuance)	2.95%
		OC Target	2.95%
Repurchase/EPDs	NA	Fixed	17.20%
% of original balance with modifications	NA	ARM	82.80%
% repayment plan/forebearance	NA	average month to reset	26
Current balance	\$588,698,553	Cash-out	60.27%
Pool Factor	54.77%	Purchase	36.30%
Current OC as % of current Balance	0.00%	1st lien with piggy back	29.07%
Months of seasoning	26	Second Liens	3.37%
Pricing CPR	49.84%	Fully Amortizing	62.41%
Current CPR	27.24%	Balloons	18.18%
WAM	327	Interest Only	19.41%
WAC	8.17%	average I/O period	61
		Investor Owned	6.33%
		Single Family	87.02%
<b>Trigger &amp; Step-down Analysis</b>		Full Doc	0.00%
DQ Trigger	FAIL	Limited Doc	54.15%
Total 60+ days Bucket	35.33%	Stated Doc	45.35%
DQ Trigger Threshold	11.09%		
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		

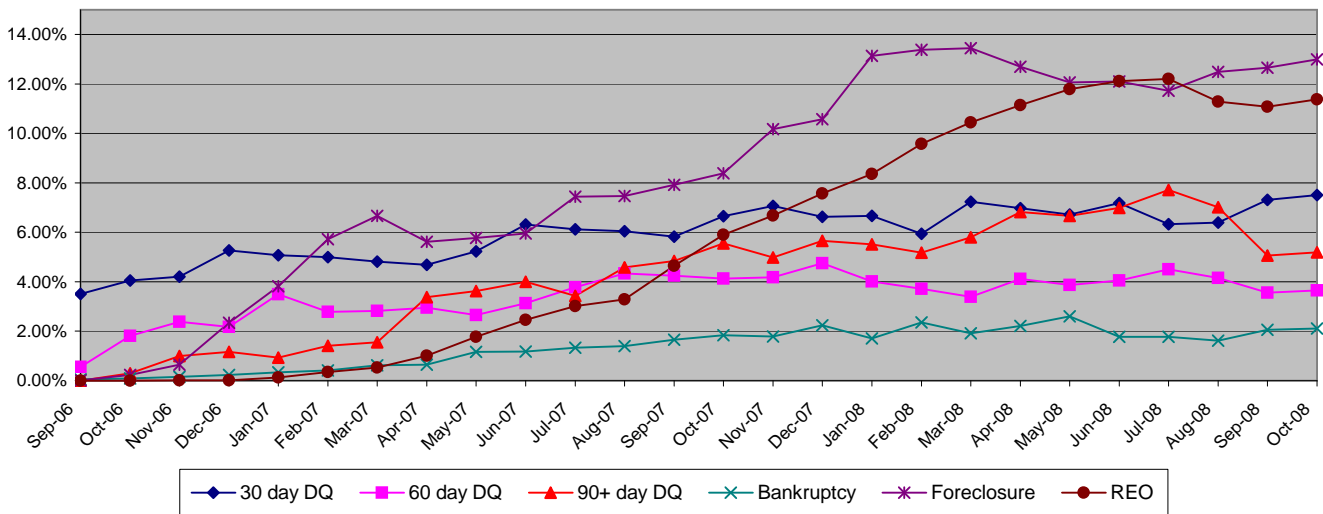
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Class Information										
Class Name	Original Rating	Current Rating	Original CE %	Current CE %	Gross Loss %	Current Bond Balance \$	Current Period Writedown \$	Class Factor %	Curr CE / Orig. CE	Delinquency Coverage Ratio
I-A	AAA	AAA	24.65%	34.18%	27.50%	197,183,216	-	44.64%	1.39	2.63
II-A-1	AAA	AAA	24.65%	34.18%	27.50%	75,501,957	-	29.79%	1.39	2.63
II-A-2	AAA	AAA	24.65%	34.18%	27.50%	26,761,000	-	100.00%	1.39	2.63
II-A-3	AAA	AAA	24.65%	34.18%	27.50%	71,405,000	-	100.00%	1.39	2.63
II-A-4	AAA	AAA	24.65%	34.18%	27.50%	16,605,000	-	100.00%	1.39	2.63
M-1	AA (high)	AA (high)	20.60%	26.79%	22.33%	43,534,000	-	100.00%	1.30	2.14
M-2	AA	A (high)	16.85%	19.94%	19.75%	40,309,000	-	100.00%	1.18	1.69
M-3	AA (low)	A (low)	14.55%	15.74%	17.75%	24,723,000	-	100.00%	1.08	1.41
M-4	A (high)	BBB (high)	12.55%	12.09%	15.75%	21,498,000	-	100.00%	0.96	1.16
M-5	A (high)	BBB	10.70%	8.71%	15.75%	19,886,000	-	100.00%	0.81	0.94
M-6	A	BBB (low)	9.00%	5.61%	13.75%	18,273,000	-	100.00%	0.62	0.73
M-7	A (low)	BB (high)	7.40%	2.69%	12.25%	17,198,000	-	100.00%	0.36	0.54
M-8	BBB (high)	BB	6.00%	0.13%	10.75%	15,048,000	-	100.00%	0.02	0.37
M-9	BBB	BB (low)	4.95%	0.00%	9.25%	773,380	7,782,203	6.85%	0.00	-
B-1	BBB (low)	B	3.95%	0.00%	8.42%	-	-	0.00%	0.00	-
B-2	BB (high)	B (low)	2.95%	0.00%	7.58%	-	-	0.00%	0.00	-
P	NR	NR	0.00%	0.00%	-	-	-	0.00%	-	-
OC	NR	NR	2.95%	0.00%	-	-	-	0.00%	0.00	-

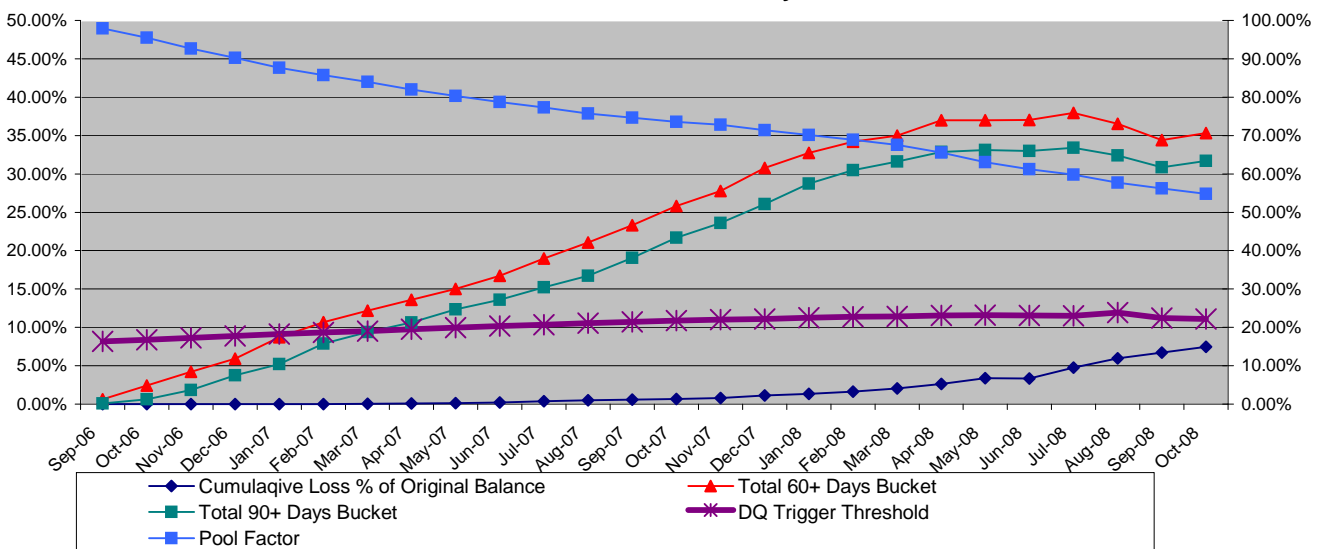
**Credit Enhancement Graph**



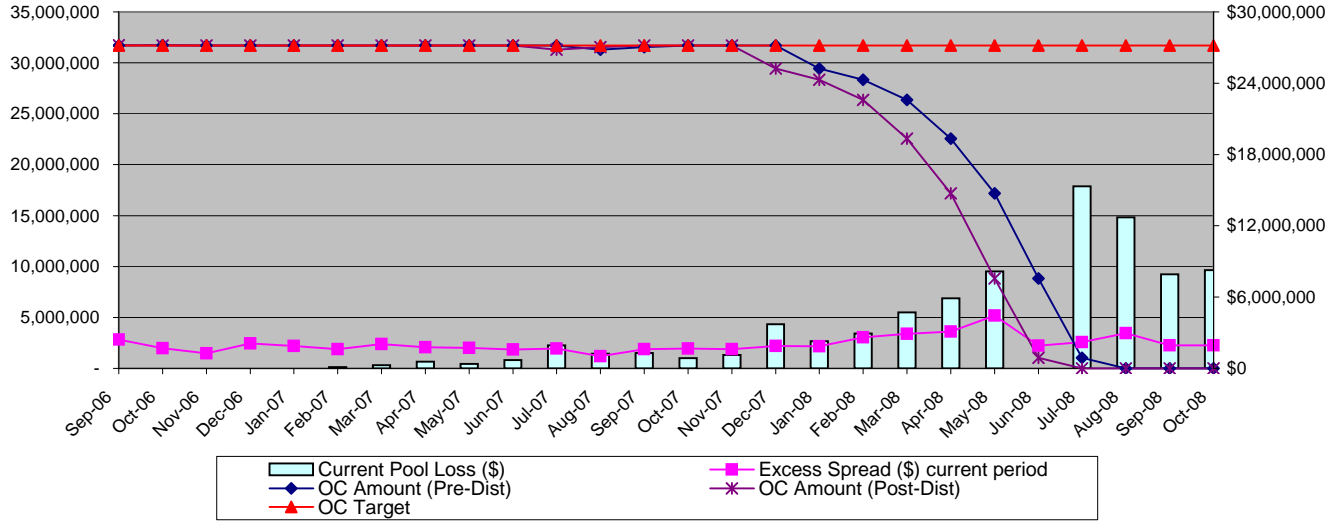
**Delinquency Graph**



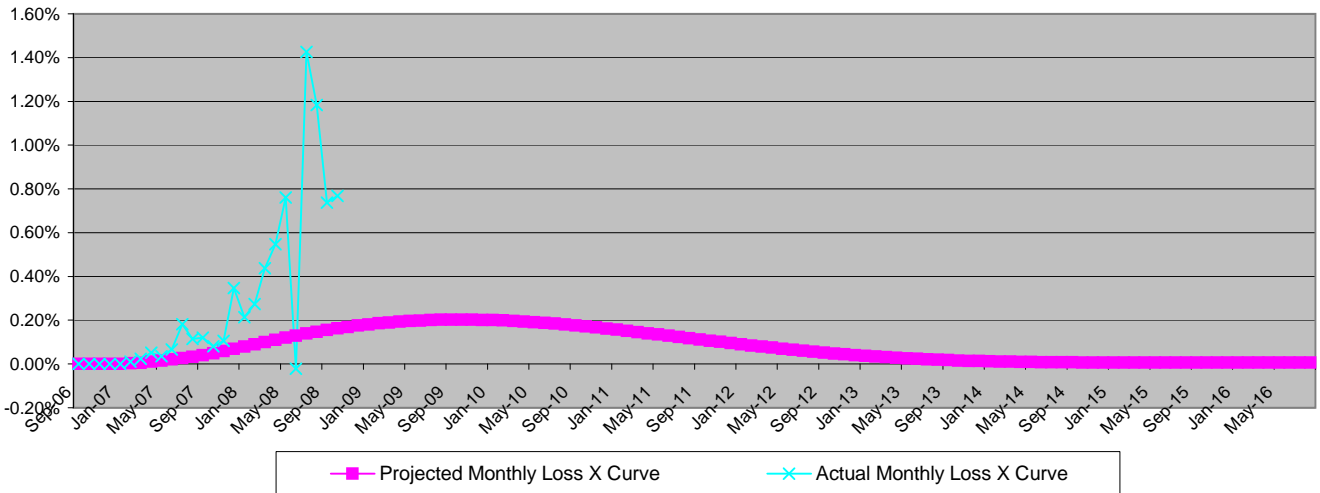
**Performance Trend Analysis**



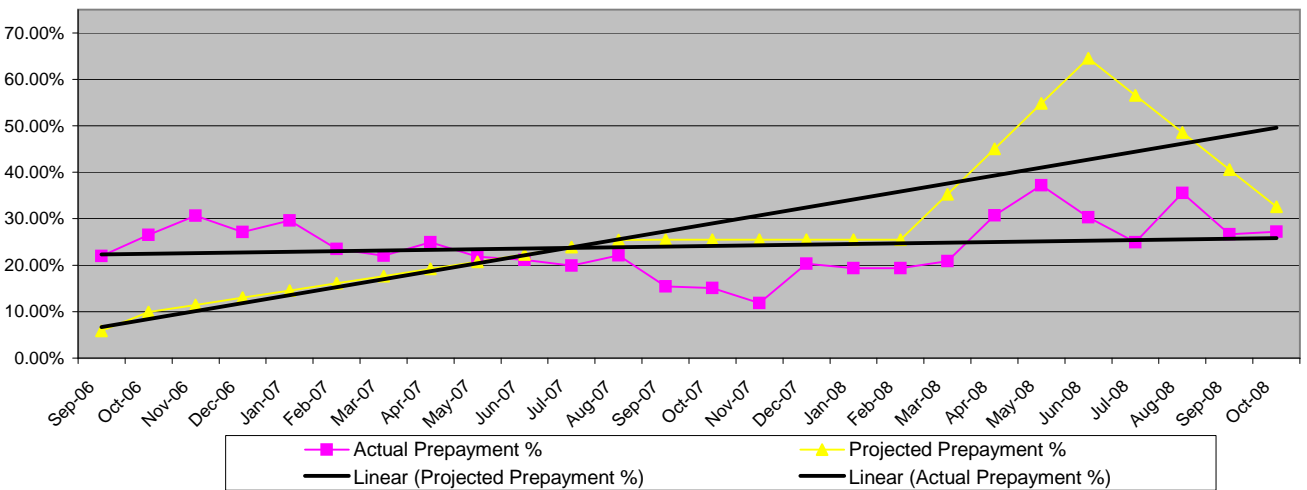
### Overcollateralization, Excess Spread & Monthly Losses



### Loss Timing Curve vs. Actual Collateral Losses



### Actual vs. Projected Prepayments



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