

FORSTER FREDRIC J
Form 4
January 27, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
FORSTER FREDRIC J

2. Issuer Name and Ticker or Trading Symbol
NEW CENTURY FINANCIAL CORP [NEW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

18400 VON KARMAN, SUITE 1000

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/25/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

IRVINE,, CA 92612

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	01/25/2006		M		2,500 A \$ 6.7	55,717	D
Common Stock	01/25/2006		M		7,500 A \$ 7.33	63,217	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock Option (Right to Buy)	\$ 6.7	01/25/2006		M	2,500	(1) 05/15/2011	Common Stock	2,500
Stock Option (Right to Buy)	\$ 7.33 (3)	01/25/2006		M	7,500	(4) 07/01/2007	Common Stock	7,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FORSTER FREDRIC J 18400 VON KARMAN, SUITE 1000 IRVINE,, CA 92612	X			

Signatures

Jennifer Jewett
(Attorney-in-Fact) 01/27/2006

__Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

This stock option grant vested as to one-third of the total number of shares on each of the first three anniversaries of May 15, 2001, the grant date. The final one-third increment vested on the third anniversary of the grant date and the option is, therefore, currently exercisable.

(2) This column is not applicable.

This stock option grant was previously reported on a Form 3 filed on July 8, 1997 as covering 15,000 shares at an exercise price of \$11.00 per share. On July 1, 2003, the stock options remaining under this stock option grant as of June 12, 2003, the record date of the 3-for-2 split, were adjusted to reflect the stock split.

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- (4) This stock option grant vested as to one-third of the total number of shares on each of the first three anniversaries of July 1, 1997, the grant date. The final one-third increment vested on the third anniversary of the grant date and the option is, therefore, currently exercisable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.