NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 3
Form N-CSR
August 08, 2007

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21153

Nuveen Maryland Dividend Advantage Municipal Fund 3

(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Address of principal executive offices) (Zip code)

Kevin J. McCarthy
Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Name and address of agent for service)

Registrant's telephone number, including area code: (312) 917-7700

Date of fiscal year end: May 31

Date of reporting period: May 31, 2007

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

ANNUAL REPORT
May 31, 2007

Nuveen Investments
MUNICIPAL CLOSED-END FUNDS

Photo of: Small child

NUVEEN MARYLAND
PREMIUM INCOME
MUNICIPAL FUND
NMY

NUVEEN MARYLAND
DIVIDEND ADVANTAGE
MUNICIPAL FUND
NFM

NUVEEN MARYLAND
DIVIDEND ADVANTAGE
MUNICIPAL FUND 2
NZR

NUVEEN MARYLAND
DIVIDEND ADVANTAGE
MUNICIPAL FUND 3
NWI

NUVEEN VIRGINIA
PREMIUM INCOME
MUNICIPAL FUND
NPV

NUVEEN VIRGINIA
DIVIDEND ADVANTAGE
MUNICIPAL FUND
NGB

NUVEEN VIRGINIA
DIVIDEND ADVANTAGE
MUNICIPAL FUND 2
NNB

IT'S NOT WHAT YOU EARN, IT'S WHAT YOU KEEP.(R)

Logo: NUVEEN Investments

Photo of: Man working on computer

LIFE IS COMPLEX.
NUVEEN
MAKES THINGS

E-simple.

It only takes a minute to sign up for e-Reports. Once enrolled, you'll receive an e-mail as soon as your Nuveen Investments Fund information is ready--no more waiting for delivery by regular mail. Just click on the link within the e-mail to see the report and save it on your computer if you wish.

FREE E-REPORTS RIGHT TO YOUR E-MAIL!

www.investordelivery.com
If you receive your Nuveen Fund
dividends and statements from your
financial advisor or brokerage account.

OR

www.nuveen.com/accountaccess
If you receive your Nuveen Fund dividends
and statements directly from Nuveen.

Logo: NUVEEN Investments

Chairman's
LETTER TO SHAREHOLDERS

Photo of: Timothy R. Schwertfeger

Timothy R. Schwertfeger
Chairman of the Board

ONCE AGAIN, I AM PLEASED TO REPORT THAT OVER THE TWELVE-MONTH PERIOD COVERED BY THIS REPORT YOUR FUND CONTINUED TO PROVIDE YOU WITH ATTRACTIVE MONTHLY TAX-FREE INCOME. FOR MORE DETAILS ABOUT THE MANAGEMENT STRATEGY AND PERFORMANCE OF YOUR FUND, PLEASE READ THE PORTFOLIO MANAGER'S COMMENTS, THE DIVIDEND AND SHARE PRICE INFORMATION, AND THE PERFORMANCE OVERVIEW SECTIONS OF THIS REPORT.

I ALSO WANTED TO TAKE THIS OPPORTUNITY TO REPORT SOME IMPORTANT NEWS ABOUT NUVEEN INVESTMENTS. WE HAVE AGREED TO A "GROWTH BUYOUT" OFFER FROM A PRIVATE EQUITY INVESTMENT FIRM. WHILE THIS MAY AFFECT THE CORPORATE STRUCTURE OF NUVEEN INVESTMENTS, IT WILL HAVE NO IMPACT ON THE INVESTMENT OBJECTIVES OF THE FUNDS, PORTFOLIO MANAGEMENT STRATEGIES OR THEIR DIVIDEND POLICIES. WE WILL PROVIDE YOU WITH ADDITIONAL INFORMATION ABOUT THIS TRANSACTION AS MORE DETAILS BECOME AVAILABLE.

FOR SOME TIME, I'VE USED THESE LETTERS TO REMIND YOU THAT MUNICIPAL BONDS CAN BE AN IMPORTANT BUILDING BLOCK IN A WELL-BALANCED INVESTMENT PORTFOLIO. IN ADDITION TO PROVIDING ATTRACTIVE TAX-FREE MONTHLY INCOME, A MUNICIPAL BOND INVESTMENT LIKE YOUR FUND MAY HELP YOU ACHIEVE AND BENEFIT FROM GREATER PORTFOLIO DIVERSIFICATION. PORTFOLIO DIVERSIFICATION IS A RECOGNIZED WAY TO TRY TO REDUCE SOME OF THE RISK THAT COMES WITH INVESTING. FOR MORE INFORMATION ABOUT THIS IMPORTANT INVESTMENT STRATEGY, I ENCOURAGE YOU TO CONTACT YOUR PERSONAL FINANCIAL ADVISOR.

WE ALSO ARE PLEASED TO BE ABLE TO OFFER YOU A CHOICE CONCERNING HOW YOU RECEIVE

YOUR SHAREHOLDER REPORTS AND OTHER FUND INFORMATION. AS AN ALTERNATIVE TO MAILED COPIES, YOU CAN SIGN UP TO RECEIVE FUTURE FUND REPORTS AND OTHER FUND INFORMATION BY E-MAIL AND THE INTERNET. THE INSIDE FRONT COVER OF THIS REPORT CONTAINS INFORMATION ON HOW YOU CAN SIGN UP.

WE ARE GRATEFUL THAT YOU HAVE CHOSEN US AS A PARTNER AS YOU PURSUE YOUR FINANCIAL GOALS AND WE LOOK FORWARD TO CONTINUING TO EARN YOUR TRUST IN THE MONTHS AND YEARS AHEAD. AT NUVEEN INVESTMENTS, OUR MISSION CONTINUES TO BE TO ASSIST YOU AND YOUR FINANCIAL ADVISOR BY OFFERING INVESTMENT SERVICES AND PRODUCTS THAT CAN HELP YOU TO SECURE YOUR FINANCIAL OBJECTIVES.

SINCERELY,

/S/ TIMOTHY R. SCHWERTFEGER

TIMOTHY R. SCHWERTFEGER
CHAIRMAN OF THE BOARD
July 16, 2007

Portfolio Manager's COMMENTS

Nuveen Investments Municipal Closed-End Funds

NMY, NFM, NZR, NWI,
NPV, NGB, NNB

Portfolio manager Cathryn Steeves reviews national and state economic and municipal market environments, key investment strategies and the annual performance of these seven Nuveen Funds. Cathryn, who joined Nuveen in 1996, has managed the Maryland and Virginia Funds since July 2006.

WHAT FACTORS AFFECTED THE U.S. ECONOMIC AND MUNICIPAL MARKET ENVIRONMENTS DURING THE 12-MONTH REPORTING PERIOD ENDED MAY 31, 2007?

Between June 1, 2006 and May 31, 2007, we saw interest rates at the short end of the yield curve rise modestly, while longer rates generally declined. After announcing one further rate increase in late June 2006, the Federal Reserve ended its unprecedented series of 17 consecutive 0.25% rate hikes that brought the fed funds rate to 5.25% over a two-year span. During the remaining 11 months of this reporting period, the Fed left monetary policy unchanged as it kept close tabs on inflationary pressures and the pace of economic growth. Over this same 12-month period, the yield on the benchmark 10-year U.S. Treasury note dropped 22 basis points to end May 2007 at 4.89%. In the municipal market, the yield on the Bond Buyer 25 Revenue Bond Index, a widely followed measure of longer-term municipal market rates, fell to 4.57% at the end of May 2007, a decline of 65 basis points from the end of May 2006. As interest rates on shorter-term municipal bonds reached the levels of longer-term bonds, the municipal yield curve continued to flatten and bonds with longer durations1 generally outperformed those with shorter durations during this period.

Although many market observers had expected to see the Fed act on rates in early 2007, slowing economic growth, higher energy prices and a slumping housing market helped to keep the Fed on the sidelines. The U.S. gross domestic product (GDP), a closely watched measure of economic growth, operated at below-trend levels through most of 2006, expanding at a rate of 2.6% in the second quarter of 2006, 2.0% in the third quarter, and 2.5% in the fourth quarter (all GDP numbers annualized). In the first quarter of 2007, the rate of GDP growth slowed even further to 0.7%, the weakest since 2002, due in part to a 16% decline in residential investment. While the Consumer Price Index (CPI) registered a 2.7%

year-over-year gain as of May 2007, the increase in this inflation gauge for the first five months of 2007 was 5.5%, driven largely by a 36% gain in energy prices. By comparison, the core CPI (which excludes food and energy prices) rose 2.1% as of May 2007, close to the Fed's unofficial target of 2.0% or lower. The labor market remained tight with a national unemployment rate of 4.5% in May 2007, down from 4.6% in May 2006.

1 Duration is a measure of a bond's price sensitivity as interest rates change, with longer duration bonds displaying more sensitivity to these changes than bonds with shorter durations.

Over the 12 months ended May 2007, municipal bond issuance nationwide totaled $423.4 billion, up 15% from the previous 12 months. This total reflected a sharp increase in supply during the first five months of 2007, when $173.7 billion in new securities came to market, up almost 30% over the same period in 2006. A major factor in 2007 volume was the 56% increase in advance refundings,2 driven by attractive borrowing rates for issuers. The strength and diversity of the demand for municipal bonds were as important as the increase in supply, as the surge in issuance was easily absorbed by retail investors, institutional investors such as hedge funds and arbitragers, and overseas investors, all of whom continued to participate in the market.

HOW WERE ECONOMIC AND MARKET CONDITIONS IN MARYLAND AND VIRGINIA DURING THIS PERIOD?

During this reporting period, Maryland's economic growth continued to be driven by the government sector, professional and business services, education and health care. Given the state's proximity to Washington D.C., the federal government remained an important element in the state economy, with Fort George G. Meade ranking as Maryland's largest employer. Manufacturing employment in Maryland was about half the national average, which was a positive factor over the past few years as U.S. manufacturing struggled. Population trends in the state were on par with the national average over the past six years. In May 2007, Maryland's jobless rate was 3.6%, down from 3.9% in May 2006, putting unemployment in the state at its lowest level since March 2001. Maryland's $29.2 billion fiscal 2007 budget provided additional funding for schools, health care, and higher education without adding new taxes. Although revenues lagged initial projections, the state's rainy day fund was expected to end fiscal 2007 with a balance of $1.4 billion. The $30 billion fiscal 2008 budget called for an increase of only 2.5% in spending and proposed drawing down the state's rainy day reserve to achieve balance. As of May 2007, Moody's and Standard & Poor's maintained their ratings on Maryland general obligation debt at Aaa/AAA with stable outlooks. During the 12 months ended May 31, 2007, issuance in the state totaled $6.4 billion, an increase of 35% over the previous 12-month period. For January-May 2007, Maryland saw $2.9 billion in new municipal paper, up 13% from the first five months of 2006. Although Maryland's debt levels have declined from their peaks in the 1980s, the state's debt per capita and debt as a percentage of personal income remained above national medians, according to Moody's.

Virginia's economy continued to be led by the government sector and professional and business services. Recent reductions in military spending were partially responsible for a slower pace of economic growth in the commonwealth during this period, following several years of superior performance. Despite the cutbacks, federal spending remained a vital factor in the commonwealth's economy, with

federal employment in Virginia accounting for more than twice as many jobs as the national average. While technology continued to play a growing economic role, manufacturing, especially in the textile industry, remained a drag on Virginia's economy. Population growth in the commonwealth over the past six years remained well above the national average. Job growth, while healthy, was concentrated in three areas: Northern Virginia, Virginia

2 Advance refundings, also known as pre-refundings or refinancings, occur when an issuer sells new bonds and uses the proceeds to fund principal and interest payments of older existing bonds. This process often results in lower borrowing costs for bond issuers.

Beach, and Richmond. In May 2007, Virginia's unemployment rate was the fifth lowest in the nation at 2.9%, on par with the May 2006 reading. The commonwealth's 2007-2008 biennium budget, which called for general fund expenditures of $34.8 billion over the two-year period, increased spending on education and transportation projects while introducing no major tax hikes. General fund revenues for fiscal 2007 were projected to come in $340 million ahead of plan. In October 2006, Moody's reconfirmed its rating on Virginia General Obligation (GO) debt at Aaa with a stable outlook, and S&P confirmed its AAA rating with a stable outlook. During the 12 months ended May 31, 2007, issuance in Virginia totaled $9.7 billion, an increase of 58% over the previous 12 months. The first five months of 2007 saw issuance rise even more sharply to $4.6 billion, up 170% from the first five months of 2006. Some of this increase was due to a major refinancing deal, totaling $1.1 billion, involving Virginia tobacco bonds, which took place in April 2007. According to Moody's, Virginia's per capita debt and debt as a percentage of personal income remained lower than national medians.

WHAT KEY STRATEGIES WERE USED TO MANAGE THESE FUNDS DURING THIS REPORTING PERIOD?

In the municipal bond interest rate environment of the past 12 months, where the flattening yield curve remained a dominant market factor, we continued to emphasize a disciplined approach to duration management and yield curve positioning. As part of this approach, our purchases for the Funds' portfolios focused mainly on attractively priced bonds maturing in 20 to 30 years. Overall, we believed that the bonds we purchased during this period represented opportunities to add value, manage duration, and enhance performance and income.

Our duration management strategies during this period also included the use of inverse floating rate trusts,3 a type of derivative financial instrument, in all seven of the Maryland and Virginia Funds. The inverse floaters had the dual benefit of increasing the Funds' distributable income and bringing their durations closer to our preferred strategic target. As discussed in past shareholder reports, we have also used forward interest rate swaps (another type of derivative instrument) as a duration management tool when we believed this would support our overall investment performance strategies. The goal of this strategy helped us manage total return performance in relation to our strategic target without having a negative impact on the Funds' income streams or common share dividends over the short term. During this reporting period, we deployed this strategy in NFM, NWI, and NPV, with swaps remaining in place in NFM and NPV as of May 31, 2007.

We also continued to emphasize individual credit selection. As previously mentioned, both Maryland and Virginia saw increased supply during this period,

and steady new issuance as well as a number of major advance refundings and debt restructurings provided us with a greater variety of bonds and sectors from which to choose. Since Maryland and Virginia are high-quality states, much of the new supply was highly rated and/or insured. However, we also found purchase opportunities among lower credit quality bonds that we considered attractive based on their strong performance and the support they provide for the Funds' income streams.

3 An inverse floating rate trust is a financial instrument designed to pay long-term tax-exempt interest at a rate that varies inversely with a short-term tax-exempt interest rate index. For the Nuveen Funds, the index typically used is the Securities Industry and Financial Markets (SIFM) Municipal Swap Index (previously referred to as the Bond Market Association Index or BMA). Inverse floaters, including those inverse floating rate securities in which the Funds invested during the 12-month period, are further defined within the "Notes to Financial Statements" and "Glossary of Terms Used in This Report" sections of this shareholder report.

During this period, we added to all of the Funds' positions in health care (including both hospitals and long-term/continuing care facilities), higher education, and single-family housing. In the three Virginia Funds, we purchased bonds issued by the Metropolitan Washington DC Airports Authority and participated in the new offering of Virginia tobacco credits that were issued as part of the advance refunding of the commonwealth's older tobacco bonds. We also continued to build positions in bonds that could help us increase the Funds' income-generating potential and manage duration, including zero coupon and non-callable bonds.

To maintain the Funds' durations within our preferred strategic range and to generate cash for purchases, we selectively sold some of the Funds' holdings with shorter durations. In NMY, NFM, and NWI, we found opportunities to sell a few of our holdings that were purchased when yields were lower and replace them with similar, newer credits that yielded comparatively more. This allowed us to maintain the Funds' current portfolio characteristics while strengthening their future income streams.

HOW DID THE FUNDS PERFORM?

Individual results for the Nuveen Maryland and Virginia Funds, as well as relevant index and peer group information, are presented in the accompanying table.

Total Returns on Net Asset Value
For periods ended 5/31/07

	Annualized		
	1-Year	5-Year	10-Year
Maryland Funds			
NMY	5.35%	6.63%	6.42%
NFM	5.74%	6.66%	NA
NZR	5.56%	6.99%	NA
NWI	5.75%	NA	NA
Virginia Funds			

NPV	4.89%	6.29%	6.56%
NGB	5.82%	7.10%	NA
NNB	5.60%	7.25%	NA
Lehman Brothers Municipal Bond Index4	4.84%	4.94%	5.61%
Lipper Other States Municipal Debt Funds Average5	5.25%	6.68%	6.36%

For the 12 months ended May 31, 2007, the total return on NAV for all seven of these Funds exceeded the return on the national Lehman Brothers Municipal Bond Index. NMY, NFM, NZR, NWI, NGB, and NNB also outperformed the average return for the Lipper Other States Municipal Debt Funds Average, while NPV trailed this Lipper average. Shareholders should note that the performance of the Lipper Other States Municipal Debt Funds Average represents the overall average of returns for

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares.

For additional information, see the individual Performance Overview for your Fund in this report.

4 The Lehman Brothers Municipal Bond Index is an unleveraged, unmanaged national index comprising a broad range of investment-grade municipal bonds. Results for the Lehman index do not reflect any expenses.

5 The Lipper Other States Municipal Debt Funds Average is calculated using the returns of all closed-end funds in this category for each period as follows: 1 year, 46; 5 years, 27; and 10 years, 18. Fund and Lipper returns assume reinvestment of dividends.

funds from 10 different states with a wide variety of municipal market conditions, making direct comparisons less meaningful.

Factors that influenced the Funds' returns during this period included yield curve and duration positioning, exposure to lower-rated credits, individual security selection and sector allocations, and advance refunding activity.

As the yield curve continued to flatten over the course of this period, municipal bonds with maturities of 15 years and longer, as measured by the Lehman Brothers Municipal Bond Index, performed best, generally outpacing municipal bonds with shorter maturities, especially those with maturities of less than 5 years. While our strategies during this period included adding longer bonds to our portfolios, most of these Funds remained slightly short of our strategic target in terms of their holdings of bonds in the longest part of the yield curve, which was negative for performance. However, this was offset by the Funds' heavier exposure to the intermediate part of the curve, which performed well, and their lower allocations to the shorter part of the curve, which underperformed the general municipal market. The Funds' yield curve and duration positioning during this period was a positive contributor to their performance.

With bonds rated BBB or lower and non-rated bonds generally outperforming other credit quality sectors during this period, all of these Funds benefited from their weightings in lower-quality credits. The outperformance of these credit sectors was largely the result of investor demand for the higher yields typically associated with lower-rated bonds, which drove up their value. As Dividend Advantage Funds, NFM, NZR, NWI, NGB, and NNB can invest up to 20% of their assets in below- investment-grade securities (bonds rated BB or below) or in non-rated bonds judged to be in the same credit quality category. The exposure of these five Funds to the subinvestment-grade sector, together with a fee reimbursement agreement, contributed to the outperformance of these Funds relative to NMY and NPV, which overall represented higher credit quality. In addition, NFM and NWI also had the heaviest weightings of bonds rated BBB across all seven of these Funds, which further benefited their performance.

Among the lower-rated holdings making positive contributions to the Funds' returns for this period were industrial development bonds and health care (including hospitals) credits, which ranked as the top performing revenue sectors in the Lehman Brothers Municipal Bond Index. Lower-rated bonds backed by the 1998 master tobacco settlement agreement performed well. As of May 31, 2007, NMY, NFM, NZR, and NWI held approximately 1.4% to 2.4% of their portfolios in lower-rated tobacco bonds, while the Virginia Funds' lower-rated tobacco allocations ranged from 2.3% in NPV to 3.2% in NNB and 4.5% in NGB.

Additional sectors that helped the Funds' performances during this period included tax-supported bonds and, in the Maryland Funds, higher education and multifamily housing credits. The Funds' holdings of zero coupon bonds also provided a positive impact on performance for this period.

We continued to see positive contributions from advance refunding activity, which benefited the Funds through price appreciation and enhanced credit quality. All of the Maryland and Virginia Funds (with the exception of NZR) saw healthy levels of pre-refunding activity. As previously mentioned, one of the more significant advance refundings during this period involved BBB rated tobacco bonds issued by Virginia's Tobacco Settlement Financing Corporation, which were upgraded to AAA as a result of the refundings.

At the same time, holdings of older, previously pre-refunded bonds tended to underperform the general municipal market during this period, due primarily to their shorter effective maturities. Among the Virginia Funds, NPV held appreciably heavier weightings of older pre-refunded bonds than NGB or NNB. In addition, the performance of the Maryland Funds was impacted by their holdings of single-family housing bonds, which underperformed during this period as the municipal market rallied.

We should also note that all of these Funds continued to use financial leverage to provide opportunities for additional income and total return for common shareholders. This strategy can also add volatility to a Fund's NAV and share price. Over this period, the use of leverage was generally a positive factor in the Funds' total return performance, especially in relation to that of the unleveraged Lehman Brothers Municipal Bond Index.

Dividend and Share Price
INFORMATION

As previously noted, these seven Funds use leverage to potentially enhance opportunities for additional income for common shareholders. Although the Funds' use of this strategy continued to provide incremental income, the extent of this benefit was reduced during this period due to high short-term interest rates that, in turn, kept the Funds' borrowing costs high. The Funds' income streams were also impacted as the proceeds from older, higher-yielding bonds that matured or were called were reinvested into bonds currently available in the market, which generally offered lower yields. The combination of these factors resulted in one monthly dividend reduction in NMY, NFM, NZR, NPV and NNB and two in NGB over the 12-month period ended May 31, 2007. The dividend of NWI remained stable throughout this reporting period.

Due to normal portfolio activity, common shareholders of the following Funds received capital gains or net ordinary income distributions at the end of December 2006 as follows:

	Long-Term Capital Gains (per share)	Short-Term Capital Gains and/or Ordinary Income (per share)
NZR	--	$0.0014
NPV	$0.0215	--

All of the Funds in this report seek to pay stable dividends at rates that reflect each Fund's past results and projected future performance. During certain periods, each Fund may pay dividends at a rate that may be more or less than the amount of net investment income actually earned by the Fund during the period. If a Fund has cumulatively earned more than it has paid in dividends, it holds the excess in reserve as undistributed net investment income (UNII) as part of the Fund's NAV. Conversely, if a Fund has cumulatively paid dividends in excess of its earnings, the excess constitutes negative UNII that is likewise reflected in the Fund's NAV. Each Fund will, over time, pay all of its net investment income as dividends to shareholders. As of May 31, 2007, all of the Funds in this report except NPV had positive UNII balances for tax purposes and negative UNII balances for financial statement purposes. NPV had a positive UNII balance for tax purposes and a positive UNII balance for financial statement purposes.

As of May 31, 2007, the Funds' share prices were trading at premiums or discounts to their NAVs as shown in the accompanying chart:

	5/31/07 Premium	12-Month Average Premium/Discount
NMY	+1.85%	-0.50%
NFM	+4.30%	+6.02%
NZR	+3.85%	+5.89%
NWI	+1.80%	-2.07%
NPV	+2.35%	+1.39%
NGB	+16.89%	+13.29%
NNB	+10.94%	+7.31%

NMY
Performance
OVERVIEW

Nuveen Maryland Premium Income Municipal Fund
as of 5-31-07

Pie Chart:
Credit Quality (as a % of total investments)

AAA/U.S. Guaranteed	54%
AA	23%
A	8%
BBB	10%
BB or Lower	3%
N/R	2%

Bar Chart:
Monthly Tax-Free Dividends Per Share -- 2006-2007

Jun	0.058
Jul	0.058
Aug	0.058
Sep	0.055
Oct	0.055
Nov	0.055
Dec	0.055
Jan	0.055
Feb	0.055
Mar	0.055
Apr	0.055
May	0.055

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price

Jun 1, 2006	14.48
	14.5
	14.2
	14.29
	14.6
	14.34
	14.29
	14.32
	14.44
	14.72
	14.7
	14.8499
	14.88
	15.1
	14.66
	14.65
	14.74
	14.6
	14.58
	14.34
	14.31
	14.4

	14.63
	14.58
	14.63
	14.63
	14.67
	14.82
	14.43
	14.34
	14.46
	14.42
	14.59
	14.49
	14.59
	14.45
	14.51
	14.65
	14.7
	14.87
	14.85
	14.91
	15.04
	15.01
	15.15
	15.04
	14.9
	14.95
	14.89
	14.74
	14.68
May 31, 2007	14.8999

FUND SNAPSHOT

Common Share Price	$14.84
Common Share Net Asset Value	$14.57
Premium/(Discount) to NAV	1.85%
Market Yield	4.45%
Taxable-Equivalent Yield1	6.49%
Net Assets Applicable to Common Shares ($000)	$155,004
Average Effective Maturity on Securities (Years)	15.9
Leverage-Adjusted Duration	8.28

AVERAGE ANNUAL TOTAL RETURN
(Inception 3/18/93)

	ON SHARE PRICE	ON NAV
1-Year	6.96%	5.35%
5-Year	4.30%	6.63%

10-Year	6.41%	6.42%

INDUSTRIES
(as a % of total investments)

Tax Obligation/General	22.7
Health Care	15.4
Education and Civic Organizations	14.5
U.S. Guaranteed	13.5
Tax Obligation/Limited	11.9
Housing/Multifamily	8.7
Other	13.3

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.4%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

NFM
Performance
OVERVIEW

Nuveen Maryland Dividend Advantage Municipal Fund
as of 5-31-07

Pie Chart:
Credit Quality (as a % of total investments)

AAA/U.S. Guaranteed	48%
AA	16%
A	15%
BBB	13%
BB or Lower	2%
N/R	6%

Bar Chart:
Monthly Tax-Free Dividends Per Share -- 2006-2007

Jun	0.0645
Jul	0.0645
Aug	0.0645
Sep	0.0615
Oct	0.0615
Nov	0.0615
Dec	0.0615
Jan	0.0615
Feb	0.0615
Mar	0.0615

Apr	0.0615
May	0.0615

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price

Jun 1, 2006	15.45
	15.25
	15.33
	15.5
	15.94
	16.03
	15.6
	15.71
	15.61
	15.6
	15.48
	15.48
	15.88
	16.15
	16.15
	15.99
	15.9616
	15.89
	15.6
	15.47
	15.54
	15.73
	15.66
	15.65
	15.88
	15.6
	15.52
	15.79
	15.15
	15.07
	15.45
	15.3
	15.1
	15.23
	15.12
	15.4
	15.54
	15.8
	15.89
	15.8
	16.3
	16.3
	15.7
	15.84
	16.04
	16.25
	16.42
	16.05
	15.9
	15.38
	15.23
May 31, 2007	15.2

FUND SNAPSHOT

Common Share Price	$15.28

Common Share Net Asset Value	$14.65
Premium/(Discount) to NAV	4.30%
Market Yield	4.83%
Taxable-Equivalent Yield1	7.04%
Net Assets Applicable to Common Shares ($000)	$61,261
Average Effective Maturity on Securities (Years)	18.32
Leverage-Adjusted Duration	7.79

AVERAGE ANNUAL TOTAL RETURN
(Inception 1/23/01)

	ON SHARE PRICE	ON NAV
1-Year	5.51%	5.74%
5-Year	5.40%	6.66%
Since Inception	5.83%	6.26%

INDUSTRIES
(as a % of total investments)

Health Care	20.7
Tax Obligation/General	16.2
U.S. Guaranteed	15.8
Housing/Multifamily	12.3
Tax Obligation/Limited	11.7
Education and Civic Organizations	9.0
Other	14.3

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.4%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

Performance
OVERVIEW

Nuveen Maryland Dividend Advantage Municipal Fund 2
as of 5-31-07

Pie Chart:
Credit Quality (as a % of total investments)

AAA/U.S.Guaranteed	49%
AA	21%
A	10%
BBB	11%
BB or Lower	3%
N/R	6%

Bar Chart:
Monthly Tax-Free Dividends Per Share -- 2006-20072

Jun	0.064
Jul	0.064
Aug	0.064
Sep	0.064
Oct	0.064
Nov	0.064
Dec	0.064
Jan	0.064
Feb	0.064
Mar	0.0615
Apr	0.0615
May	0.0615

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price

Jun 1, 2006	15
	14.87
	15.25
	15.25
	16.3
	16.17
	15.87
	15.89
	15.52
	15.8
	15.7376
	15.6
	15.85
	15.89
	15.82
	15.6
	15.95
	16.15
	15.79
	15.79
	15.43
	15.89
	16.46
	16.32
	15.83
	15.71
	15.9024
	15.95
	15.59

	15.99
	16.24
	15.85
	15.51
	15.74
	16.01
	16.2499
	16.04
	15.77
	15.91
	16.25
	16.3101
	16.12
	16.09
	16.18
	16.38
	16.06
	16.25
	15.94
	15.94
	15.71
	15.5
May 31, 2007	15.449

FUND SNAPSHOT

Common Share Price	$15.38
Common Share Net Asset Value	$14.81
Premium/(Discount) to NAV	3.85%
Market Yield	4.80%
Taxable-Equivalent Yield1	7.00%
Net Assets Applicable to Common Shares ($000)	$62,064
Average Effective Maturity on Securities (Years)	17.73
Leverage-Adjusted Duration	7.71

AVERAGE ANNUAL TOTAL RETURN
(Inception 9/25/01)

	ON SHARE PRICE	ON NAV
1-Year	9.32%	5.56%
5-Year	6.77%	6.99%
Since Inception	6.03%	6.31%

INDUSTRIES
(as a % of total investments)

Tax Obligation/General	23.6
Health Care	16.8
U.S. Guaranteed	12.4
Tax Obligation/Limited	12.3
Education and Civic Organizations	11.6
Housing/Multifamily	6.3
Housing/Single Family	4.3
Other	12.7

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.4%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower. 2 The Fund paid shareholders net ordinary income distributions in December 2006 of $.0014 per share.

NWI
Performance
OVERVIEW

Nuveen Maryland Dividend Advantage Municipal Fund 3
as of 5-31-07

Pie Chart:
Credit Quality (as a % of total investments)

AAA/U.S. Guaranteed	46%
AA	24%
A	8%
BBB	14%
BB or Lower	3%
N/R	5%

Bar Chart:
Monthly Tax-Free Dividends Per Share -- 2006-2007

Jun	0.0555
Jul	0.0555
Aug	0.0555
Sep	0.0555
Oct	0.0555
Nov	0.0555
Dec	0.0555
Jan	0.0555
Feb	0.0555
Mar	0.0555
Apr	0.0555
May	0.0555

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price	
Jun 1, 2006	14.16
	13.86
	13.5
	13.37
	13.51
	13.67
	13.4501
	13.66
	13.78
	13.89
	13.74
	14.1
	13.89
	14.15
	13.89
	14.14
	14.07
	14.39
	14.25
	14.31
	14.34
	14.55
	14.66
	14.53
	14.58
	14.5
	14.57
	14.54
	14.29
	14.2999
	14.28
	14.3
	14.4001
	14.16
	14.11
	14.25
	14.58
	14.25
	14.38
	14.5
	14.78
	14.7928
	14.9
	14.87
	15.05
	14.91
	14.7
	14.82
	14.65
	14.63
	14.75
May 31, 2007	14.85

FUND SNAPSHOT

Common Share Price	$14.74
Common Share Net Asset Value	$14.48

Premium/(Discount) to NAV	1.80%
Market Yield	4.52%
Taxable-Equivalent Yield1	6.59%
Net Assets Applicable to Common Shares ($000)	$77,640
Average Effective Maturity on Securities (Years)	17.06
Leverage-Adjusted Duration	8.23

AVERAGE ANNUAL TOTAL RETURN
(Inception 9/25/02)

	ON SHARE PRICE	ON NAV
1-Year	11.47%	5.75%
Since Inception	4.86%	5.39%

INDUSTRIES
(as a % of total investments)

Tax Obligation/Limited	22.1
Health Care	15.2
U.S. Guaranteed	15.1
Tax Obligation/General	14.7
Housing/Multifamily	9.8
Education and Civic Organizations	8.5
Other	14.6

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.4%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

NPV
Performance
OVERVIEW

Nuveen Virginia Premium Income Municipal Fund
as of 5-31-07

Pie Chart:
Credit Quality (as a % of total investments)

AAA/U.S. Guaranteed	61%
AA	24%
A	5%
BBB	6%
BB or Lower	1%
N/R	3%

Bar Chart:
Monthly Tax-Free Dividends Per Share -- 2006-20072

Jun	0.059
Jul	0.059
Aug	0.059
Sep	0.059
Oct	0.059
Nov	0.059
Dec	0.059
Jan	0.059
Feb	0.059
Mar	0.0565
Apr	0.0565
May	0.0565

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price

Jun 1, 2006	14.81
	14.88
	14.5
	14.26
	14.45
	14.5
	14.31
	14.65
	14.8
	14.96
	15
	14.78
	14.76
	14.89
	14.89
	14.99
	15.3001
	15.49
	15.52
	15.58
	15.44
	15.27
	15.08
	15.1
	15.16
	15.12
	15.2
	15.21
	14.8
	14.83
	15.15
	15.25
	15.58
	15.7501

	15.76
	16.1
	16.69
	15.95
	15.9199
	15.61
	15.7
	15.59
	15.66
	15.9
	15.98
	15.96
	15.79
	15.84
	15.75
	15.64
	15.46
May 31, 2007	15.37

FUND SNAPSHOT

Common Share Price	$15.24
Common Share Net Asset Value	$14.89
Premium/(Discount) to NAV	2.35%
Market Yield	4.45%
Taxable-Equivalent Yield1	6.55%
Net Assets Applicable to Common Shares ($000)	$132,900
Average Effective Maturity on Securities (Years)	15.25
Leverage-Adjusted Duration	9.77

AVERAGE ANNUAL TOTAL RETURN
(Inception 3/18/93)

	ON SHARE PRICE	ON NAV
1-Year	7.18%	4.89%
5-Year	4.34%	6.29%
10-Year	6.08%	6.56%

INDUSTRIES
(as a % of total investments)

Tax Obligation/Limited	20.2
U.S. Guaranteed	19.2
Tax Obligation/General	14.7

Health Care	14.5
Transportation	5.8
Water and Sewer	5.4
Utilities	4.8
Education and Civic Organizations	3.4
Other	12.0

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32.1%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower. 2 The Fund paid shareholders a capital gains distribution in December 2006 of $0.0215 per share.

NGB
Performance
OVERVIEW

Nuveen Virginia Dividend Advantage Municipal Fund
as of 5-31-07

Pie Chart:
Credit Quality (as a % of total investments)

AAA/U.S. Guaranteed	53%
AA	20%
A	7%
BBB	10%
BB or Lower	1%
N/R	9%

Bar Chart:
Monthly Tax-Free Dividends Per Share -- 2006-2007

Jun	0.0685
Jul	0.0685
Aug	0.0685
Sep	0.0655
Oct	0.0655
Nov	0.0655
Dec	0.0655
Jan	0.0655
Feb	0.0655
Mar	0.063
Apr	0.063
May	0.063

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price

Jun 1, 2006	17.21
	17.2

	16.78
	16.7
	16.8
	16.24
	15.9
	15.96
	15.96
	16.17
	16.35
	16.8
	17
	17.05
	16.52
	16.53
	16.28
	16.76
	16.75
	16.65
	16.6
	16.5
	16.75
	16.75
	16.69
	16.93
	17.649
	17.18
	17.21
	17.37
	17.5
	18
	18.19
	17.59
	17.19
	17.85
	17.95
	17.73
	17.53
	17.6
	17.8
	17.82
	17.78
	17.7
	17.765
	17.8
	17.68
	17.6
	17.65
	17.49
	17.41
May 31, 2007	17.51

FUND SNAPSHOT

Common Share Price	$17.51
Common Share Net Asset Value	$14.98
Premium/(Discount) to NAV	16.89%
Market Yield	4.32%

Taxable-Equivalent Yield1	6.36%
Net Assets Applicable to Common Shares ($000)	$46,908
Average Effective Maturity on Securities (Years)	18.06
Leverage-Adjusted Duration	10.25

AVERAGE ANNUAL TOTAL RETURN
(Inception 1/26/01)

	ON SHARE PRICE	ON NAV
1-Year	7.24%	5.82%
5-Year	8.58%	7.10%
Since Inception	7.98%	6.69%

INDUSTRIES
(as a % of total investments)

Tax Obligation/General	16.4
Transportation	16.3
U.S. Guaranteed	14.3
Tax Obligation/Limited	12.9
Health Care	8.8
Long-Term Care	8.4
Consumer Staples	4.5
Education and Civic Organizations	4.5
Other	13.9

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32.1%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

Nuveen Virginia Dividend Advantage Municipal Fund 2
as of 5-31-07

Pie Chart:
Credit Quality (as a % of total investments)

AAA/U.S. Guaranteed	55%
AA	20%
A	7%
BBB	8%
BB or Lower	1%
N/R	9%

Bar Chart:
Monthly Tax-Free Dividends Per Share -- 2006-2007

Jun	0.065
Jul	0.065
Aug	0.065
Sep	0.065
Oct	0.065
Nov	0.065
Dec	0.065
Jan	0.065
Feb	0.065
Mar	0.0625
Apr	0.0625
May	0.0625

Line Chart:
SHARE PRICE PERFORMANCE
Weekly Closing Price

Jun 1, 2006	16.6
	15.98
	15.95
	15.79
	15.94
	15.9501
	15.8
	15.95
	15.66
	15.79
	15.8399
	15.8
	15.99
	16.1
	16.09
	15.95
	15.9
	16.11
	15.94
	15.8
	15.85
	16.06
	16.34
	16.0101
	16.3
	16.25
	16.35
	16.6
	16.52
	16.7101
	16.86

	16.81
	16.96
	16.7
	16.4
	16.75
	16.75
	16.83
	17.04
	17.09
	17.13
	16.91
	17.05
	16.53
	16.85
	16.6
	16.49
	16.5
	16.34
	16.6
	16.65
May 31, 2007	16.7

FUND SNAPSHOT

Common Share Price	$16.73
Common Share Net Asset Value	$15.08
Premium/(Discount) to NAV	10.94%
Market Yield	4.48%
Taxable-Equivalent Yield1	6.60%
Net Assets Applicable to Common Shares ($000)	$86,382
Average Effective Maturity on Securities (Years)	17.55
Leverage-Adjusted Duration	9.81

AVERAGE ANNUAL TOTAL RETURN
(Inception 11/15/01)

	ON SHARE PRICE	ON NAV
1-Year	6.96%	5.60%
5-Year	8.26%	7.25%
Since Inception	7.75%	6.95%

INDUSTRIES
(as a % of total investments)

Tax Obligation/General	16.7

U.S. Guaranteed	15.3
Health Care	14.1
Tax Obligation/Limited	12.3
Water and Sewer	11.1
Housing/Single Family	8.4
Long-Term Care	8.3
Other	13.8

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32.1%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

Report of
INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

THE BOARD OF TRUSTEES AND SHAREHOLDERS
NUVEEN MARYLAND PREMIUM INCOME MUNICIPAL
FUND NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND
NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 2
NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 3
NUVEEN VIRGINIA PREMIUM INCOME MUNICIPAL FUND
NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND
NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Nuveen Maryland Premium Income Municipal Fund, Nuveen Maryland Dividend Advantage Municipal Fund, Nuveen Maryland Dividend Advantage Municipal Fund 2, Nuveen Maryland Dividend Advantage Municipal Fund 3, Nuveen Virginia Premium Income Municipal Fund, Nuveen Virginia Dividend Advantage Municipal Fund and Nuveen Virginia Dividend Advantage Municipal Fund 2 (the Funds) as of May 31, 2007, and the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the periods indicated therein. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Funds' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of May 31, 2007, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial positions of Nuveen Maryland Premium Income Municipal Fund, Nuveen Maryland Dividend Advantage Municipal Fund, Nuveen Maryland Dividend Advantage Municipal Fund 2, Nuveen Maryland Dividend Advantage Municipal Fund 3, Nuveen Virginia Premium Income Municipal Fund, Nuveen Virginia Dividend Advantage Municipal Fund and Nuveen Virginia Dividend Advantage Municipal Fund 2 at May 31, 2007, the results of their operations for the year then ended, changes in their net assets for each of the two years in the period then ended, and their financial highlights for each of the periods indicated therein in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Chicago, Illinois
July 19, 2007

NMY
Nuveen Maryland Premium Income Municipal Fund
Portfolio of INVESTMENTS

as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	CONSUMER DISCRETIONARY - 1.4% (1.0% OF TOTAL INVESTMENTS)	
$ 2,100	Baltimore, Maryland, Senior Lien Convention Center Hotel Revenue Bonds, Series 2006A, 5.250%, 9/01/39 - XLCA Insured	9/16 at 100
	CONSUMER STAPLES - 2.0% (1.3% OF TOTAL INVESTMENTS)	
3,005	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33	5/12 at 100
	EDUCATION AND CIVIC ORGANIZATIONS - 21.8% (14.5% OF TOTAL INVESTMENTS)	
1,250	Frederick County, Maryland, Educational Facilities Revenue Bonds, Mount Saint Mary's College, Series 2006, 5.625%, 9/01/38	9/16 at 100

1,000	Hartford County, Maryland, Economic Development Revenue Bonds, Battelle Memorial Institute, Series 2004, 5.250%, 4/01/34	4/14 at 100
	Maryland Economic Development Corporation, Utility Infrastructure Revenue Bonds, University of Maryland - College Park, Series 2001:	
980	5.375%, 7/01/15 - AMBAC Insured	7/11 at 100
980	5.375%, 7/01/16 - AMBAC Insured	7/11 at 100
	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Bullis School, Series 2000:	
750	5.250%, 7/01/25 - FSA Insured	1/11 at 101
500	5.250%, 7/01/30 - FSA Insured	1/11 at 101
1,250	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Goucher College, Series 2004, 5.125%, 7/01/34	7/14 at 100
1,460	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Maryland Institute College of Art, Series 2001, 5.625%, 6/01/36	6/11 at 100
1,500	Maryland Health and Higher Educational Facilities Authority, Revenue Refunding Bonds, Johns Hopkins University, Series 1997, 5.625%, 7/01/27	7/07 at 102
1,365	Montgomery County Revenue Authority, Maryland, Lease Revenue Bonds, Montgomery College Arts Center Project, Series 2005A, 5.000%, 5/01/19	5/15 at 100
9,445	Morgan State University, Maryland, Student Tuition and Fee Revenue Refunding Bonds, Academic Fees and Auxiliary Facilities, Series 1993, 6.100%, 7/01/20 - MBIA Insured	No Opt. C
	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2003A:	
4,000	5.000%, 4/01/15	4/13 at 100
2,680	5.000%, 4/01/19	4/13 at 100
1,685	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2006A, 5.000%, 10/01/22	10/16 at 10
	Westminster, Maryland, Educational Facilities Revenue Bonds, McDaniel College, Series 2006:	
1,400	5.000%, 11/01/31	11/16 at 100
850	4.500%, 11/01/36	11/16 at 100
31,095	Total Education and Civic Organizations	
	HEALTH CARE - 23.3% (15.4% OF TOTAL INVESTMENTS)	
1,525	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Calvert Memorial Hospital, Series 2004, 5.500%, 7/01/36	7/14 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	HEALTH CARE (continued)	
$ 3,250	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Carroll County General Hospital, Series 2002, 5.800%, 7/01/32	7/12 at 100
1,665	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Civista Medical Center, Series 2005, 5.000%, 7/01/37 - RAAI Insured	7/14 at 100
1,740	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Doctors Community Hospital, Series 2007A, 5.000%, 7/01/29	7/17 at 100
1,400	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Frederick Memorial Hospital, Series 2002, 5.125%, 7/01/35	7/12 at 100
1,500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Greater Baltimore Medical Center, Series 2001, 5.000%, 7/01/34	7/11 at 100
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Johns Hopkins Hospital, Howard County General Hospital Acquisition, Series 1998, 5.000%, 7/01/19 - MBIA Insured	7/08 at 101
2,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Kaiser Permanente System, Series 1998A, 5.375%, 7/01/15	6/09 at 101
3,800	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Kennedy Krieger Institute, Series 2003, 5.500%, 7/01/33	7/13 at 100
2,040	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, LifeBridge Health System, Series 2004A, 5.125%, 7/01/34	7/14 at 100
1,750	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, MedStar Health, Series 2004, 5.375%, 8/15/24	8/14 at 100
3,250	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Union Hospital of Cecil County, Series 2002, 5.625%, 7/01/32	7/12 at 100
1,500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, University of Maryland Medical System, Series 2002, 6.000%, 7/01/22	7/12 at 100
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, University of Maryland Medical System, Series 2004B, 5.000%, 7/01/24 - AMBAC Insured	7/13 at 100
4,200	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Western Maryland Health, Series 2006A, 5.000%, 7/01/34 - MBIA Insured (UB)	7/16 at 100

	Prince George's County, Maryland, Revenue Bonds, Dimensions Health Corporation, Series 1994:	
3,080	5.375%, 7/01/14	7/07 at 100
295	5.300%, 7/01/24	7/07 at 100
34,995	Total Health Care	
	HOUSING/MULTIFAMILY - 13.1% (8.7% OF TOTAL INVESTMENTS)	
1,450	Maryland Community Development Administration, FNMA Multifamily Development Revenue Bonds, Edgewater Village Apartments, Series 2000B, 5.800%, 8/01/20 (Alternative Minimum Tax)	2/11 at 101
2,500	Maryland Community Development Administration, Housing Revenue Bonds, Series 1999A, 5.350%, 7/01/41 (Alternative Minimum Tax)	1/09 at 101
880	Maryland Community Development Administration, Housing Revenue Bonds, Series 1999B, 6.250%, 7/01/32 (Alternative Minimum Tax)	1/10 at 100
1,000	Maryland Economic Development Corporation, Senior Lien Student Housing Revenue Bonds, University of Maryland - Baltimore, Series 2003A, 5.625%, 10/01/23	10/13 at 100
1,000	Maryland Economic Development Corporation, Student Housing Revenue Bonds, Collegiate Housing Foundation - Salisbury State University, Series 1999A, 6.000%, 6/01/19	6/09 at 102
1,145	Maryland Economic Development Corporation, Student Housing Revenue Refunding Bonds, University of Maryland College Park Projects, Series 2006, 5.000%, 6/01/33 - CIFG Insured	6/16 at 100
3,830	Montgomery County Housing Opportunities Commission, Maryland, FNMA/FHA-Insured Multifamily Housing Development Bonds, Series 1998A, 5.200%, 7/01/30	7/08 at 101

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	HOUSING/MULTIFAMILY (continued)	
$ 360	Montgomery County Housing Opportunities Commission, Maryland, GNMA/FHA-Insured Multifamily Housing Revenue Bonds, Series 1995A, 5.900%, 7/01/15	7/07 at 100
1,500	Montgomery County Housing Opportunities Commission, Maryland, Multifamily Housing Development Bonds, Series 1996B,	7/07 at 101

	5.900%, 7/01/26	
2,000	Montgomery County Housing Opportunities Commission, Maryland, Multifamily Housing Development Bonds, Series 2000A, 6.100%, 7/01/30	7/10 at 100
540	Prince George's County Housing Authority, Maryland, GNMA Collateralized Mortgage Revenue Bonds, University Landing Apartments, Series 1999, 6.100%, 3/20/41 (Alternative Minimum Tax)	9/09 at 102
	Prince George's County Housing Authority, Maryland, GNMA Collateralized Mortgage Revenue Refunding Bonds, Overlook Apartments, Series 1995A:	
2,000	5.700%, 12/20/15	6/07 at 101
1,670	5.750%, 12/20/19	6/07 at 101
19,875	Total Housing/Multifamily	
	HOUSING/SINGLE FAMILY - 5.9% (3.9% OF TOTAL INVESTMENTS)	
1,195	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006F, 4.900%, 9/01/26 (Alternative Minimum Tax)	9/15 at 100
4,100	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006I, 4.875%, 9/01/26 (Mandatory put 3/01/22) (Alternative Minimum Tax)	3/16 at 100
1,630	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006L, 4.900%, 9/01/31 (Alternative Minimum Tax)	9/16 at 100
1,200	Maryland Community Development Administration, Housing and Community Development Residential Revenue Bonds, Series 2007D, 4.850%, 9/01/37 (WI/DD, Settling 6/20/07) (Alternative Minimum Tax)	3/17 at 100
600	Maryland Community Development Administration, Residential Revenue Bonds, Series 2006B, 4.750%, 9/01/25 (Alternative Minimum Tax)	9/15 at 100
15	Prince George's County Housing Authority, Maryland, FHLMC/FNMA/GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 2000A, 6.150%, 8/01/19 (Alternative Minimum Tax)	8/10 at 100
320	Puerto Rico Housing Finance Authority, Mortgage-Backed Securities Program Home Mortgage Revenue Bonds, Series 2003A, 4.875%, 6/01/34 (Alternative Minimum Tax)	6/13 at 100
9,060	Total Housing/Single Family	
	INDUSTRIALS - 0.7% (0.4% OF TOTAL INVESTMENTS)	

1,010	Maryland Economic Development Corporation, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002, 4.600%, 4/01/16 (Alternative Minimum Tax)	4/12 at 101
	LONG-TERM CARE - 2.6% (1.7% OF TOTAL INVESTMENTS)	
1,955	Baltimore County, Maryland, Revenue Bonds, Oak Crest Village, Series 2007A, 5.000%, 1/01/37	1/17 at 100
1,000	Carroll County, Maryland, Revenue Refunding Bonds, EMA Obligated Group, Series 1999A, 5.625%, 1/01/25 - RAAI Insured	1/09 at 101
1,065	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Mercy Ridge Retirement Community, Series 2007, 4.750%, 7/01/34	7/17 at 100
4,020	Total Long-Term Care	
	TAX OBLIGATION/GENERAL - 34.2% (22.7% OF TOTAL INVESTMENTS)	
2,030	Anne Arundel County, Maryland, General Obligation Bonds, Series 2004, 5.000%, 4/01/16	4/14 at 100
	Anne Arundel County, Maryland, General Obligation Bonds, Series 2006:	
1,310	5.000%, 3/01/21	3/16 at 100
1,000	5.000%, 3/01/21	3/16 at 100
685	Anne Arundel County, Maryland, Water and Sewer Revenue Bonds, Series 2006, 5.000%, 3/01/17	3/16 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/GENERAL (continued)	
	Baltimore County, Maryland, Metropolitan District Special Assessment Bonds, 67th Issue:	
$ 2,500	5.000%, 6/01/25	6/11 at 101
3,500	5.000%, 6/01/26	6/11 at 101
1,000	Baltimore, Maryland, Consolidated General Obligation Public Improvement Bonds, Series 1989B, 7.150%, 10/15/08	No Opt. C
1,540	Baltimore, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2004A, 5.000%, 10/15/22 - AMBAC Insured	10/14 at 100
700	Carroll County, Maryland, Consolidated Public Improvement Bonds, Series 2005A, 5.000%, 12/01/16	12/15 at 100

	Charles County, Maryland, Consolidated General Obligation Public Improvement Bonds, Series 2006:	
2,185	5.000%, 3/01/14	No Opt. C
820	5.000%, 3/01/16	No Opt. C
1,500	Frederick County, Maryland, General Obligation Public Facilities Bonds, Series 2006, 5.000%, 11/01/20	No Opt. C
615	Frederick County, Maryland, Special Obligation Bonds, Villages of Lake Linganore Community Development Authority, Series 2001A, 5.700%, 7/01/29 - RAAI Insured	7/10 at 102
	Howard County, Maryland, Consolidated Public Improvement Bonds, Series 2004B:	
735	5.000%, 8/15/16	2/14 at 100
1,625	5.000%, 8/15/17	2/14 at 100
1,180	5.000%, 8/15/19	2/14 at 100
1,725	Howard County, Maryland, Metropolitan District Refunding Bonds, Series 2002A, 5.250%, 8/15/18	2/12 at 100
1,190	Maryland National Capital Park Planning Commission, Prince George's County, General Obligation Bonds, Park Acquisition and Development, Series 2004EE-2, 5.000%, 1/15/17	1/14 at 100
2,500	Maryland, General Obligation Bonds, Series 2005, 5.000%, 8/01/17	8/15 at 100
3,520	Montgomery County, Maryland, Consolidated General Obligation Public Improvement Bonds, Series 2006, 5.000%, 5/01/16	No Opt. C
	Montgomery County, Maryland, Consolidated General Obligation Public Improvement Refunding Bonds, Series 2001:	
1,750	5.250%, 10/01/13	10/11 at 101
2,000	5.250%, 10/01/18	10/11 at 101
1,000	Prince George's County, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2001, 5.250%, 12/01/20 - FGIC Insured	12/11 at 101
2,000	Prince George's County, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2002, 4.100%, 9/15/19	9/12 at 101
5,770	Prince George's County, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2003A, 5.000%, 10/01/18	10/13 at 100
	Washington Suburban Sanitary District, Montgomery and Prince George's Counties, Maryland, Sewerage Disposal Bonds, Series 2005:	
2,000	5.000%, 6/01/16	6/15 at 100
1,235	5.000%, 6/01/23	6/15 at 100
1,235	5.000%, 6/01/24	6/15 at 100
1,235	5.000%, 6/01/25	6/15 at 100
50,085	Total Tax Obligation/General	
	TAX OBLIGATION/LIMITED - 17.9% (11.9% OF TOTAL INVESTMENTS)	
	Baltimore Board of School Commissioners, Maryland, Revenue Bonds, City Public School System, Series 2003A:	

1,500	5.000%, 5/01/16	5/13 at 100
1,000	5.000%, 5/01/18	5/13 at 100
2,900	Baltimore, Maryland, Project Revenue Bonds, Series 2006, 5.000%, 7/01/31 - AMBAC Insured	7/16 at 100

NMY
Nuveen Maryland Premium Income Municipal Fund (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/LIMITED (continued)	
$ 300	Baltimore, Maryland, Special Obligation Bonds, North Locust Point Project, Series 2005, 5.500%, 9/01/34	9/15 at 101
900	Hyattsville, Maryland, Special Obligation Bonds, University Town Center Project, Series 2004, 5.750%, 7/01/34	7/14 at 102
	Maryland Department of Transportation, Certificates of Participation, Mass Transit Administration Project, Series 2000:	
875	5.500%, 10/15/19 (Alternative Minimum Tax)	10/10 at 101
925	5.500%, 10/15/20 (Alternative Minimum Tax)	10/10 at 101
4,250	Maryland Department of Transportation, Consolidated Transportation Revenue Bonds, Series 2002, 5.500%, 2/01/16	No Opt. C
1,875	Maryland Economic Development Corporation, Lease Revenue Bonds, Department of Transportation Headquarters Building, Series 2002, 5.375%, 6/01/19	6/12 at 100
1,700	Maryland Stadium Authority, Lease Revenue Bonds, Montgomery County Conference Center Facilities, Series 2003, 5.000%, 6/15/24	6/13 at 100
1,000	Montgomery County, Maryland, Lease Revenue Bonds, Metrorail Garage, Series 2002, 5.000%, 6/01/21	6/12 at 100
675	Montgomery County, Maryland, Special Obligation Bonds, West Germantown Development District, Senior Series 2002A, 5.500%, 7/01/27 - RAAI Insured	7/12 at 101
635	New Baltimore City Board of School Commissioners, Maryland, School System Revenue Bonds, Series 2000, 5.125%, 11/01/15	11/10 at 100
	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N:	
1,000	5.500%, 7/01/29 - AMBAC Insured	No Opt. C
2,500	5.250%, 7/01/31 - AMBAC Insured	No Opt. C
2,100	Puerto Rico Municipal Finance Agency, Series 2002A, 5.250%, 8/01/21 - FSA Insured	8/12 at 100
1,500	Puerto Rico, Highway Revenue Bonds, Highway and Transportation Authority, Series 2003AA, 5.500%, 7/01/19 - MBIA Insured	No Opt. C

25,635	Total Tax Obligation/Limited	
	TRANSPORTATION - 2.1% (1.4% OF TOTAL INVESTMENTS)	
1,060	Baltimore, Maryland, Revenue Refunding Bonds, Parking System Facilities, Series 1998A, 5.250%, 7/01/17 - FGIC Insured	No Opt. C
2,075	Puerto Rico Ports Authority, Special Facilities Revenue Bonds, American Airlines Inc., Series 1996A, 6.250%, 6/01/26 (Alternative Minimum Tax)	6/07 at 101
3,135	Total Transportation	
	U.S. GUARANTEED - 20.4% (13.5% OF TOTAL INVESTMENTS) (4)	
2,500	Baltimore County, Maryland, Consolidated General Obligation Public Improvement Bonds, Series 2002, 5.000%, 8/01/18 (Pre-refunded 8/01/12)	8/12 at 100
2,000	Baltimore, Maryland, Revenue Refunding Bonds, Water Projects, Series 1998A, 5.000%, 7/01/28 - FGIC Insured (ETM)	No Opt. C
2,000	Baltimore, Maryland, Revenue Refunding Bonds, Water System Projects, Series 1994A, 5.000%, 7/01/24 - FGIC Insured (ETM)	No Opt. C
	Frederick County, Maryland, Educational Facilities Revenue Bonds, Mount St. Mary's College, Series 2001A:	
200	5.750%, 9/01/25 (Pre-refunded 3/01/10)	3/10 at 101
200	5.800%, 9/01/30 (Pre-refunded 3/01/10)	3/10 at 101
3,000	Frederick County, Maryland, General Obligation Public Facilities Bonds, Series 1999, 5.250%, 7/01/18 (Pre-refunded 7/01/09)	7/09 at 101
2,550	Gaithersburg, Maryland, Hospital Facilities Revenue Refunding and Improvement Bonds, Shady Grove Adventist Hospital, Series 1995, 6.500%, 9/01/12 - FSA Insured (ETM)	No Opt. C

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	U.S. GUARANTEED (4) (continued)	
$ 575	Howard County, Maryland, Consolidated Public Improvement Refunding Bonds, Series 2002A, 5.250%, 8/15/18 (Pre-refunded 2/15/12)	2/12 at 100
	Maryland Economic Development Corporation, Health and Mental Hygiene Providers Revenue Bonds, Series 1996A:	
905	7.625%, 4/01/21 (Pre-refunded 4/01/11)	4/11 at 102
685	7.625%, 4/01/21 (Pre-refunded 4/01/11)	4/11 at 102

2,250	Maryland Economic Development Corporation, Student Housing Revenue Bonds, Collegiate Housing Foundation - College Park, Series 1999A, 5.750%, 6/01/24 (Pre-refunded 6/01/09)	6/09 at 102
3,200	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Helix Health, Series 1997, 5.000%, 7/01/27 - AMBAC Insured (ETM)	No Opt. C
3,125	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Howard County General Hospital, Series 1993, 5.500%, 7/01/25 (ETM)	7/07 at 100
760	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, University of Maryland Medical System, Series 2000, 6.750%, 7/01/30 (Pre-refunded 7/01/10)	7/10 at 101
230	Maryland Transportation Authority, Revenue Refunding Bonds, Transportation Facilities Projects, First Series 1978, 6.800%, 7/01/16 (ETM)	No Opt. C
925	Northern Mariana Islands, General Obligation Bonds, Series 2000A, 6.000%, 6/01/20 (Pre-refunded 6/01/10) - ACA Insured	6/10 at 100
1,000	Puerto Rico Infrastructure Financing Authority, Special Obligation Bonds, Series 2000A, 5.500%, 10/01/20	10/10 at 101
1,000	Puerto Rico, Highway Revenue Bonds, Highway and Transportation Authority, Series 1996Y, 5.500%, 7/01/36 (Pre-refunded 7/01/16)	7/16 at 100
520	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Bonds, Series 2000, 5.750%, 7/01/20 (Pre-refunded 7/01/10)	7/10 at 100
2,000	Virgin Islands Public Finance Authority, Gross Receipts Taxes Loan Note, Series 1999A, 6.500%, 10/01/24 (Pre-refunded 10/01/10)	10/10 at 101
29,625	Total U.S. Guaranteed	
	UTILITIES - 4.0% (2.7% OF TOTAL INVESTMENTS)	
2,500	Maryland Energy Financing Administration, Revenue Bonds, AES Warrior Run Project, Series 1995, 7.400%, 9/01/19 (Alternative Minimum Tax)	9/07 at 100
3,500	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2004PP, 5.000%, 7/01/22 - FGIC Insured	7/14 at 100
6,000	Total Utilities	

Nuveen Maryland Premium Income Municipal Fund (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WATER AND SEWER - 1.4% (0.9% OF TOTAL INVESTMENTS)	
$ 1,045	Baltimore, Maryland, Revenue Refunding Bonds, Water System Projects, Series 1994A, 5.000%, 7/01/24 - FGIC Insured	No Opt. C
860	Maryland Water Quality Financing Administration, Revolving Loan Fund Revenue Bonds, Series 2005A, 5.000%, 9/01/15	No Opt. C
1,905	Total Water and Sewer	
$ 221,545	Total Investments (cost $226,265,245) - 150.8%	
	Floating Rate Obligations - (1.8)%	
	Other Assets Less Liabilities - 2.0%	
	Preferred Shares, at Liquidation Value - (51.0)%	
	Net Assets Applicable to Common Shares - 100%	

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's or Moody's rating. Ratings below BBB by Standard & Poor's Group or Baa by Moody's Investor Service, Inc. are considered to be below investment grade.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

N/R Not rated.

WI/DD Purchased on a when-issued or delayed delivery basis.

(ETM) Escrowed to maturity.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the

provisions of SFAS No. 140.

See accompanying notes to financial statements.

NFM
Nuveen Maryland Dividend Advantage Municipal Fund
Portfolio of INVESTMENTS

as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	CONSUMER DISCRETIONARY - 3.7% (2.4% OF TOTAL INVESTMENTS)	
$ 205	Baltimore, Maryland, Pollution Control Revenue Bonds, General Motors Corporation, Series 1993, 5.350%, 4/01/08	No Opt. C
1,000	Baltimore, Maryland, Senior Lien Convention Center Hotel Revenue Bonds, Series 2006A, 5.250%, 9/01/39 - XLCA Insured	9/16 at 100
310	Baltimore, Maryland, Subordinate Lien Convention Center Hotel Revenue Bonds, Series 2006B, 5.875%, 9/01/39	9/16 at 100
650	Maryland Economic Development Corporation, Revenue Bonds, Chesapeake Bay Hyatt Conference Center, Series 2006A, 5.000%, 12/01/31	12/16 at 100
2,165	Total Consumer Discretionary	
	CONSUMER STAPLES - 2.6% (1.7% OF TOTAL INVESTMENTS)	
1,500	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33	5/12 at 100
	EDUCATION AND CIVIC ORGANIZATIONS - 13.8% (9.0% OF TOTAL INVESTMENTS)	
645	Hartford County, Maryland, Economic Development Revenue Bonds, Battelle Memorial Institute, Series 2004, 5.250%, 4/01/34	4/14 at 100
980	Maryland Economic Development Corporation, Utility Infrastructure Revenue Bonds, University of Maryland - College Park, Series 2001, 5.000%, 7/01/19 - AMBAC Insured	7/11 at 100
1,500	Maryland Health and Higher Educational Facilities Authority, Educational Facilities Leasehold Mortgage Revenue Bonds, McLean School, Series 2001, 6.000%, 7/01/31	7/08 at 102
500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Goucher College, Series 2004, 5.125%, 7/01/34	7/14 at 100
625	Maryland Health and Higher Educational Facilities Authority,	6/11 at 100

	Revenue Bonds, Maryland Institute College of Art, Series 2001, 5.500%, 6/01/32	
475	Maryland Industrial Development Financing Authority, Revenue Bonds, Our Lady of Good Counsel High School, Series 2005A, 6.000%, 5/01/35	5/15 at 100
615	Montgomery County Revenue Authority, Maryland, Lease Revenue Bonds, Montgomery College Arts Center Project, Series 2005A, 5.000%, 5/01/20	5/15 at 100
	Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority, Higher Education Revenue Bonds, Ana G. Mendez University System, Series 1999:	
215	5.375%, 2/01/19	2/09 at 101
410	5.375%, 2/01/29	2/09 at 101
500	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2003A, 5.000%, 4/01/19	4/13 at 100
800	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2006A, 5.000%, 10/01/22	10/16 at 100
900	Westminster, Maryland, Educational Facilities Revenue Bonds, McDaniel College, Series 2006, 4.500%, 11/01/36	11/16 at 100
8,165	Total Education and Civic Organizations	
	HEALTH CARE - 31.6% (20.7% OF TOTAL INVESTMENTS)	
1,325	Maryland Health and Higher Education Facilities Authority, Revenue Bonds, University of Maryland Medical System, Series 2006, 5.000%, 7/01/36	7/16 at 100

NFM
Nuveen Maryland Dividend Advantage Municipal Fund (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	HEALTH CARE (continued)	
$ 1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Anne Arundel Medical Center, Series 1998, 5.125%, 7/01/28 - FSA Insured	7/08 at 101
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Calvert Memorial Hospital, Series 1998, 5.000%, 7/01/28	7/08 at 102
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Carroll County General Hospital, Series 2002,	7/12 at 100

	6.000%, 7/01/26	
750	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Civista Medical Center, Series 2005, 5.000%, 7/01/37 - RAAI Insured	7/14 at 100
710	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Doctors Community Hospital, Series 2007A, 5.000%, 7/01/29	7/17 at 100
500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Frederick Memorial Hospital, Series 2002, 5.125%, 7/01/35	7/12 at 100
650	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Greater Baltimore Medical Center, Series 2001, 5.000%, 7/01/34	7/11 at 100
1,250	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Johns Hopkins Hospital, Series 2001, 5.000%, 5/15/21	5/11 at 100
2,225	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Kaiser Permanente System, Series 1998A, 5.375%, 7/01/15	6/09 at 101
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Kennedy Krieger Institute, Series 2003, 5.500%, 7/01/33	7/13 at 100
585	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, LifeBridge Health System, Series 2004A, 5.125%, 7/01/34	7/14 at 100
700	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, MedStar Health, Series 2004, 5.375%, 8/15/24	8/14 at 100
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Mercy Medical Center, Series 2001, 5.625%, 7/01/31	7/11 at 100
2,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, University of Maryland Medical System, Series 2001, 5.250%, 7/01/28	7/11 at 100
1,700	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Western Maryland Health, Series 2006A, 5.000%, 7/01/34 - MBIA Insured (UB)	7/16 at 100
570	Maryland Health and Higher Educational Facilities Authority, Revenue Refunding Bonds, Union Hospital of Cecil County, Series 1998, 5.100%, 7/01/22	7/08 at 101
	Prince George's County, Maryland, Revenue Bonds, Dimensions Health Corporation, Series 1994:	
290	5.375%, 7/01/14	7/07 at 100
700	5.300%, 7/01/24	7/07 at 100
18,955	Total Health Care	

	HOUSING/MULTIFAMILY - 18.9% (12.3% OF TOTAL INVESTMENTS)	
750	Baltimore County, Maryland, GNMA Collateralized Revenue Refunding Bonds, Cross Creek Apartments, Series 1998A, 5.250%, 10/20/33	10/08 at 102
2,000	Maryland Community Development Administration, Housing Revenue Bonds, Series 1998A, 5.625%, 1/01/40 (Alternative Minimum Tax)	7/08 at 101
1,000	Maryland Community Development Administration, Multifamily Housing Revenue Bonds, Princess Anne Apartments, Series 2001D, 5.450%, 12/15/33 (Alternative Minimum Tax)	12/11 at 100
	Maryland Economic Development Corporation, Senior Lien Student Housing Revenue Bonds, University of Maryland - Baltimore, Series 2003A:	
215	4.250%, 10/01/10	No Opt. C
50	5.000%, 10/01/15	10/13 at 100
210	5.625%, 10/01/23	10/13 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	HOUSING/MULTIFAMILY (continued)	
$ 1,800	Maryland Economic Development Corporation, Student Housing Revenue Bonds, Sheppard Pratt University Village, Series 2001, 6.000%, 7/01/33 - ACA Insured	7/11 at 101
475	Maryland Economic Development Corporation, Student Housing Revenue Refunding Bonds, University of Maryland College Park Projects, Series 2006, 5.000%, 6/01/33 - CIFG Insured	6/16 at 100
750	Montgomery County Housing Opportunities Commission, Maryland, FNMA/FHA-Insured Multifamily Housing Development Bonds, Series 1998A, 5.250%, 7/01/29 (Alternative Minimum Tax)	7/08 at 101
2,000	Montgomery County Housing Opportunities Commission, Maryland, Multifamily Housing Development Bonds, Series 2000B, 6.200%, 7/01/30 (Alternative Minimum Tax)	7/10 at 100
2,000	Montgomery County Housing Opportunities Commission, Maryland, Multifamily Housing Development Bonds, Series 2001A, 5.600%, 7/01/42 (Alternative Minimum Tax)	7/11 at 100
11,250	Total Housing/Multifamily	
	HOUSING/SINGLE FAMILY - 6.5% (4.2% OF TOTAL INVESTMENTS)	
300	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue	9/15 at 100

	Bonds, Series 2006F, 4.900%, 9/01/26 (Alternative Minimum Tax)	
1,200	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006I, 4.875%, 9/01/26 (Mandatory put 3/01/22) (Alternative Minimum Tax)	3/16 at 100
815	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006L, 4.900%, 9/01/31 (Alternative Minimum Tax)	9/16 at 100
500	Maryland Community Development Administration, Housing and Community Development Residential Revenue Bonds, Series 2007D, 4.850%, 9/01/37 (WI/DD, Settling 6/20/07) (Alternative Minimum Tax)	3/17 at 100
500	Maryland Community Development Administration, Residential Revenue Bonds, Series 2001B, 5.450%, 9/01/32 (Alternative Minimum Tax)	9/10 at 100
600	Maryland Community Development Administration, Residential Revenue Bonds, Series 2006B, 4.750%, 9/01/25 (Alternative Minimum Tax)	9/15 at 100
20	Maryland Community Development Administration, Single Family Program Bonds, First Series 2001, 5.000%, 4/01/17	10/10 at 100
3,935	Total Housing/Single Family	
	INDUSTRIALS - 2.3% (1.5% OF TOTAL INVESTMENTS)	
410	Maryland Economic Development Corporation, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002, 4.600%, 4/01/16 (Alternative Minimum Tax)	4/12 at 101
1,000	Northeast Maryland Waste Disposal Authority, Baltimore, Resource Recovery Revenue Bonds, RESCO Retrofit Project, Series 1998, 4.750%, 1/01/12 (Alternative Minimum Tax)	1/09 at 101
1,410	Total Industrials	
	LONG-TERM CARE - 3.5% (2.3% OF TOTAL INVESTMENTS)	
650	Baltimore County, Maryland, Revenue Bonds, Oak Crest Village, Series 2007A, 5.000%, 1/01/37	1/17 at 100
300	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Edenwald, Series 2006A, 5.400%, 1/01/31	7/16 at 100
720	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, King Farm Presbyterian Community, Series 2007A, 5.250%, 1/01/27	1/17 at 100
440	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Mercy Ridge Retirement Community, Series 2007, 4.750%, 7/01/34	7/17 at 100

2,110	Total Long-Term Care	

NFM
Nuveen Maryland Dividend Advantage Municipal Fund (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/GENERAL - 24.7% (16.2% OF TOTAL INVESTMENTS)	
	Anne Arundel County, Maryland, General Obligation Bonds, Series 2006:	
$ 730	5.000%, 3/01/21	3/16 at 100
565	5.000%, 3/01/21	3/16 at 100
3,500	Baltimore County, Maryland, Metropolitan District Special Assessment Bonds, 67th Issue, 5.000%, 6/01/27	6/11 at 101
300	Carroll County, Maryland, Consolidated Public Improvement Bonds, Series 2005A, 5.000%, 12/01/16	12/15 at 100
500	Frederick County, Maryland, General Obligation Public Facilities Bonds, Series 2006, 5.000%, 11/01/20	No Opt. C
	Frederick, Maryland, General Obligation Bonds, Series 2005:	
600	5.000%, 8/01/16 - MBIA Insured	8/15 at 100
500	5.000%, 8/01/17 - MBIA Insured	8/15 at 100
1,360	Howard County, Maryland, Consolidated Public Improvement Bonds, Series 2001A, 4.750%, 2/15/21	2/09 at 101
1,000	Maryland National Capital Park Planning Commission, Prince George's County, General Obligation Bonds, Park Acquisition and Development, Series 2004EE-2, 5.000%, 1/15/17	1/14 at 100
1,360	Montgomery County, Maryland, Consolidated General Obligation Public Improvement Bonds, Series 2006, 5.000%, 5/01/16	No Opt. C
740	Ocean City, Maryland, General Obligation Bonds, Series 2001, 4.875%, 3/01/19 - FGIC Insured	3/11 at 101
1,500	Prince George's County, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2001, 5.250%, 12/01/20 - FGIC Insured	12/11 at 101
1,000	Prince George's County, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2003A, 5.000%, 10/01/17	10/13 at 100
700	Washington Suburban Sanitary District, Montgomery and Prince George's Counties, Maryland, Sewerage Disposal Bonds, Series 2005, 5.000%, 6/01/16	6/15 at 100
14,355	Total Tax Obligation/General	

	TAX OBLIGATION/LIMITED - 18.0% (11.7% OF TOTAL INVESTMENTS)	
625	Annapolis, Maryland, Special Obligation Bonds, Park Place Project, Series 2005A, 5.350%, 7/01/34	1/15 at 101
535	Anne Arundel County, Maryland, Tax Increment Financing Revenue Bonds, Parole Town Center Project, Series 2002, 5.000%, 7/01/12	No Opt. C
500	Baltimore Board of School Commissioners, Maryland, Revenue Bonds, City Public School System, Series 2003A, 5.000%, 5/01/18	5/13 at 100
500	Baltimore, Maryland, Project Revenue Bonds, Series 2006, 5.000%, 7/01/31 - AMBAC Insured	7/16 at 100
350	Hyattsville, Maryland, Special Obligation Bonds, University Town Center Project, Series 2004, 5.750%, 7/01/34	7/14 at 102
1,500	Maryland Department of Transportation, Consolidated Transportation Revenue Bonds, Series 2002, 5.500%, 2/01/16	No Opt. C
1,405	Maryland Economic Development Corporation, Lease Revenue Bonds, Department of Transportation Headquarters Building, Series 2002, 5.375%, 6/01/19	6/12 at 100
370	Maryland Economic Development Corporation, Lease Revenue Bonds, Montgomery County Town Square Parking Garage, Series 2002A, 5.000%, 9/15/13	9/12 at 100
740	Prince George's County, Maryland, Lease Revenue Bonds, Upper Marlboro Justice Center, Series 2003A, 5.000%, 6/30/14 - MBIA Insured	6/13 at 100
270	Prince George's County, Maryland, Special Obligation Bonds, National Harbor Project, Series 2005, 5.200%, 7/01/34	7/15 at 100
450	Prince George's County, Maryland, Special Tax District Bonds, Victoria Falls Project, Series 2005, 5.250%, 7/01/35	7/13 at 100
1,000	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/31 - AMBAC Insured	No Opt. C

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/LIMITED (continued)	
$ 700	Puerto Rico, Highway Revenue Bonds, Highway and Transportation Authority, Series 2003AA, 5.500%, 7/01/19 - MBIA Insured	No Opt. C
1,290	Virgin Islands Public Finance Authority, Gross Receipts Taxes Loan Note, Series 1999A, 6.375%, 10/01/19	10/10 at 101

10,235	Total Tax Obligation/Limited	
	TRANSPORTATION - 1.1% (0.7% OF TOTAL INVESTMENTS)	
650	Maryland Health and Higher Educational Facilities Authority, Parking Facilities Revenue Bonds, Johns Hopkins Hospital, Series 2001, 5.000%, 7/01/27 - AMBAC Insured	7/11 at 100
	U.S. GUARANTEED - 24.2% (15.8% OF TOTAL INVESTMENTS) (4)	
	Anne Arundel County, Maryland, Various Purpose General Obligation Bonds, Series 2001:	
580	4.800%, 2/15/18 (Pre-refunded 2/15/11)	2/11 at 101
500	5.000%, 2/15/28 (Pre-refunded 2/15/11)	2/11 at 101
1,015	Baltimore, Maryland, Revenue Refunding Bonds, Water Projects, Series 1998A, 5.000%, 7/01/28 - FGIC Insured (ETM)	No Opt. C
	Frederick County, Maryland, Educational Facilities Revenue Bonds, Mount St. Mary's College, Series 2001A:	
465	5.700%, 9/01/20 (Pre-refunded 3/01/10)	3/10 at 101
500	5.750%, 9/01/25 (Pre-refunded 3/01/10)	3/10 at 101
500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Collington Episcopal Life Care Community Inc., Series 2001A, 6.750%, 4/01/23 (Pre-refunded 4/01/11)	4/11 at 101
835	Maryland Transportation Authority, Revenue Refunding Bonds, Transportation Facilities Projects, First Series 1978, 6.800%, 7/01/16 (ETM)	No Opt. C
430	Northern Mariana Islands, General Obligation Bonds, Series 2000A, 6.000%, 6/01/20 (Pre-refunded 6/01/10) - ACA Insured	6/10 at 100
2,300	Puerto Rico Infrastructure Financing Authority, Special Obligation Bonds, Series 2000A, 5.500%, 10/01/32	10/10 at 101
1,700	Puerto Rico Infrastructure Financing Authority, Special Obligation Bonds, Series 2000A, 5.500%, 10/01/40	10/10 at 101
1,300	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Bonds, Series 2000, 5.750%, 7/01/20 (Pre-refunded 7/01/10)	7/10 at 100
	Washington Suburban Sanitary District, Montgomery and Prince George's Counties, Maryland, General Obligation Construction Bonds, Series 2001:	
895	5.000%, 6/01/22 (Pre-refunded 6/01/11)	6/11 at 100
935	5.000%, 6/01/23 (Pre-refunded 6/01/11)	6/11 at 100
985	5.000%, 6/01/24 (Pre-refunded 6/01/11)	6/11 at 100
1,035	5.000%, 6/01/25 (Pre-refunded 6/01/11)	6/11 at 100
13,975	Total U.S. Guaranteed	

	UTILITIES - 1.6% (1.1% OF TOTAL INVESTMENTS)	
1,000	Maryland Energy Financing Administration, Revenue Bonds, AES Warrior Run Project, Series 1995, 7.400%, 9/01/19 (Alternative Minimum Tax)	9/07 at 100

NFM
Nuveen Maryland Dividend Advantage Municipal Fund (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WATER AND SEWER - 0.6% (0.4% OF TOTAL INVESTMENTS)	
$ 355	Maryland Water Quality Financing Administration, Revolving Loan Fund Revenue Bonds, Series 2005A, 5.000%, 9/01/15	No Opt. C
$ 90,060	Total Investments (cost $91,193,616) - 153.1%	
	Floating Rate Obligations - (1.8)%	
	Other Assets Less Liabilities - 0.9%	
	Preferred Shares, at Liquidation Value - (52.2)%	
	Net Assets Applicable to Common Shares - 100%	

FORWARD SWAPS OUTSTANDING AT MAY 31, 2007:

COUNTERPARTY	NOTIONAL AMOUNT	FUND PAY/RECEIVE FLOATING RATE	FLOATING RATE INDEX	FIXED RATE (ANNUALIZED)	FIXED RATE PAYMENT FREQUENCY	EFFE DA
JPMorgan	$1,250,000	Pay	3 Month USD-LIBOR	5.388%	Semi-Annually	4/

USD-LIBOR (United States Dollar-London Inter-Bank Offered Rate)

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of

Standard & Poor's or Moody's rating. Ratings below BBB by Standard & Poor's Group or Baa by Moody's Investor Service, Inc. are considered to be below investment grade.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

(5) Effective date represents the date on which both the Fund and counterparty commence interest payment accruals on each forward swap contract.

N/R Not rated.

WI/DD Purchased on a when-issued or delayed delivery basis.

(ETM) Escrowed to maturity.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

NZR
Nuveen Maryland Dividend Advantage Municipal Fund 2
Portfolio of INVESTMENTS

as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	CONSUMER DISCRETIONARY - 4.0% (2.6% OF TOTAL INVESTMENTS)	
$ 190	Baltimore, Maryland, Pollution Control Revenue Bonds, General Motors Corporation, Series 1993, 5.350%, 4/01/08	No Opt. C
1,200	Baltimore, Maryland, Senior Lien Convention Center Hotel Revenue Bonds, Series 2006A, 5.250%, 9/01/39 - XLCA Insured	9/16 at 100
310	Baltimore, Maryland, Subordinate Lien Convention Center Hotel Revenue Bonds, Series 2006B, 5.875%, 9/01/39	9/16 at 100
650	Maryland Economic Development Corporation, Revenue Bonds, Chesapeake Bay Hyatt Conference Center, Series 2006A, 5.000%, 12/01/31	12/16 at 100
2,350	Total Consumer Discretionary	
	CONSUMER STAPLES - 2.6% (1.7% OF TOTAL INVESTMENTS)	

755	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33	5/12 at 100
800	Tobacco Settlement Financing Corporation, Virgin Islands, Tobacco Settlement Asset-Backed Bonds, Series 2001, 5.000%, 5/15/31	5/11 at 100
1,555	Total Consumer Staples	
	EDUCATION AND CIVIC ORGANIZATIONS - 17.7% (11.6% OF TOTAL INVESTMENTS)	
1,100	Anne Arundel County, Maryland, Economic Development Revenue Bonds, Community College Project, Series 2002, 5.125%, 9/01/22	9/12 at 102
500	Frederick County, Maryland, Educational Facilities Revenue Bonds, Mount Saint Mary's College, Series 2006, 5.625%, 9/01/38	9/16 at 100
645	Hartford County, Maryland, Economic Development Revenue Bonds, Battelle Memorial Institute, Series 2004, 5.250%, 4/01/34	4/14 at 100
250	Maryland Health and Higher Educational Facilities Authority, Educational Facilities Leasehold Mortgage Revenue Bonds, McLean School, Series 2001, 6.000%, 7/01/31	7/08 at 102
415	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Bullis School, Series 2000, 5.250%, 7/01/30 - FSA Insured	1/11 at 101
500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Goucher College, Series 2004, 5.125%, 7/01/34	7/14 at 100
1,250	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Maryland Institute College of Art, Series 2001, 5.500%, 6/01/32	6/11 at 100
500	Maryland Industrial Development Financing Authority, Revenue Bonds, Our Lady of Good Counsel High School, Series 2005A, 6.000%, 5/01/35	5/15 at 100
590	Montgomery County Revenue Authority, Maryland, Lease Revenue Bonds, Montgomery College Arts Center Project, Series 2005A, 5.000%, 5/01/18	5/15 at 100
500	Morgan State University, Maryland, Student Tuition and Fee Revenue Bonds, Academic Fees and Auxiliary Facilities, Series 2001, 4.900%, 7/01/21 - FGIC Insured	7/12 at 100
500	Morgan State University, Maryland, Student Tuition and Fee Revenue Bonds, Academic Fees and Auxiliary Facilities, Series 2003A, 5.000%, 7/01/20 - FGIC Insured	7/13 at 100
1,140	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2001B, 4.500%, 4/01/19	4/11 at 100

Nuveen Maryland Dividend Advantage Municipal Fund 2 (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	EDUCATION AND CIVIC ORGANIZATIONS (continued)	
$ 1,000	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2003A, 5.000%, 4/01/19	4/13 at 100
650	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2006A, 5.000%, 10/01/22	10/16 at 100
950	Westminster, Maryland, Educational Facilities Revenue Bonds, McDaniel College, Series 2006, 5.000%, 11/01/31	11/16 at 100
10,490	Total Education and Civic Organizations	
	HEALTH CARE - 25.5% (16.8% OF TOTAL INVESTMENTS)	
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Anne Arundel Medical Center, Series 1998, 5.125%, 7/01/33 - FSA Insured	7/08 at 101
775	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Calvert Memorial Hospital, Series 2004, 5.500%, 7/01/36	7/14 at 100
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Carroll County General Hospital, Series 2002, 6.000%, 7/01/26	7/12 at 100
750	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Civista Medical Center, Series 2005, 5.000%, 7/01/37 - RAAI Insured	7/14 at 100
715	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Doctors Community Hospital, Series 2007A, 5.000%, 7/01/29	7/17 at 100
500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Frederick Memorial Hospital, Series 2002, 5.125%, 7/01/35	7/12 at 100
650	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Greater Baltimore Medical Center, Series 2001, 5.000%, 7/01/34	7/11 at 100
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Kennedy Krieger Institute, Series 2003, 5.500%, 7/01/33	7/13 at 100
525	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, LifeBridge Health System, Series 2004A, 5.125%, 7/01/34	7/14 at 100
700	Maryland Health and Higher Educational Facilities Authority,	8/14 at 100

	Revenue Bonds, MedStar Health, Series 2004, 5.375%, 8/15/24	
1,500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Mercy Medical Center, Series 2001, 5.625%, 7/01/31	7/11 at 100
2,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, University of Maryland Medical System, Series 2001, 5.250%, 7/01/28	7/11 at 100
1,700	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Western Maryland Health, Series 2006A, 5.000%, 7/01/34 - MBIA Insured (UB)	7/16 at 100
1,610	Montgomery County, Maryland, Economic Development Revenue Bonds, Trinity Healthcare Group, Series 2001, 5.125%, 12/01/22	12/11 at 100
	Prince George's County, Maryland, Revenue Bonds, Dimensions Health Corporation, Series 1994:	
300	5.375%, 7/01/14	7/07 at 100
700	5.300%, 7/01/24	7/07 at 100
15,425	Total Health Care	
	HOUSING/MULTIFAMILY - 9.5% (6.3% OF TOTAL INVESTMENTS)	
10	Maryland Community Development Administration, Insured Multifamily Housing Mortgage Loan Revenue Bonds, Series 2001A, 5.100%, 5/15/28	5/11 at 100
3,145	Maryland Community Development Administration, Multifamily Development Revenue Bonds, Waters Towers Senior Apartments, Series 2001F, 5.450%, 12/15/33 (Alternative Minimum Tax)	12/11 at 100
1,110	Maryland Community Development Administration, Multifamily Housing Revenue Bonds, Princess Anne Apartments, Series 2001D, 5.450%, 12/15/33 (Alternative Minimum Tax)	12/11 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	HOUSING/MULTIFAMILY (continued)	
$ 1,000	Maryland Economic Development Corporation, Senior Lien Student Housing Revenue Bonds, University of Maryland - Baltimore, Series 2003A, 5.625%, 10/01/23	10/13 at 100
520	Maryland Economic Development Corporation, Student Housing Revenue Refunding Bonds, University of Maryland College Park Projects, Series 2006, 5.000%, 6/01/33 - CIFG Insured	6/16 at 100
5,785	Total Housing/Multifamily	

	HOUSING/SINGLE FAMILY - 6.6% (4.3% OF TOTAL INVESTMENTS)	
300	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006F, 4.900%, 9/01/26 (Alternative Minimum Tax)	9/15 at 100
1,000	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006I, 4.875%, 9/01/26 (Mandatory put 3/01/22) (Alternative Minimum Tax)	3/16 at 100
815	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006L, 4.900%, 9/01/31 (Alternative Minimum Tax)	9/16 at 100
500	Maryland Community Development Administration, Housing and Community Development Residential Revenue Bonds, Series 2007D, 4.850%, 9/01/37 (WI/DD, Settling 6/20/07) (Alternative Minimum Tax)	3/17 at 100
850	Maryland Community Development Administration, Residential Revenue Bonds, Series 2001H, 5.350%, 9/01/32 (Alternative Minimum Tax)	9/10 at 100
600	Maryland Community Development Administration, Residential Revenue Bonds, Series 2006B, 4.750%, 9/01/25 (Alternative Minimum Tax)	9/15 at 100
4,065	Total Housing/Single Family	
	INDUSTRIALS - 2.5% (1.7% OF TOTAL INVESTMENTS)	
410	Maryland Economic Development Corporation, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002, 4.600%, 4/01/16 (Alternative Minimum Tax)	4/12 at 101
1,150	Northeast Maryland Waste Disposal Authority, Baltimore, Resource Recovery Revenue Bonds, RESCO Retrofit Project, Series 1998, 4.750%, 1/01/12 (Alternative Minimum Tax)	1/09 at 101
1,560	Total Industrials	
	LONG-TERM CARE - 3.5% (2.3% OF TOTAL INVESTMENTS)	
650	Baltimore County, Maryland, Revenue Bonds, Oak Crest Village, Series 2007A, 5.000%, 1/01/37	1/17 at 100
300	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Edenwald, Series 2006A, 5.400%, 1/01/31	7/16 at 100
	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, King Farm Presbyterian Community, Series 2007A:	
500	5.000%, 1/01/17	No Opt. C
220	5.250%, 1/01/27	1/17 at 100

435	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Mercy Ridge Retirement Community, Series 2007, 4.750%, 7/01/34	7/17 at 100
2,105	Total Long-Term Care	
	TAX OBLIGATION/GENERAL - 35.8% (23.6% OF TOTAL INVESTMENTS)	
750	Anne Arundel County, Maryland, General Obligation Bonds, Consolidated Water and Sewerage, Series 1999, 4.500%, 8/01/19	8/09 at 101
	Anne Arundel County, Maryland, General Obligation Bonds, Series 2006:	
845	5.000%, 3/01/21	3/16 at 100
650	5.000%, 3/01/21	3/16 at 100
750	Baltimore, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2004A, 5.000%, 10/15/22 - AMBAC Insured	10/14 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/GENERAL (continued)	
$ 300	Carroll County, Maryland, Consolidated Public Improvement Bonds, Series 2005A, 5.000%, 12/01/16	12/15 at 100
	Cecil County, Maryland, Consolidated General Obligation Public Improvement Bonds, Series 2001B:	
975	4.600%, 8/01/18	8/11 at 101
1,020	4.600%, 8/01/19	8/11 at 101
750	Frederick County, Maryland, General Obligation Public Facilities Bonds, Series 2006, 5.000%, 11/01/20	No Opt. C
200	Frederick County, Maryland, Special Obligation Bonds, Villages of Lake Linganore Community Development Authority, Series 2001A, 5.700%, 7/01/29 - RAAI Insured	7/10 at 102
	Frederick, Maryland, General Obligation Bonds, Series 2005:	
600	5.000%, 8/01/16 - MBIA Insured	8/15 at 100
500	5.000%, 8/01/17 - MBIA Insured	8/15 at 100
510	Frederick, Maryland, General Obligation Refunding and Improvement Bonds, Series 2001, 4.750%, 12/01/19	12/11 at 101
1,000	Howard County, Maryland, Consolidated Public Improvement Bonds, Series 2004B, 5.000%, 8/15/16	2/14 at 100

1,000	Maryland, General Obligation Bonds, Series 2005, 5.000%, 8/01/17	8/15 at 100
4,730	Montgomery County, Maryland, Consolidated General Obligation Public Improvement Refunding Bonds, Series 2001, 5.250%, 10/01/18	10/11 at 101
	Prince George's County, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2001:	
1,000	5.250%, 12/01/20 - FGIC Insured	12/11 at 101
2,820	5.250%, 12/01/21 - FGIC Insured	12/11 at 101
770	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2001, 5.000%, 7/01/24 - FSA Insured	7/11 at 100
800	Washington Suburban Sanitary District, Montgomery and Prince George's Counties, Maryland, Sewerage Disposal Bonds, Series 2005, 5.000%, 6/01/16	6/15 at 100
1,000	Washington Suburban Sanitary District, Montgomery and Prince George's Counties, Maryland, Water Supply Bonds, Series 2005, 5.000%, 6/01/16	6/15 at 100
20,970	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 18.6% (12.3% OF TOTAL INVESTMENTS)

625	Annapolis, Maryland, Special Obligation Bonds, Park Place Project, Series 2005A, 5.350%, 7/01/34	1/15 at 101
535	Anne Arundel County, Maryland, Tax Increment Financing Revenue Bonds, Parole Town Center Project, Series 2002, 5.000%, 7/01/12	No Opt. C
530	Baltimore Board of School Commissioners, Maryland, Revenue Bonds, City Public School System, Series 2003A, 5.000%, 5/01/15	5/13 at 100
	Baltimore County, Maryland, Certificates of Participation, Health and Social Services Building Project, Series 2001:	
1,580	5.000%, 8/01/20	8/11 at 101
1,660	5.000%, 8/01/21	8/11 at 101
500	Baltimore, Maryland, Project Revenue Bonds, Series 2006, 5.000%, 7/01/31 - AMBAC Insured	7/16 at 100
350	Hyattsville, Maryland, Special Obligation Bonds, University Town Center Project, Series 2004, 5.750%, 7/01/34	7/14 at 102
1,000	Maryland Department of Transportation, Consolidated Transportation Revenue Bonds, Series 2002, 5.500%, 2/01/16	No Opt. C
1,405	Maryland Economic Development Corporation, Lease Revenue Bonds, Department of Transportation Headquarters Building, Series 2002, 5.375%, 6/01/19	6/12 at 100
1,000	Montgomery County, Maryland, Special Obligation Bonds, West Germantown Development District, Senior Series 2002A, 5.500%, 7/01/27 - RAAI Insured	7/12 at 101

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/LIMITED (continued)	
$ 270	Prince George's County, Maryland, Special Obligation Bonds, National Harbor Project, Series 2005, 5.200%, 7/01/34	7/15 at 100
475	Prince George's County, Maryland, Special Tax District Bonds, Victoria Falls Project, Series 2005, 5.250%, 7/01/35	7/13 at 100
1,000	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/31 - AMBAC Insured	No Opt. C
10,930	Total Tax Obligation/Limited	
	TRANSPORTATION - 2.7% (1.8% OF TOTAL INVESTMENTS)	
	Maryland Health and Higher Educational Facilities Authority, Parking Facilities Revenue Bonds, Johns Hopkins Hospital, Series 2001:	
650	5.000%, 7/01/27 - AMBAC Insured	7/11 at 100
1,000	5.000%, 7/01/34 - AMBAC Insured	7/11 at 100
1,650	Total Transportation	
	U.S. GUARANTEED - 18.7% (12.4% OF TOTAL INVESTMENTS) (4)	
1,500	Baltimore County, Maryland, Consolidated General Obligation Public Improvement Bonds, Series 2002, 5.000%, 8/01/18 (Pre-refunded 8/01/12)	8/12 at 100
	Frederick County, Maryland, Educational Facilities Revenue Bonds, Mount St. Mary's College, Series 2001A:	
100	5.750%, 9/01/25 (Pre-refunded 3/01/10)	3/10 at 101
100	5.800%, 9/01/30 (Pre-refunded 3/01/10)	3/10 at 101
1,500	Frederick County, Maryland, General Obligation Public Facilities Bonds, Series 2000, 5.200%, 12/01/19 (Pre-refunded 12/01/10)	12/10 at 101
	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Collington Episcopal Life Care Community Inc., Series 2001A:	
31	6.750%, 4/01/20 (Pre-refunded 4/01/09)	4/09 at 100
25	6.750%, 4/01/23 (Pre-refunded 4/01/11)	4/11 at 101
1,260	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Helix Health, Series 1997, 5.000%, 7/01/17 - AMBAC Insured (ETM)	No Opt. C
1,175	Maryland Transportation Authority, Revenue Refunding Bonds, Transportation Facilities Projects, First Series 1978, 6.800%, 7/01/16 (ETM)	No Opt. C

3,000	Puerto Rico Infrastructure Financing Authority, Special Obligation Bonds, Series 2000A, 5.500%, 10/01/40	10/10 at 101
1,230	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2001, 5.000%, 7/01/24 (Pre-refunded 7/01/11) - FSA Insured	7/11 at 100
1,000	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Bonds, Series 2000, 6.000%, 7/01/26 (Pre-refunded 7/01/10)	7/10 at 100
10,921	Total U.S. Guaranteed	
	UTILITIES - 3.3% (2.2% OF TOTAL INVESTMENTS)	
1,000	Guam Power Authority, Revenue Bonds, Series 1999A, 5.250%, 10/01/34 - MBIA Insured	10/09 at 101
1,000	Maryland Energy Financing Administration, Revenue Bonds, AES Warrior Run Project, Series 1995, 7.400%, 9/01/19 (Alternative Minimum Tax)	9/07 at 100
2,000	Total Utilities	

NZR
Nuveen Maryland Dividend Advantage Municipal Fund 2 (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WATER AND SEWER - 0.6% (0.4% OF TOTAL INVESTMENTS)	
$ 355	Maryland Water Quality Financing Administration, Revolving Loan Fund Revenue Bonds, Series 2005A, 5.000%, 9/01/15	No Opt. C
$ 90,161	Total Investments (cost $91,526,983) - 151.6%	
	Floating Rate Obligations - (1.8)%	
	Other Assets Less Liabilities - 1.8%	
	Preferred Shares, at Liquidation Value - (51.6)%	
	Net Assets Applicable to Common Shares - 100%	

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of

independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's or Moody's rating. Ratings below BBB by Standard & Poor's Group or Baa by Moody's Investor Service, Inc. are considered to be below investment grade.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

N/R Not rated.

WI/DD Purchased on a when-issued or delayed delivery basis.

(ETM) Escrowed to maturity.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

NWI
Nuveen Maryland Dividend Advantage Municipal Fund 3
Portfolio of INVESTMENTS

as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	CONSUMER DISCRETIONARY - 3.1% (2.1% OF TOTAL INVESTMENTS)	
$ 220	Baltimore, Maryland, Pollution Control Revenue Bonds, General Motors Corporation, Series 1993, 5.350%, 4/01/08	No Opt. C
1,000	Baltimore, Maryland, Senior Lien Convention Center Hotel Revenue Bonds, Series 2006A, 5.250%, 9/01/39 - XLCA Insured	9/16 at 100
380	Baltimore, Maryland, Subordinate Lien Convention Center Hotel Revenue Bonds, Series 2006B, 5.875%, 9/01/39	9/16 at 100
700	Maryland Economic Development Corporation, Revenue Bonds, Chesapeake Bay Hyatt Conference Center, Series 2006A, 5.000%, 12/01/31	12/16 at 100

2,300	Total Consumer Discretionary	
	CONSUMER STAPLES - 3.5% (2.4% OF TOTAL INVESTMENTS)	
2,620	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33	5/12 at 100
	EDUCATION AND CIVIC ORGANIZATIONS - 12.7% (8.5% OF TOTAL INVESTMENTS)	
225	Anne Arundel County, Maryland, Economic Development Revenue Bonds, Community College Project, Series 2002, 5.125%, 9/01/22	9/12 at 102
625	Frederick County, Maryland, Educational Facilities Revenue Bonds, Mount Saint Mary's College, Series 2006, 5.625%, 9/01/38	9/16 at 100
690	Hartford County, Maryland, Economic Development Revenue Bonds, Battelle Memorial Institute, Series 2004, 5.250%, 4/01/34	4/14 at 100
625	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Goucher College, Series 2004, 5.125%, 7/01/34	7/14 at 100
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Johns Hopkins University, Series 2002A, 5.000%, 7/01/32	7/12 at 100
625	Maryland Industrial Development Financing Authority, Revenue Bonds, Our Lady of Good Counsel High School, Series 2005A, 6.000%, 5/01/35	5/15 at 100
710	Montgomery County Revenue Authority, Maryland, Lease Revenue Bonds, Montgomery College Arts Center Project, Series 2005A, 5.000%, 5/01/18	5/15 at 100
1,000	Morgan State University, Maryland, Student Tuition and Fee Revenue Bonds, Academic Fees and Auxiliary Facilities, Series 2003A, 5.000%, 7/01/32 - FGIC Insured	7/13 at 100
985	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2001B, 4.625%, 4/01/21	4/11 at 100
1,000	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2003A, 5.000%, 4/01/19	4/13 at 100
800	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2006A, 5.000%, 10/01/22	10/16 at 100
1,150	Westminster, Maryland, Educational Facilities Revenue Bonds, McDaniel College, Series 2006, 5.000%, 11/01/31	11/16 at 100
9,435	Total Education and Civic Organizations	
	HEALTH CARE - 22.8% (15.2% OF TOTAL INVESTMENTS)	
700	Maryland Health and Higher Education Facilities Authority, Revenue Bonds, University of Maryland Medical System,	7/16 at 100

Series 2006, 5.000%, 7/01/31

NWI
Nuveen Maryland Dividend Advantage Municipal Fund 3 (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	HEALTH CARE (continued)	
$ 1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Anne Arundel Medical Center, Series 1998, 5.125%, 7/01/33 - FSA Insured	7/08 at 101
775	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Calvert Memorial Hospital, Series 2004, 5.500%, 7/01/36	7/14 at 100
1,250	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Carroll County General Hospital, Series 2002, 5.800%, 7/01/32	7/12 at 100
870	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Civista Medical Center, Series 2005, 5.000%, 7/01/37 - RAAI Insured	7/14 at 100
885	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Doctors Community Hospital, Series 2007A, 5.000%, 7/01/29	7/17 at 100
700	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Frederick Memorial Hospital, Series 2002, 5.125%, 7/01/35	7/12 at 100
800	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Greater Baltimore Medical Center, Series 2001, 5.000%, 7/01/34	7/11 at 100
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Johns Hopkins Hospital, Series 2001, 5.000%, 5/15/21	5/11 at 100
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Kennedy Krieger Institute, Series 2003, 5.500%, 7/01/33	7/13 at 100
725	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, LifeBridge Health System, Series 2004A, 5.125%, 7/01/34	7/14 at 100
900	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, MedStar Health, Series 2004, 5.375%, 8/15/24	8/14 at 100
650	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Mercy Medical Center, Series 2001, 5.625%, 7/01/31	7/11 at 100

1,845	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Union Hospital of Cecil County, Series 2002, 5.625%, 7/01/32	7/12 at 100
2,100	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Western Maryland Health, Series 2006A, 5.000%, 7/01/34 - MBIA Insured (UB)	7/16 at 100
775	Maryland Health and Higher Educational Facilities Authority, Revenue Refunding Bonds, Adventist Healthcare, Series 2003A, 5.750%, 1/01/25	1/13 at 101
	Prince George's County, Maryland, Revenue Bonds, Dimensions Health Corporation, Series 1994:	
350	5.375%, 7/01/14	7/07 at 100
900	5.300%, 7/01/24	7/07 at 100
17,225	Total Health Care	
	HOUSING/MULTIFAMILY - 14.7% (9.8% OF TOTAL INVESTMENTS)	
980	Maryland Community Development Administration, Housing Revenue Bonds, Series 2002B, 4.950%, 7/01/32 (Alternative Minimum Tax)	7/12 at 100
1,250	Maryland Economic Development Corporation, Senior Lien Student Housing Revenue Bonds, University of Maryland - Baltimore, Series 2003A, 5.625%, 10/01/23	10/13 at 100
	Maryland Economic Development Corporation, Student Housing Revenue Bonds, Sheppard Pratt University Village, Series 2001:	
20	5.875%, 7/01/21 - ACA Insured	7/11 at 101
150	6.000%, 7/01/33 - ACA Insured	7/11 at 101
475	Maryland Economic Development Corporation, Student Housing Revenue Refunding Bonds, University of Maryland College Park Projects, Series 2006, 5.000%, 6/01/33 - CIFG Insured	6/16 at 100
	Montgomery County Housing Opportunities Commission, Maryland, Multifamily Housing Development Bonds, Series 2002B:	
515	5.100%, 7/01/33 (Alternative Minimum Tax)	7/12 at 100
3,000	5.200%, 7/01/44 (Alternative Minimum Tax)	7/12 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	HOUSING/MULTIFAMILY (continued)	
$ 4,860	Prince George's County Housing Authority, Maryland, GNMA Collateralized Mortgage Revenue Bonds, Fairview and Hillside Projects, Series 2002A, 4.700%, 11/20/22	11/12 at 100

11,250	Total Housing/Multifamily	
	HOUSING/SINGLE FAMILY - 4.2% (2.8% OF TOTAL INVESTMENTS)	
595	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006F, 4.900%, 9/01/26 (Alternative Minimum Tax)	9/15 at 100
1,200	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006I, 4.875%, 9/01/26 (Mandatory put 3/01/22) (Alternative Minimum Tax)	3/16 at 100
815	Maryland Community Development Administration, Department of Housing and Community Development, Residential Revenue Bonds, Series 2006L, 4.900%, 9/01/31 (Alternative Minimum Tax)	9/16 at 100
620	Maryland Community Development Administration, Housing and Community Development Residential Revenue Bonds, Series 2007D, 4.850%, 9/01/37 (WI/DD, Settling 6/20/07) (Alternative Minimum Tax)	3/17 at 100
3,230	Total Housing/Single Family	
	INDUSTRIALS - 2.0% (1.3% OF TOTAL INVESTMENTS)	
510	Maryland Economic Development Corporation, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002, 4.600%, 4/01/16 (Alternative Minimum Tax)	4/12 at 101
1,000	Northeast Maryland Waste Disposal Authority, Baltimore, Resource Recovery Revenue Bonds, RESCO Retrofit Project, Series 1998, 4.750%, 1/01/12 (Alternative Minimum Tax)	1/09 at 101
1,510	Total Industrials	
	LONG-TERM CARE - 3.3% (2.2% OF TOTAL INVESTMENTS)	
790	Baltimore County, Maryland, Revenue Bonds, Oak Crest Village, Series 2007A, 5.000%, 1/01/37	1/17 at 100
400	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Edenwald, Series 2006A, 5.400%, 1/01/31	7/16 at 100
	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, King Farm Presbyterian Community, Series 2007A:	
280	5.000%, 1/01/17	No Opt. C
520	5.250%, 1/01/27	1/17 at 100
540	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Mercy Ridge Retirement Community, Series 2007, 4.750%, 7/01/34	7/17 at 100

2,530	Total Long-Term Care	
	TAX OBLIGATION/GENERAL - 22.0% (14.7% OF TOTAL INVESTMENTS)	
1,000	Annapolis, Maryland, General Obligation Public Improvement Refunding Bonds, Series 2002, 4.375%, 4/01/17	4/12 at 101
	Anne Arundel County, Maryland, General Obligation Bonds, Series 2006:	
845	5.000%, 3/01/21	3/16 at 100
650	5.000%, 3/01/21	3/16 at 100
380	Carroll County, Maryland, Consolidated Public Improvement Bonds, Series 2005A, 5.000%, 12/01/16	12/15 at 100
1,260	Charles County, Maryland, Consolidated General Obligation Public Improvement Bonds, Series 2002, 4.400%, 1/15/16	1/12 at 101
500	Frederick County, Maryland, General Obligation Public Facilities Bonds, Series 2006, 5.000%, 11/01/20	No Opt. C
245	Frederick County, Maryland, Special Obligation Bonds, Villages of Lake Linganore Community Development Authority, Series 2001A, 5.600%, 7/01/20 - RAAI Insured	7/10 at 102

NWI
Nuveen Maryland Dividend Advantage Municipal Fund 3 (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/GENERAL (continued)	
	Frederick, Maryland, General Obligation Bonds, Series 2005:	
$ 710	5.000%, 8/01/16 - MBIA Insured	8/15 at 100
535	5.000%, 8/01/17 - MBIA Insured	8/15 at 100
1,000	Maryland National Capital Park Planning Commission, Prince George's County, General Obligation Bonds, Park Acquisition and Development, Series 2004EE-2, 5.000%, 1/15/17	1/14 at 100
1,500	Maryland, General Obligation Bonds, Series 2005, 5.000%, 8/01/17	8/15 at 100
1,440	Montgomery County, Maryland, Consolidated General Obligation Public Improvement Bonds, Series 2006, 5.000%, 5/01/16	No Opt. C
1,000	Prince George's County, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2003A, 5.000%, 10/01/17	10/13 at 100
1,000	Prince George's County, Maryland, General Obligation Consolidated Public Improvement Bonds, Series 2004C, 5.000%, 12/01/11	No Opt. C

1,000	St. Mary's County, Maryland, General Obligation Hospital Bonds, Series 2002, 5.000%, 10/01/12	No Opt. C
1,000	Washington Suburban Sanitary District, Montgomery and Prince George's Counties, Maryland, Sewerage Disposal Bonds, Series 2004, 5.000%, 6/01/13	No Opt. C
1,000	Washington Suburban Sanitary District, Montgomery and Prince George's Counties, Maryland, Sewerage Disposal Bonds, Series 2005, 5.000%, 6/01/16	6/15 at 100
1,000	Washington Suburban Sanitary District, Montgomery and Prince George's Counties, Maryland, Water Supply Bonds, Series 2005, 5.000%, 6/01/16	6/15 at 100
16,065	Total Tax Obligation/General	
	TAX OBLIGATION/LIMITED - 33.2% (22.1% OF TOTAL INVESTMENTS)	
750	Annapolis, Maryland, Special Obligation Bonds, Park Place Project, Series 2005A, 5.350%, 7/01/34	1/15 at 101
1,000	Baltimore Board of School Commissioners, Maryland, Revenue Bonds, City Public School System, Series 2003A, 5.000%, 5/01/15	5/13 at 100
600	Baltimore, Maryland, Project Revenue Bonds, Series 2006, 5.000%, 7/01/31 - AMBAC Insured	7/16 at 100
450	Hyattsville, Maryland, Special Obligation Bonds, University Town Center Project, Series 2004, 5.750%, 7/01/34	7/14 at 102
5,000	Maryland Department of Transportation, Consolidated Transportation Revenue Bonds, Series 2002, 5.500%, 2/01/16	No Opt. C
2,200	Maryland Economic Development Corporation, Lease Revenue Bonds, Department of Transportation Headquarters Building, Series 2002, 4.750%, 6/01/22	6/12 at 100
450	Maryland Economic Development Corporation, Lease Revenue Bonds, Montgomery County Town Square Parking Garage, Series 2002A, 5.000%, 9/15/13	9/12 at 100
2,935	Maryland Economic Development Corporation, Lease Revenue Bonds, Montgomery County Wayne Avenue Parking Project, Series 2002A, 5.250%, 9/15/16	9/12 at 100
	Maryland Stadium Authority, Lease Revenue Bonds, Montgomery County Conference Center Facilities, Series 2003:	
1,465	5.000%, 6/15/21	6/13 at 100
1,620	5.000%, 6/15/23	6/13 at 100
460	Prince George's County, Maryland, Special Obligation Bonds, National Harbor Project, Series 2005, 5.200%, 7/01/34	7/15 at 100
575	Prince George's County, Maryland, Special Tax District Bonds, Victoria Falls Project, Series 2005, 5.250%, 7/01/35	7/13 at 100
1,200	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/31 - AMBAC Insured	No Opt. C

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/LIMITED (continued)	
	Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Bonds, Series 2002G:	
$ 1,000	5.250%, 7/01/17	7/12 at 100
1,205	5.250%, 7/01/20	7/12 at 100
1,275	5.250%, 7/01/21	7/12 at 100
1,000	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 1998A, 5.125%, 6/01/24 - AMBAC Insured	No Opt. C
235	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E, 5.500%, 8/01/29	2/12 at 100
700	Puerto Rico, Highway Revenue Bonds, Highway and Transportation Authority, Series 2003AA, 5.500%, 7/01/19 - MBIA Insured	No Opt. C
24,120	Total Tax Obligation/Limited	
	U.S. GUARANTEED - 22.7% (15.1% OF TOTAL INVESTMENTS) (4)	
10	Anne Arundel County, Maryland, General Obligation Bonds, Consolidated General Improvements, Series 1999, 5.000%, 5/15/19 (Pre-refunded 5/15/09)	5/09 at 101
	Frederick County, Maryland, Educational Facilities Revenue Bonds, Mount St. Mary's College, Series 2001A:	
100	5.750%, 9/01/25 (Pre-refunded 3/01/10)	3/10 at 101
100	5.800%, 9/01/30 (Pre-refunded 3/01/10)	3/10 at 101
100	Frederick County, Maryland, General Obligation Public Facilities Bonds, Series 1999, 5.250%, 7/01/17 (Pre-refunded 7/01/09)	7/09 at 101
	Frederick County, Maryland, General Obligation Public Facilities Bonds, Series 2002:	
1,035	5.000%, 11/01/21 (Pre-refunded 11/01/12)	11/12 at 101
2,500	5.000%, 11/01/22 (Pre-refunded 11/01/12)	11/12 at 101
280	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Collington Episcopal Life Care Community Inc., Series 2001A, 6.750%, 4/01/23 (Pre-refunded 4/01/11)	4/11 at 101
285	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Helix Health, Series 1997, 5.000%, 7/01/17 - AMBAC Insured (ETM)	No Opt. C
1,010	Maryland Transportation Authority, Revenue Refunding Bonds, Transportation Facilities Projects, First Series 1978,	No Opt. C

	6.800%, 7/01/16 (ETM)	
4,025	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2000HH, 5.250%, 7/01/29 (Pre-refunded 7/01/10) - FSA Insured	7/10 at 101
3,500	Puerto Rico Infrastructure Financing Authority, Special Obligation Bonds, Series 2000A, 5.500%, 10/01/40	10/10 at 101
700	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E, 5.500%, 8/01/29 (Pre-refunded 2/01/12)	2/12 at 100
880	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2001, 5.125%, 7/01/30 (Pre-refunded 7/01/11) - FSA Insured	7/11 at 100
2,000	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2002A, 5.125%, 4/01/22 (Pre-refunded 4/01/12)	4/12 at 100
25	Washington Suburban Sanitary District, Montgomery and Prince George's Counties, Maryland, General Obligation Construction Bonds, Second Series 2001, 5.000%, 6/01/17 (Pre-refunded 6/01/11)	6/11 at 101
16,550	Total U.S. Guaranteed	
	UTILITIES - 1.6% (1.1% OF TOTAL INVESTMENTS)	
1,250	Maryland Energy Financing Administration, Revenue Bonds, AES Warrior Run Project, Series 1995, 7.400%, 9/01/19 (Alternative Minimum Tax)	9/07 at 100

NWI
Nuveen Maryland Dividend Advantage Municipal Fund 3 (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WATER AND SEWER - 4.0% (2.7% OF TOTAL INVESTMENTS)	
$ 2,570	Baltimore, Maryland, Revenue Refunding Bonds, Wastewater Projects, Series 2002A, 5.125%, 7/01/42 - FGIC Insured	7/12 at 100
430	Maryland Water Quality Financing Administration, Revolving Loan Fund Revenue Bonds, Series 2005A, 5.000%, 9/01/15	No Opt. C
3,000	Total Water and Sewer	
$ 111,085	Total Investments (cost $114,131,178) - 149.8%	
	Floating Rate Obligations - (1.8)%	

Other Assets Less Liabilities - 2.2%

Preferred Shares, at Liquidation Value - (50.2)%

Net Assets Applicable to Common Shares - 100%

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's or Moody's rating. Ratings below BBB by Standard & Poor's Group or Baa by Moody's Investor Service, Inc. are considered to be below investment grade.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

N/R Not rated.

WI/DD Purchased on a when-issued or delayed delivery basis.

(ETM) Escrowed to maturity.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

NPV
Nuveen Virginia Premium Income Municipal Fund
Portfolio of INVESTMENTS

as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	CONSUMER STAPLES - 3.4% (2.3% OF TOTAL INVESTMENTS)	
$ 4,640	Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset Backed Bonds, Series 2007B1, 5.000%, 6/01/47	6/17 at 100

	EDUCATION AND CIVIC ORGANIZATIONS - 5.1% (3.4% OF TOTAL INVESTMENTS)	
1,000	Prince William County Industrial Development Authority, Virginia, Educational Facilities Revenue Bonds, Catholic Diocese of Arlington, Series 2003, 5.500%, 10/01/33	10/13 at 101
500	Prince William County Park Authority, Virginia, Park Facilities Revenue Refunding and Improvement Bonds, Series 1999, 6.000%, 10/15/28	10/09 at 101
700	Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority, Higher Education Revenue Refunding Bonds, Ana G. Mendez University System, Series 2002, 5.375%, 12/01/21	12/12 at 101
475	The Rector and Visitors of the University of Virginia, General Revenue Bonds, Series 2005, 5.000%, 6/01/18	6/15 at 100
2,120	Virginia College Building Authority, Educational Facilities Revenue Bonds, Public Higher Education Financing Program, Series 2001A, 5.000%, 9/01/26	9/11 at 100
1,635	Virginia Commonwealth University, Revenue Bonds, Series 2004A, 5.000%, 5/01/17 - AMBAC Insured	5/14 at 101
6,430	Total Education and Civic Organizations	
	HEALTH CARE - 21.5% (14.5% OF TOTAL INVESTMENTS)	
2,000	Albemarle County Industrial Development Authority, Virginia, Hospital Revenue Bonds, Martha Jefferson Hospital, Series 2002, 5.250%, 10/01/35	10/12 at 100
4,850	Fairfax County Industrial Development Authority, Virginia, Hospital Revenue Refunding Bonds, Inova Health System, Series 1993A, 5.000%, 8/15/23	No Opt. C
1,000	Fredericksburg Economic Development Authority, Virginia, Healthcare Revenue Bonds, Medicorp Health System, Series 2007, 5.250%, 6/15/23	No Opt. C
1,250	Fredericksburg Industrial Development Authority, Virginia, Revenue Bonds, MediCorp Health System, Series 2002B, 5.125%, 6/15/33	6/12 at 100
1,000	Hanover County Industrial Development Authority, Virginia, Hospital Revenue Bonds, Memorial Regional Medical Center, Series 1995, 6.375%, 8/15/18 - MBIA Insured	No Opt. C
2,300	Harrisonburg Industrial Development Authority, Virginia, Hospital Facilities Revenue Bonds, Rockingham Memorial Hospital, Series 2006, 5.000%, 8/15/31 - AMBAC Insured	8/16 at 100
1,500	Henrico County Economic Development Authority, Virginia, Revenue Bonds, Bon Secours Health System Inc., Series 2002A, 5.600%, 11/15/30	11/12 at 100
1,500	Henrico County Industrial Development Authority, Virginia,	No Opt. C

	Healthcare Revenue Bonds, Bon Secours Health System, Series 1996, 6.250%, 8/15/20 - MBIA Insured	
1,500	Manassas Industrial Development Authority, Virginia, Hospital Revenue Bonds, Prince William Hospital, Series 2002, 5.250%, 4/01/33	4/13 at 100
4,750	Medical College of Virginia Hospital Authority, General Revenue Bonds, Series 1998, 5.125%, 7/01/23 - MBIA Insured	7/08 at 102
3,000	Roanoke Industrial Development Authority, Virginia, Hospital Revenue Bonds, Carilion Health System, Series 2002A, 5.500%, 7/01/19 - MBIA Insured	7/12 at 100

NPV
Nuveen Virginia Premium Income Municipal Fund (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	HEALTH CARE (continued)	
$ 1,010	Stafford County Economic Development Authority, Virginia, Hospital Facilities Revenue Bonds, MediCorp Health System, Series 2006, 5.250%, 6/15/31	6/16 at 100
1,425	Winchester Industrial Development Authority, Virginia, Hospital Revenue Bonds, Winchester Medical Center, Series 2007, 5.125%, 1/01/31	1/17 at 100
27,085	Total Health Care	
	HOUSING/MULTIFAMILY - 3.5% (2.3% OF TOTAL INVESTMENTS)	
1,415	Arlington County Industrial Development Authority, Virginia, Multifamily Housing Revenue Bonds, Patrick Henry Apartments, Series 2000, 6.050%, 11/01/32 (Mandatory put 11/01/20) (Alternative Minimum Tax)	5/10 at 100
	Danville Industrial Development Authority, Virginia, Student Housing Revenue Bonds, Collegiate Housing Foundation, Averett College, Series 1999A:	
500	6.875%, 6/01/20	6/09 at 102
1,500	7.000%, 6/01/30	6/09 at 102
1,000	Lynchburg Redevelopment and Housing Authority, Virginia, Vistas GNMA Mortgage-Backed Revenue Bonds, Series 2000A, 6.200%, 1/20/40 (Alternative Minimum Tax)	4/10 at 102
4,415	Total Housing/Multifamily	

	HOUSING/SINGLE FAMILY - 5.0% (3.4% OF TOTAL INVESTMENTS)	
335	Puerto Rico Housing Finance Authority, Mortgage-Backed Securities Program Home Mortgage Revenue Bonds, Series 2003A, 4.875%, 6/01/34 (Alternative Minimum Tax)	6/13 at 100
1,000	Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2001H-1, 5.350%, 7/01/31 - MBIA Insured	7/11 at 100
1,500	Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2005C-C2, 4.750%, 10/01/32 (Alternative Minimum Tax)	1/15 at 100
3,900	Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2007B, 4.750%, 7/01/32 (Alternative Minimum Tax)	7/16 at 100
6,735	Total Housing/Single Family	
	INDUSTRIALS - 1.5% (1.0% OF TOTAL INVESTMENTS)	
2,000	Charles County Industrial Development Authority, Virginia, Solid Waste Disposal Facility Revenue Refunding Bonds, USA Waste of Virginia Inc., Series 1999, 4.875%, 2/01/09 (Alternative Minimum Tax)	No Opt. C
	LONG-TERM CARE - 3.3% (2.2% OF TOTAL INVESTMENTS)	
1,080	Fairfax County Economic Development Authority, Virginia, Residential Care Facilities Mortgage Revenue Bonds, Goodwin House, Inc., Series 2007A, 5.125%, 10/01/37	10/17 at 100
800	Fairfax County Economic Development Authority, Virginia, Retirement Center Revenue Bonds, Greenspring Village, Series 2006A, 4.875%, 10/01/36	10/16 at 100
1,495	Henrico County Economic Development Authority, Virginia, GNMA Mortgage-Backed Securities Program Assisted Living Revenue Bonds, Beth Sholom, Series 1999A, 5.900%, 7/20/29	7/09 at 102
	Henrico County Economic Development Authority, Virginia, Residential Care Facility Revenue Bonds, Westminster Canterbury of Richmond, Series 2006:	
100	5.000%, 10/01/27	10/11 at 103
800	5.000%, 10/01/35	No Opt. C
4,275	Total Long-Term Care	
	MATERIALS - 1.2% (0.8% OF TOTAL INVESTMENTS)	
500	Bedford County Industrial Development Authority, Virginia, Industrial Development Revenue Refunding Bonds, Nekoosa Packaging Corporation, Series 1998, 5.600%, 12/01/25	2/08 at 102

(Alternative Minimum Tax) (5)

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	MATERIALS (continued)	
$ 1,000	Goochland County Industrial Development Authority, Virginia, Industrial Development Revenue Refunding Bonds, Nekoosa Packaging Corporation Project, Series 1998, 5.650%, 12/01/25 (Alternative Minimum Tax) (5)	12/08 at 101
1,500	Total Materials	
	TAX OBLIGATION/GENERAL - 21.8% (14.7% OF TOTAL INVESTMENTS)	
1,500	Arlington County, Virginia, General Obligation Bonds, Series 2006, 5.000%, 8/01/20	8/16 at 100
	Chesapeake, Virginia, General Obligation Water and Sewerage Bonds, Series 2003B:	
1,880	5.000%, 6/01/21	6/13 at 100
2,060	5.000%, 6/01/23	6/13 at 100
1,355	Harrisonburg, Virginia, General Obligation Bonds, Public Safety and Steam Plant, Series 2002, 5.000%, 7/15/19 - FGIC Insured	7/12 at 101
1,390	Henrico County, Virginia, General Obligation Bonds, Series 2005, 5.000%, 7/15/16	7/15 at 100
2,105	Loudoun County, Virginia, General Obligation Bonds, Series 2006, 5.000%, 12/01/25	12/16 at 100
105	Loudoun County, Virginia, General Obligation Public Improvement Bonds, Series 2002A, 5.250%, 5/01/22	5/12 at 100
1,435	Loudoun County, Virginia, General Obligation Public Improvement Bonds, Series 2005B, 5.000%, 6/01/18	6/15 at 100
1,185	Lynchburg, Virginia, General Obligation Bonds, Series 2004, 5.000%, 6/01/21	6/14 at 100
1,515	Manassas Park, Virginia, General Obligation Bonds, Series 2007A, 5.000%, 4/01/29 (WI/DD, Settling 6/06/07) - CIFG Insured	4/17 at 100
1,350	Newport News, Virginia, General Obligation Bonds, Series 2004C, 5.000%, 5/01/16	5/14 at 101
1,280	Portsmouth, Virginia, General Obligation Bonds, Series 2005A, 5.000%, 4/01/15 - MBIA Insured	No Opt. C
1,480	Richmond, Virginia, General Obligation Bonds, Series 2004A, 5.000%, 7/15/21 - FSA Insured	7/14 at 100

1,500	Richmond, Virginia, General Obligation Bonds, Series 2005A, 5.000%, 7/15/17 - FSA Insured	7/15 at 100
1,430	Roanoke, Virginia, General Obligation Public Improvement Bonds, Series 2002A, 5.000%, 10/01/17	10/12 at 101
1,135	Suffolk, Virginia, General Obligation Bonds, Series 2005, 5.000%, 12/01/15	No Opt. C
2,155	Virginia Beach, Virginia, General Obligation Bonds, Series 2003B, 5.000%, 5/01/15	5/13 at 100
1,100	Virginia Beach, Virginia, General Obligation Bonds, Series 2005, 5.000%, 1/15/20	1/16 at 100
1,425	Virginia Beach, Virginia, General Obligation Public Improvement Bonds, Series 2001, 5.000%, 6/01/20	6/11 at 101
27,385	Total Tax Obligation/General	

	TAX OBLIGATION/LIMITED - 30.1% (20.2% OF TOTAL INVESTMENTS)	
	Buena Vista Public Recreational Facilities Authority, Virginia, Lease Revenue Bonds, Golf Course Project, Series 2005A:	
335	5.250%, 7/15/25 - ACA Insured	7/15 at 100
260	5.500%, 7/15/35 - ACA Insured	7/15 at 100
1,340	Culpeper Industrial Development Authority, Virginia, Lease Revenue Bonds, School Facilities Project, Series 2005, 5.000%, 1/01/20 - MBIA Insured	1/15 at 100
	Cumberland County, Virginia, Certificates of Participation, Series 1997:	
1,075	6.200%, 7/15/12	No Opt. C
1,350	6.375%, 7/15/17	No Opt. C
1,000	Dinwiddie County Industrial Development Authority, Virginia, Lease Revenue Bonds, Series 2004B, 5.125%, 2/15/16 - MBIA Insured	2/14 at 100

NPV
Nuveen Virginia Premium Income Municipal Fund (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/LIMITED (continued)	
$ 1,000	Fairfax County Economic Development Authority, Virginia, Lease Revenue Bonds, Joint Public Uses Community Project, Series 2006, 5.000%, 5/15/18	5/16 at 100

	Fairfax County Economic Development Authority, Virginia, Lease Revenue Bonds, Laurel Hill Public Facilities Projects, Series 2003:	
2,260	5.000%, 6/01/14	6/13 at 101
2,165	5.000%, 6/01/22	6/13 at 101
1,660	Front Royal and Warren County Industrial Development Authority, Virginia, Lease Revenue Bonds, Series 2004B, 5.000%, 4/01/18 - FSA Insured	4/14 at 100
1,270	James City County Economic Development Authority, Virginia, Revenue Bonds, County Government Projects, Series 2005, 5.000%, 7/15/19	7/15 at 100
1,930	Prince William County, Virginia, Certificates of Participation, County Facilities, Series 2005, 5.000%, 6/01/18 - AMBAC Insured	6/15 at 100
1,185	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2002D, 5.000%, 7/01/32 - FSA Insured	7/12 at 100
2,000	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/31 - AMBAC Insured	No Opt. C
5,000	Puerto Rico Infrastructure Financing Authority, Special Tax Revenue Bonds, Series 2005A, 0.000%, 7/01/43 - AMBAC Insured	No Opt. C
5,875	Puerto Rico Infrastructure Financing Authority, Special Tax Revenue Bonds, Series 2005C, 0.000%, 7/01/28 - AMBAC Insured	No Opt. C
	Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D:	
265	5.250%, 7/01/27	7/12 at 100
320	5.250%, 7/01/36	7/12 at 100
1,110	Spotsylvania County Industrial Development Authority, Virginia, Lease Revenue Bonds, School Facilities, Series 2003B, 4.375%, 8/01/20 - AMBAC Insured	8/13 at 100
3,235	Stafford County and Staunton Industrial Development Authority, Virginia, Revenue Bonds, Virginia Municipal League and Virginia Association of Counties Finance Program, Series 2005C, 5.000%, 8/01/35 - MBIA Insured	8/15 at 100
1,600	Stafford County and Staunton Industrial Development Authority, Virginia, Revenue Bonds, Virginia Municipal League and Virginia Association of Counties Finance Program, Series 2006A, 5.000%, 8/01/23 - MBIA Insured	8/16 at 100
1,400	Virginia Beach Development Authority, Public Facilities Revenue Bonds, Series 2005A,5.000%, 5/01/22	5/15 at 100
2,000	Virginia Public School Authority, School Financing Bonds, 1997 Resolution, Series 2000B, 5.000%, 8/01/18	8/10 at 101
1,625	Virginia Public School Authority, School Financing Bonds, 1997 Resolution, Series 2005C, 5.000%, 8/01/17	8/15 at 100
	Virginia Resources Authority, Infrastructure Revenue Bonds, Pooled Loan Bond Program, Series 2000B:	
95	5.500%, 5/01/20 - FSA Insured	5/10 at 101
550	5.500%, 5/01/30 - FSA Insured	5/10 at 101

1,740	Virginia Resources Authority, Infrastructure Revenue Bonds, Pooled Loan Bond Program, Series 2002A, 5.000%, 5/01/19	5/11 at 101
2,000	Virginia Transportation Board, Transportation Revenue Bonds, U.S. Route 58 Corridor Development Program, Series 2004B, 5.000%, 5/15/15	5/14 at 100
45,645	Total Tax Obligation/Limited	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TRANSPORTATION - 8.7% (5.8% OF TOTAL INVESTMENTS)	
$ 1,440	Metropolitan Washington D.C. Airports Authority, Airport System Revenue Bonds, Series 2006, 5.000%, 10/01/36 - FGIC Insured (Alternative Minimum Tax)	10/16 at 100
4,000	Norfolk Airport Authority, Virginia, Airport Revenue Bonds, Series 2001A, 5.125%, 7/01/31 - FGIC Insured	7/11 at 100
1,000	Norfolk, Virginia, Parking System Revenue Bonds, Series 2005A, 5.000%, 2/01/23 - MBIA Insured	2/15 at 100
2,500	Richmond Metropolitan Authority, Virginia, Revenue Refunding Bonds, Expressway System, Series 2002, 5.250%, 7/15/22 - FGIC Insured	No Opt. C
2,000	Virginia Resources Authority, Airports Revolving Fund Revenue Bonds, Series 2001A, 5.250%, 8/01/23	2/11 at 100
10,940	Total Transportation	
	U.S. GUARANTEED - 28.6% (19.2% OF TOTAL INVESTMENTS) (4)	
3,500	Alexandria Industrial Development Authority, Virginia, Fixed Rate Revenue Bonds, Institute for Defense Analyses, Series 2000A, 5.900%, 10/01/30 (Pre-refunded 10/01/10) - AMBAC Insured	10/10 at 101
750	Bristol, Virginia, General Obligation Utility System Revenue Bonds, Series 2002, 5.000%, 11/01/24 - FSA Insured (ETM)	No Opt. C
	Fairfax County Water Authority, Virginia, Water Revenue Refunding Bonds, Series 2002:	
925	5.375%, 4/01/19 (Pre-refunded 4/01/12)	4/12 at 100
200	5.000%, 4/01/27 (Pre-refunded 4/01/12)	4/12 at 100
	Greater Richmond Convention Center Authority, Virginia, Hotel Tax Revenue Bonds, Convention Center Expansion Project, Series 2000:	
600	6.125%, 6/15/25 (Pre-refunded 6/15/10)	6/10 at 101

2,000	6.125%, 6/15/29 (Pre-refunded 6/15/10)	at 101
	Loudoun County Industrial Development Authority, Virginia, Hospital Revenue Bonds, Loudoun Hospital Center, Series 2002A:	
375	6.000%, 6/01/22 (Pre-refunded 6/01/12)	6/12 at 101
800	6.100%, 6/01/32 (Pre-refunded 6/01/12)	6/12 at 101
755	Metropolitan District of Columbia Airports Authority, Virginia, Airport System Revenue Bonds, Series 1997A, 5.375%, 10/01/23 (Pre-refunded 10/01/07)	10/07 at 101
	Newport News, Virginia, General Obligation Bonds, General Improvement and Water Projects, Series 2002A:	
2,770	5.000%, 7/01/19 (Pre-refunded 7/01/13)	7/13 at 100
1,000	5.000%, 7/01/20 (Pre-refunded 7/01/13)	7/13 at 100
1,400	Northern Mariana Islands, General Obligation Bonds, Series 2000A, 6.000%, 6/01/20 (Pre-refunded 6/01/10) - ACA Insured	6/10 at 100
815	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2002D, 5.000%, 7/01/32 (Pre-refunded 7/01/12) - FSA Insured	7/12 at 100
2,500	Puerto Rico Infrastructure Financing Authority, Special Obligation Bonds, Series 2000A, 5.500%, 10/01/40	10/10 at 101
	Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D:	
735	5.250%, 7/01/27 (Pre-refunded 7/01/12)	7/12 at 100
880	5.250%, 7/01/36 (Pre-refunded 7/01/12)	7/12 at 100
845	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Bonds, Series 2000, 5.750%, 7/01/20 (Pre-refunded 7/01/10)	7/10 at 100
3,500	Richmond, Virginia, Public Utility Revenue Refunding Bonds, Series 1998A, 5.125%, 1/15/28 (Pre-refunded 1/15/08) - FGIC Insured	1/08 at 101
	Richmond, Virginia, Public Utility Revenue Refunding Bonds, Series 2002:	
750	5.000%, 1/15/27 (Pre-refunded 1/15/12) - FSA Insured	1/12 at 100
1,700	5.000%, 1/15/33 (Pre-refunded 1/15/12) - FSA Insured	1/12 at 100

NPV
Nuveen Virginia Premium Income Municipal Fund (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	U.S. GUARANTEED (4) (continued)	
$ 490	Rockbridge County Industrial Development Authority, Virginia, Horse Center Revenue Refunding Bonds, Series 2001C, 6.850%, 7/15/21 (Pre-refunded 7/15/11)	7/11 at 105
	Tobacco Settlement Financing Corporation of Virginia, Tobacco	

	Settlement Asset-Backed Bonds, Series 2005:	
1,575	5.250%, 6/01/19 (Pre-refunded 6/01/12)	6/12 at 100
3,850	5.500%, 6/01/26 (Pre-refunded 6/01/15)	6/15 at 100
2,000	Virgin Islands Public Finance Authority, Gross Receipts Taxes Loan Note, Series 1999A, 6.500%, 10/01/24 (Pre-refunded 10/01/10)	10/10 at 101
1,000	Virginia College Building Authority, Educational Facilities Revenue Bonds, Hampton University, Series 2000, 6.000%, 4/01/20 (Pre-refunded 4/01/10)	4/10 at 101
35,715	Total U.S. Guaranteed	
	UTILITIES - 7.1% (4.8% OF TOTAL INVESTMENTS)	
	Bristol, Virginia, Utility System Revenue Refunding Bonds, Series 2003:	
1,705	5.250%, 7/15/14 - MBIA Insured	7/13 at 100
1,800	5.250%, 7/15/15 - MBIA Insured	7/13 at 100
2,775	5.250%, 7/15/23 - MBIA Insured	7/13 at 100
2,500	Mecklenburg County Industrial Development Authority, Virginia, Revenue Bonds, UAE Mecklenburg Cogeneration LP, Series 2002, 6.500%, 10/15/17 (Alternative Minimum Tax)	10/12 at 100
8,780	Total Utilities	
	WATER AND SEWER - 8.0% (5.4% OF TOTAL INVESTMENTS)	
	Fairfax County Water Authority, Virginia, Water Revenue Refunding Bonds, Series 2002:	
105	5.375%, 4/01/19	4/12 at 100
800	5.000%, 4/01/27	4/12 at 100
1,770	Henrico County, Virginia, Water and Sewer System Revenue Refunding Bonds, Series 1999, 5.000%, 5/01/28	5/09 at 102
1,000	Loudoun County Sanitation Authority, Virginia, Water and Sewerage System Revenue Bonds, Series 2004, 5.000%, 1/01/26	1/15 at 100
	Norfolk, Virginia, Water Revenue Refunding Bonds, Series 2001:	
1,310	5.000%, 11/01/21 - FGIC Insured	11/11 at 100
1,380	5.000%, 11/01/22 - FGIC Insured	11/11 at 100
2,250	Virginia Beach, Virginia, Storm Water Utility Revenue Bonds, Series 2000, 6.000%, 9/01/24	9/10 at 101
1,660	Virginia Resources Authority, Clean Water State Revolving Fund Revenue Bonds, Series 2007, Residuals 1006, 5.397%, 10/01/29 (IF)	10/17 at 100
10,275	Total Water and Sewer	
$ 195,820	Total Investments (cost $191,342,034) - 148.8%	
	Other Assets Less Liabilities - (0.8)%	

Preferred Shares, at Liquidation Value - (48.0)%	
Net Assets Applicable to Common Shares - 100%	

FORWARD SWAPS OUTSTANDING AT MAY 31, 2007:

COUNTERPARTY	NOTIONAL AMOUNT	FUND PAY/RECEIVE FLOATING RATE	FLOATING RATE INDEX	FIXED RATE (ANNUALIZED)	FIXED RATE PAYMENT FREQUENCY	EFFE DA
JPMorgan	$1,250,000	Pay	3-Month USD-LIBOR	5.388%	Semi-Annually	4/

USD-LIBOR (United States Dollar-London Inter-Bank Offered Rate)

The Fund may invest in "zero coupon" securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax-exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the portfolio with a 0.00% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's or Moody's rating. Ratings below BBB by Standard & Poor's Group or Baa by Moody's Investor Service, Inc. are considered to be below investment grade.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

(5) The issuer has received a formal adverse determination from the Internal Revenue Service (the "IRS") regarding the tax-exempt status of the bonds' coupon payments. The Fund will continue to treat coupon payments as

tax-exempt income until such time that it is formally determined that the interest on the bonds should be treated as taxable.

(6) Effective date represents the date on which both the Fund and counterparty commence interest payment accruals on each forward swap contract.

N/R Not rated.

WI/DD Purchased on a when-issued or delayed delivery basis.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

NGB
Nuveen Virginia Dividend Advantage Municipal Fund
Portfolio of INVESTMENTS

as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	CONSUMER STAPLES - 6.7% (4.5% OF TOTAL INVESTMENTS)	
	Guam Economic Development Authority, Tobacco Settlement Asset-Backed Bonds, Series 2001A:	
$ 65	5.000%, 5/15/22	5/11 at 100
850	5.400%, 5/15/31	5/11 at 100
1,660	Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset Backed Bonds, Series 2007B1, 5.000%, 6/01/47	6/17 at 100
715	Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset-Backed Bonds, Series 2007B2, 0.000%, 6/01/46	6/17 at 100
3,290	Total Consumer Staples	
	EDUCATION AND CIVIC ORGANIZATIONS - 6.6% (4.5% OF TOTAL INVESTMENTS)	
500	Danville Industrial Development Authority, Virginia, Educational Facilities Revenue Bonds, Averett University, Series 2001, 6.000%, 3/15/22	3/11 at 102
500	Prince William County Industrial Development Authority, Virginia, Educational Facilities Revenue Bonds, Catholic Diocese of Arlington, Series 2003, 5.500%, 10/01/33	10/13 at 101
850	Prince William County Park Authority, Virginia, Park Facilities	10/09 at 101

	Revenue Refunding and Improvement Bonds, Series 1999, 6.000%, 10/15/28	
	Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority, Higher Education Revenue Bonds, Ana G. Mendez University System, Series 1999:	
160	5.375%, 2/01/19	2/09 at 101
320	5.375%, 2/01/29	2/09 at 101
160	The Rector and Visitors of the University of Virginia, General Revenue Bonds, Series 2005, 5.000%, 6/01/18	6/15 at 100
500	Virginia College Building Authority, Educational Facilities Revenue Refunding Bonds, Marymount University, Series 1998, 5.100%, 7/01/18 - RAAI Insured	7/08 at 101
2,990	Total Education and Civic Organizations	
	HEALTH CARE - 13.0% (8.8% OF TOTAL INVESTMENTS)	
100	Fairfax County Industrial Development Authority, Virginia, Hospital Revenue Refunding Bonds, Inova Health System, Series 1993A, 5.000%, 8/15/23	No Opt. C
1,000	Fauquier County Industrial Development Authority, Virginia, Hospital Revenue Bonds, Fauquier Hospital, Series 2002, 5.250%, 10/01/25 - RAAI Insured	10/12 at 102
500	Fredericksburg Economic Development Authority, Virginia, Healthcare Revenue Bonds, Medicorp Health System, Series 2007, 5.250%, 6/15/23	No Opt. C
500	Fredericksburg Industrial Development Authority, Virginia, Revenue Bonds, MediCorp Health System, Series 2002B, 5.125%, 6/15/33	6/12 at 100
820	Harrisonburg Industrial Development Authority, Virginia, Hospital Facilities Revenue Bonds, Rockingham Memorial Hospital, Series 2006, 5.000%, 8/15/31 - AMBAC Insured	8/16 at 100
500	Henrico County Economic Development Authority, Virginia, Revenue Bonds, Bon Secours Health System Inc., Series 2002A, 5.600%, 11/15/30	11/12 at 100
525	Manassas Industrial Development Authority, Virginia, Hospital Revenue Bonds, Prince William Hospital, Series 2002, 5.250%, 4/01/33	4/13 at 100
800	Norton Industrial Development Authority, Virginia, Hospital Revenue Refunding and Improvement Bonds, Norton Community Hospital, Series 2001, 6.000%, 12/01/22 - ACA Insured	12/11 at 101

PRINCIPAL OPTIONAL C

AMOUNT (000)	DESCRIPTION (1)	PROVISIONS
	HEALTH CARE (continued)	
$ 360	Stafford County Economic Development Authority, Virginia, Hospital Facilities Revenue Bonds, MediCorp Health System, Series 2006, 5.250%, 6/15/31	6/16 at 100
715	Winchester Industrial Development Authority, Virginia, Hospital Revenue Bonds, Winchester Medical Center, Series 2007, 5.125%, 1/01/31	1/17 at 100
5,820	Total Health Care	
	HOUSING/MULTIFAMILY - 4.4% (3.0% OF TOTAL INVESTMENTS)	
1,000	Arlington County Industrial Development Authority, Virginia, Multifamily Housing Mortgage Revenue Bonds, Arlington View Terrace Apartments, Series 2001, 5.150%, 11/01/31 (Mandatory put 11/01/19) (Alternative Minimum Tax)	11/11 at 102
1,000	Virginia Housing Development Authority, Rental Housing Bonds, Series 2000G, 5.625%, 10/01/20 (Alternative Minimum Tax)	10/10 at 100
2,000	Total Housing/Multifamily	
	HOUSING/SINGLE FAMILY - 6.4% (4.3% OF TOTAL INVESTMENTS)	
1,000	Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2001H-1, 5.350%, 7/01/31 - MBIA Insured	7/11 at 100
600	Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2005C-C2, 4.750%, 10/01/32 (Alternative Minimum Tax)	1/15 at 100
1,400	Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2007B, 4.750%, 7/01/32 (Alternative Minimum Tax)	7/16 at 100
3,000	Total Housing/Single Family	
	INDUSTRIALS - 0.1% (0.1% OF TOTAL INVESTMENTS)	
50	Charles County Industrial Development Authority, Virginia, Solid Waste Disposal Facility Revenue Refunding Bonds, USA Waste of Virginia Inc., Series 1999, 4.875%, 2/01/09 (Alternative Minimum Tax)	No Opt. C
	LONG-TERM CARE - 12.5% (8.4% OF TOTAL INVESTMENTS)	

700	Albemarle County Industrial Development Authority, Virginia, Residential Care Facilities Mortgage Revenue Bonds, Westminster-Cantebury of the Blue Ridge, Series 2007, 5.000%, 1/01/31	1/17 at 100
350	Chesterfield County Health Center Commission, Virginia, Mortgage Revenue Bonds, Lucy Corr Village, Series 2005, 5.625%, 12/01/39	12/15 at 100
400	Fairfax County Economic Development Authority, Virginia, Residential Care Facilities Mortgage Revenue Bonds, Goodwin House, Inc., Series 2007A, 5.125%, 10/01/37	10/17 at 100
500	Fairfax County Economic Development Authority, Virginia, Retirement Center Revenue Bonds, Greenspring Village, Series 2006A, 4.750%, 10/01/26	10/16 at 100
350	Henrico County Economic Development Authority, Virginia, Residential Care Facility Revenue Bonds, Westminster Canterbury of Richmond, Series 2006, 5.000%, 10/01/35	No Opt. C
700	Industrial Development Authority of the County of Prince William, Virginia, Residential Care Facility Revenue Bonds, Westminster at Lake, First Mortgage, Series 2006, 5.125%, 1/01/26	1/17 at 100
650	James City County Industrial Development Authority, Virginia, Residential Care Facility First Mortgage Revenue Refunding Bonds, Williamsburg Landing Inc., Series 2003A, 6.000%, 3/01/23	3/12 at 101
440	Lynchburg Industrial Development Authority, Virginia, Residential Care Revenue Bonds, Westminster-Canterbury, Series 2007, 5.000%, 7/01/31	7/17 at 100
830	Roanoke Industrial Development Authority, Virginia, Residential Revenue Bonds, Virginia Lutheran Homes Incorporated, Series 2006, 5.000%, 12/01/39	12/16 at 100
350	Suffolk Industrial Development Authority, Virginia, Retirement Facilities First Mortgage Revenue Bonds, Lake Prince Center, Series 2006, 5.300%, 9/01/31	9/16 at 100

NGB
Nuveen Virginia Dividend Advantage Municipal Fund (continued)
Portfolio of INVESTMENTS as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	LONG-TERM CARE (continued)	
$ 350	Virginia Beach Development Authority, Virginia, Residential Care Facility Mortgage Revenue Bonds, Westminster Canterbury on Chesapeake Bay, Series 2005, 5.000%, 11/01/22	11/15 at 100
175	Winchester Industrial Development Authority, Virginia, Residential Care Facility Revenue Bonds, Westminster-Canterbury of Winchester Inc., Series 2005A, 5.200%, 1/01/27	1/15 at 100

5,795	Total Long-Term Care	
	MATERIALS - 1.7% (1.1% OF TOTAL INVESTMENTS)	
100	Bedford County Industrial Development Authority, Virginia, Industrial Development Revenue Refunding Bonds, Nekoosa Packaging Corporation, Series 1998, 5.600%, 12/01/25 (Alternative Minimum Tax) (5)	2/08 at 102
20	Bedford County Industrial Development Authority, Virginia, Industrial Development Revenue Refunding Bonds, Nekoosa Packaging Corporation, Series 1999A, 6.550%, 12/01/25 (Alternative Minimum Tax) (5)	12/09 at 101
220	Goochland County Industrial Development Authority, Virginia, Industrial Development Revenue Refunding Bonds, Nekoosa Packaging Corporation Project, Series 1998, 5.650%, 12/01/25 (Alternative Minimum Tax) (5)	12/08 at 101
500	Hopewell Industrial Development Authority, Virginia, Environmental Improvement Revenue Bonds, Smurfit Stone Container Corporation, Series 2005, 5.250%, 6/01/15	No Opt. C
840	Total Materials	
	TAX OBLIGATION/GENERAL - 24.4% (16.4% OF TOTAL INVESTMENTS)	
600	Arlington County, Virginia, General Obligation Bonds, Series 2006, 5.000%, 8/01/20	8/16 at 100
500	Henrico County, Virginia, General Obligation Bonds, Series 2005, 5.000%, 7/15/16	7/15 at 100
3,310	Leesburg, Virginia, General Obligation Public Improvement Bonds, Series 2000, 5.125%, 1/15/21 - FGIC Insured	1/11 at 101
700	Loudoun County, Virginia, General Obligation Bonds, Series 2006, 5.000%, 12/01/25	12/16 at 100
500	Loudoun County, Virginia, General Obligation Public Improvement Bonds, Series 2005B, 5.000%, 6/01/18	6/15 at 100
535	Manassas Park, Virginia, General Obligation Bonds, Series 2007A, 5.000%, 4/01/29 (WI/DD, Settling 6/06/07) - CIFG Insured	4/17 at 100
845	Newport News, Virginia, General Obligation Bonds, Series 2004C, 5.000%, 5/01/16	5/14 at 101
620	Richmond, Virginia, General Obligation Bonds, Series 2005A, 5.000%, 7/15/17 - FSA Insured	7/15 at 100
400	Suffolk, Virginia, General Obligation Bonds, Series 2005, 5.000%, 12/01/15	No Opt. C
400	Virginia Beach, Virginia, General Obligation Bonds, Series 2005, 5.000%, 1/15/20	1/16 at 100

2,425	Virginia Beach, Virginia, General Obligation Public Improvement Bonds, Series 2001, 5.000%, 6/01/21	6/11 at 101
10,835	Total Tax Obligation/General	
	TAX OBLIGATION/LIMITED - 19.2% (12.9% OF TOTAL INVESTMENTS)	
100	Bell Creek Community Development Authority, Virginia, Special Assessment Bonds, Series 2003A, 6.750%, 3/01/22	3/13 at 101
500	Broad Street Community Development Authority, Virginia, Revenue Bonds, Series 2003, 7.500%, 6/01/33	6/13 at 102
	Buena Vista Public Recreational Facilities Authority, Virginia, Lease Revenue Bonds, Golf Course Project, Series 2005A:	
120	5.250%, 7/15/25 - ACA Insured	7/15 at 100
95	5.500%, 7/15/35 - ACA Insured	7/15 at 100
1,000	Culpeper Industrial Development Authority, Virginia, Lease Revenue Bonds, School Facilities Project, Series 2005, 5.000%, 1/01/22 - MBIA Insured	1/15 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/LIMITED (continued)	
$ 500	Fairfax County Economic Development Authority, Virginia, Lease Revenue Bonds, Joint Public Uses Community Project, Series 2006, 5.000%, 5/15/18	5/16 at 100
580	Prince William County, Virginia, Certificates of Participation, County Facilities, Series 2005, 5.000%, 6/01/20 - AMBAC Insured	6/15 at 100
700	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/31 - AMBAC Insured	No Opt. C
3,000	Puerto Rico Infrastructure Financing Authority, Special Tax Revenue Bonds, Series 2005A, 0.000%, 7/01/29 - AMBAC Insured	No Opt. C
1,000	Spotsylvania County Industrial Development Authority, Virginia, Lease Revenue Bonds, School Facilities, Series 2003B, 5.125%, 8/01/23 - AMBAC Insured	8/13 at 100
600	Stafford County and Staunton Industrial Development Authority, Virginia, Revenue Bonds, Virginia Municipal League and Virginia Association of Counties Finance Program, Series 2006A, 5.000%, 8/01/23 - MBIA Insured	8/16 at 100
960	Virgin Islands Public Finance Authority, Gross Receipts Taxes Loan Note, Series 1999A, 6.375%, 10/01/19	10/10 at 101

500	Virginia Beach Development Authority, Public Facilities Revenue Bonds, Series 2005A, 5.000%, 5/01/22	5/15 at 100
350	Virginia Gateway Community Development Authority, Prince William County, Special Assessment Bonds, Series 2003, 6.375%, 3/01/30	3/13 at 102
345	Virginia Public School Authority, School Financing Bonds, 1997 Resolution, Series 2005C, 5.000%, 8/01/17	8/15 at 100
10,350	Total Tax Obligation/Limited	
	TRANSPORTATION - 24.2% (16.3% OF TOTAL INVESTMENTS)	
1,000	Capital Region Airport Authority, Richmond, Virginia, Revenue Bonds, Richmond International Airport, Series 2005A, 5.000%, 7/01/18 - FSA Insured	7/15 at 100
1,000	Chesapeake Bay Bridge and Tunnel Commission, Virginia, General Resolution Revenue Refunding Bonds, Series 1998, 5.500%, 7/01/25 - MBIA Insured	No Opt. C
3,000	Metropolitan Washington D.C. Airports Authority, Airport System Revenue Bonds, Series 2001A, 5.500%, 10/01/27 - MBIA Insured (Alternative Minimum Tax)	10/11 at 101
250	Metropolitan Washington D.C. Airports Authority, Airport System Revenue Bonds, Series 2001B, 5.000%, 10/01/21 - MBIA Insured	10/11 at 101
510	Metropolitan Washington D.C. Airports Authority, Airport System Revenue Bonds, Series 2006, 5.000%, 10/01/36 - FGIC Insured (Alternative Minimum Tax)	10/16 at 100
1,500	Norfolk Airport Authority, Virginia, Airport Revenue Bonds, Series 2001A, 5.125%, 7/01/31 - FGIC Insured	7/11 at 100
500	Norfolk, Virginia, Parking System Revenue Bonds, Series 2005A, 5.000%, 2/01/23 - MBIA Insured	2/15 at 100
500	Richmond Metropolitan Authority, Virginia, Revenue Refunding Bonds, Expressway System, Series 2002, 5.250%, 7/15/22 - FGIC Insured	No Opt. C
1,225	Virginia Resources Authority, Airports Revolving Fund Revenue Bonds, Series 2001A, 5.250%, 8/01/23	2/11 at 100
1,250	Virginia Resources Authority, Airports Revolving Fund Revenue Bonds, Series 2001B, 5.125%, 8/01/27 (Alternative Minimum Tax)	2/11 at 100
10,735	Total Transportation	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	U.S. GUARANTEED - 21.3% (14.3% OF TOTAL INVESTMENTS) (4)	
$ 500	Albemarle County Industrial Development Authority, Virginia, Residential Care Facility Revenue Bonds, Westminster Canterbury of the Blue Ridge First Mortgage, Series 2001, 6.200%, 1/01/31 (Pre-refunded 1/01/12)	1/12 at 100
1,000	Bristol, Virginia, Utility System Revenue Refunding Bonds, Series 2001, 5.000%, 7/15/21 - FSA Insured (ETM)	No Opt. C
425	Loudoun County Industrial Development Authority, Virginia, Hospital Revenue Bonds, Loudoun Hospital Center, Series 2002A, 6.000%, 6/01/22 (Pre-refunded 6/01/12)	6/12 at 101
320	Northern Mariana Islands, General Obligation Bonds, Series 2000A, 6.000%, 6/01/20 (Pre-refunded 6/01/10) - ACA Insured	6/10 at 100
200	Pocahontas Parkway Association, Virginia, Senior Lien Revenue Bonds, Route 895 Connector Toll Road, Series 1998A, 5.250%, 8/15/07 (ETM)	No Opt. C
1,500	Puerto Rico Infrastructure Financing Authority, Special Obligation Bonds, Series 2000A, 5.500%, 10/01/32	10/10 at 101
1,500	Puerto Rico Infrastructure Financing Authority, Special Obligation Bonds, Series 2000A, 5.500%, 10/01/40	10/10 at 101
340	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Bonds, Series 2000, 5.750%, 7/01/20 (Pre-refunded 7/01/10)	7/10 at 100
500	Richmond, Virginia, Public Utility Revenue Refunding Bonds, Series 2002, 5.000%, 1/15/27 (Pre-refunded 1/15/12) - FSA Insured	1/12 at 100
280	Rockbridge County Industrial Development Authority, Virginia, Horse Center Revenue Refunding Bonds, Series 2001B, 6.125%, 7/15/11 (ETM)	No Opt. C
980	Rockbridge County Industrial Development Authority, Virginia, Horse Center Revenue Refunding Bonds, Series 2001C, 6.850%, 7/15/21 (Pre-refunded 7/15/11)	7/11 at 105
	Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset-Backed Bonds, Series 2005:	
550	5.250%, 6/01/19 (Pre-refunded 6/01/12)	6/12 at 100
725	5.500%, 6/01/26 (Pre-refunded 6/01/15)	6/15 at 100
500	Virginia College Building Authority, Educational Facilities Revenue Bonds, 21st Century College Program, Series 2002A, 5.000%, 2/01/22 (Pre-refunded 2/01/12)	2/12 at 100
9,320	Total U.S. Guaranteed	

	UTILITIES - 2.3% (1.6% OF TOTAL INVESTMENTS)	
1,000	Mecklenburg County Industrial Development Authority, Virginia, Revenue Bonds, UAE Mecklenburg Cogeneration LP, Series 2002, 6.500%, 10/15/17 (Alternative Minimum Tax)	10/12 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WATER AND SEWER - 5.7% (3.8% OF TOTAL INVESTMENTS)	
$ 2,000	Henrico County, Virginia, Water and Sewer System Revenue Refunding Bonds, Series 1999, 5.000%, 5/01/22	5/09 at 102
595	Virginia Resources Authority, Clean Water State Revolving Fund Revenue Bonds, Series 2007, Residuals 1006, 5.397%, 10/01/29 (IF)	10/17 at 100
2,595	Total Water and Sewer	
$ 68,620	Total Investments (cost $67,515,636) - 148.5%	
	Other Assets Less Liabilities - 2.7%	
	Preferred Shares, at Liquidation Value - (51.2)%	
	Net Assets Applicable to Common Shares - 100%	

The Fund may invest in "zero coupon" securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax-exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the portfolio with a 0.00% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's or Moody's rating. Ratings below BBB

by Standard & Poor's Group or Baa by Moody's Investor Service, Inc. are considered to be below investment grade.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

(5) The issuer has received a formal adverse determination from the Internal Revenue Service (the "IRS") regarding the tax-exempt status of the bonds' coupon payments. The Fund will continue to treat coupon payments as tax-exempt income until such time that it is formally determined that the interest on the bonds should be treated as taxable.

N/R Not rated.

WI/DD Purchased on a when-issued or delayed delivery basis.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

NNB
Nuveen Virginia Dividend Advantage Municipal Fund 2
Portfolio of INVESTMENTS

as of 5-31-07

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	CONSUMER STAPLES - 4.8% (3.2% OF TOTAL INVESTMENTS)	
$ 3,100	Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset Backed Bonds, Series 2007B1, 5.000%, 6/01/47	6/17 at 100
1,430	Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset-Backed Bonds, Series 2007B2, 0.000%, 6/01/46	6/17 at 100
4,530	Total Consumer Staples	
	EDUCATION AND CIVIC ORGANIZATIONS - 7.0% (4.7% OF TOTAL INVESTMENTS)	
1,000	Fairfax County Economic Development Authority, Virginia, Revenue Bonds, National Wildlife Federation, Series 1999, 5.375%, 9/01/29 - MBIA Insured	9/09 at 101

1,000	Prince William County Industrial Development Authority, Virginia, Educational Facilities Revenue Bonds, Catholic Diocese of Arlington, Series 2003, 5.500%, 10/01/33	10/13 at 101
1,500	Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority, Higher Education Revenue Refunding Bonds, Ana G. Mendez University System, Series 2002, 5.375%, 12/01/21	12/12 at 101
275	The Rector and Visitors of the University of Virginia, General Revenue Bonds, Series 2005, 5.000%, 6/01/18	6/15 at 100
2,000	Winchester Industrial Development Authority, Virginia, Educational Facilities First Mortgage Revenue Bonds, Shenandoah University, Series 1998, 5.250%, 10/01/28 - MBIA Insured	10/08 at 102
5,775	Total Education and Civic Organizations	
	HEALTH CARE - 21.0% (14.1% OF TOTAL INVESTMENTS)	
1,500	Albemarle County Industrial Development Authority, Virginia, Hospital Revenue Bonds, Martha Jefferson Hospital, Series 2002, 5.250%, 10/01/35	10/12 at 100
3,000	Fauquier County Industrial Development Authority, Virginia, Hospital Revenue Bonds, Fauquier Hospital, Series 2002, 5.250%, 10/01/25 - RAAI Insured	10/12 at 102
1,000	Fredericksburg Economic Development Authority, Virginia, Healthcare Revenue Bonds, Medicorp Health System, Series 2007, 5.250%, 6/15/23	No Opt. C
675	Fredericksburg Industrial Development Authority, Virginia, Revenue Bonds, MediCorp Health System, Series 2002B, 5.125%, 6/15/33	6/12 at 100
1,500	Harrisonburg Industrial Development Authority, Virginia, Hospital Facilities Revenue Bonds, Rockingham Memorial Hospital, Series 2006, 5.000%, 8/15/31 - AMBAC Insured	8/16 at 100
1,000	Henrico County Economic Development Authority, Virginia, Revenue Bonds, Bon Secours Health System Inc., Series 2002A, 5.600%, 11/15/30	11/12 at 100
1,155	Manassas Industrial Development Authority, Virginia, Hospital Revenue Bonds, Prince William Hospital, Series 2002, 5.250%, 4/01/33	4/13 at 100
1,200	Norton Industrial Development Authority, Virginia, Hospital Revenue Refunding and Improvement Bonds, Norton Community Hospital, Series 2001, 6.000%, 12/01/22 - ACA Insured	12/11 at 101
1,000	Prince William County Industrial Development Authority, Virginia, Hospital Facility Revenue Refunding Bonds, Potomac Hospital Corporation of Prince William, Series 1998, 5.000%, 10/01/18 - FSA Insured	10/08 at 102
3,915	Roanoke Industrial Development Authority, Virginia, Hospital	7/12 at 100

Revenue Bonds, Carilion Health System, Series 2002A, 5.500%, 7/01/20 - MBIA Insured

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	HEALTH CARE (continued)	
$ 655	Stafford County Economic Development Authority, Virginia, Hospital Facilities Revenue Bonds, MediCorp Health System, Series 2006, 5.250%, 6/15/31	6/16 at 100
715	Winchester Industrial Development Authority, Virginia, Hospital Revenue Bonds, Winchester Medical Center, Series 2007, 5.125%, 1/01/31	1/17 at 100
17,315	Total Health Care	
	HOUSING/SINGLE FAMILY - 12.5% (8.4% OF TOTAL INVESTMENTS)	
7,485	Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2001H-1, 5.350%, 7/01/31 - MBIA Insured	7/11 at 100
500	Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2005C-C2, 4.750%, 10/01/32 (Alternative Minimum Tax)	1/15 at 100
2,600	Virginia Housing Development Authority, Commonwealth Mortgage Bonds, Series 2007B, 4.750%, 7/01/32 (Alternative Minimum Tax)	7/16 at 100
10,585	Total Housing/Single Family	
	LONG-TERM CARE - 12.3% (8.3% OF TOTAL INVESTMENTS)	
1,300	Albemarle County Industrial Development Authority, Virginia, Residential Care Facilities Mortgage Revenue Bonds, Westminster-Cantebury of the Blue Ridge, Series 2007, 5.000%, 1/01/31	1/17 at 100
650	Chesterfield County Health Center Commission, Virginia, Mortgage Revenue Bonds, Lucy Corr Village, Series 2005, 5.625%, 12/01/39	12/15 at 100
720	Fairfax County Economic Development Authority, Virginia, Residential Care Facilities Mortgage Revenue Bonds, Goodwin House, Inc., Series 2007A, 5.125%, 10/01/37	10/17 at 100
500	Fairfax County Economic Development Authority, Virginia, Retirement Center Revenue Bonds, Greenspring Village, Series 2006A, 4.750%, 10/01/26	10/16 at 100

600	Henrico County Economic Development Authority, Virginia, Residential Care Facility Revenue Bonds, Westminster Canterbury of Richmond, Series 2006, 5.000%, 10/01/35	No Opt. C
1,300	Industrial Development Authority of the County of Prince William, Virginia, Residential Care Facility Revenue Bonds, Westminster at Lake, First Mortgage, Series 2006, 5.125%, 1/01/26	1/17 at 100
1,350	James City County Industrial Development Authority, Virginia, Residential Care Facility First Mortgage Revenue Refunding Bonds, Williamsburg Landing Inc., Series 2003A, 6.000%, 3/01/23	3/12 at 101
810	Lynchburg Industrial Development Authority, Virginia, Residential Care Revenue Bonds, Westminster-Canterbury, Series 2007, 5.000%, 7/01/31	7/17 at 100
1,670	Roanoke Industrial Development Authority, Virginia, Residential Revenue Bonds, Virginia Lutheran Homes Incorporated, Series 2006, 5.000%, 12/01/39	12/16 at 100
650	Suffolk Industrial Development Authority, Virginia, Retirement Facilities First Mortgage Revenue Bonds, Lake Prince Center, Series 2006, 5.300%, 9/01/31	9/16 at 100
650	Virginia Beach Development Authority, Virginia, Residential Care Facility Mortgage Revenue Bonds, Westminster Canterbury on Chesapeake Bay, Series 2005, 5.000%, 11/01/22	11/15 at 100
325	Winchester Industrial Development Authority, Virginia, Residential Care Facility Revenue Bonds, Westminster-Canterbury of Winchester Inc., Series 2005A, 5.200%, 1/01/27	1/15 at 100
10,525	Total Long-Term Care	

MATERIALS - 1.8% (1.2% OF TOTAL INVESTMENTS)

165	Bedford County Industrial Development Authority, Virginia, Industrial Development Revenue Refunding Bonds, Nekoosa Packaging Corporation, Series 1998, 5.600%, 12/01/25 (Alternative Minimum Tax) (5)	2/08 at 102

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	MATERIALS (continued)	
$ 460	Goochland County Industrial Development Authority, Virginia, Industrial Development Revenue Refunding Bonds, Nekoosa Packaging Corporation Project, Series 1998, 5.650%, 12/01/25 (Alternative Minimum Tax) (5)	12/08 at 101

1,000	Hopewell Industrial Development Authority, Virginia, Environmental Improvement Revenue Bonds, Smurfit Stone Container Corporation, Series 2005, 5.250%, 6/01/15	No Opt. C
1,625	Total Materials	
	TAX OBLIGATION/GENERAL - 25.0% (16.7% OF TOTAL INVESTMENTS)	
500	Arlington County, Virginia, General Obligation Bonds, Series 2006, 5.000%, 8/01/20	8/16 at 100
1,750	Chesapeake, Virginia, General Obligation Bonds, Series 2001, 5.500%, 12/01/16	12/11 at 100
1,000	Loudoun County, Virginia, General Obligation Bonds, Series 2006, 5.000%, 12/01/25	12/16 at 100
1,730	Loudoun County, Virginia, General Obligation Public Improvement Bonds, Series 2001C, 4.500%, 11/01/17	11/11 at 101
95	Loudoun County, Virginia, General Obligation Public Improvement Bonds, Series 2002A, 5.250%, 5/01/22	5/12 at 100
1,000	Loudoun County, Virginia, General Obligation Public Improvement Bonds, Series 2005B, 5.000%, 6/01/18	6/15 at 100
1,000	Manassas Park, Virginia, General Obligation Bonds, Series 2007A, 5.000%, 4/01/29 (WI/DD, Settling 6/06/07) - CIFG Insured	4/17 at 100
40	Portsmouth, Virginia, General Obligation Public Utility Refunding Bonds, Series 2001B, 5.000%, 6/01/21 - FGIC Insured	6/08 at 100
	Powhatan County, Virginia, General Obligation Bonds, Series 2001:	
660	5.000%, 1/15/23 - AMBAC Insured	1/11 at 101
1,000	5.000%, 1/15/27 - AMBAC Insured	1/11 at 101
1,000	Richmond, Virginia, General Obligation Bonds, Series 2004A, 5.000%, 7/15/21 - FSA Insured	7/14 at 100
	Roanoke, Virginia, General Obligation Public Improvement Bonds, Series 2002A:	
2,400	5.000%, 10/01/18	10/12 at 101
2,435	5.000%, 10/01/19	10/12 at 101
1,280	Roanoke, Virginia, General Obligation Public Improvement Bonds, Series 2002B, 5.000%, 10/01/15 - FGIC Insured (Alternative Minimum Tax)	10/12 at 101
1,000	Staunton, Virginia, General Obligation Bonds, Series 2004, 6.250%, 2/01/25 - AMBAC Insured	2/14 at 101
600	Virginia Beach, Virginia, General Obligation Bonds, Series 2005, 5.000%, 1/15/20	1/16 at 100
1,500	Virginia Beach, Virginia, General Obligation Public Improvement Bonds, Series 2001, 5.000%, 6/01/19	6/11 at 101
1,420	Virginia Beach, Virginia, General Obligation Refunding and Public Improvement Bonds, Series 2002, 5.000%, 3/01/21	3/12 at 100

20,410	Total Tax Obligation/General	
	TAX OBLIGATION/LIMITED - 18.3% (12.3% OF TOTAL INVESTMENTS)	
184	Bell Creek Community Development Authority, Virginia, Special Assessment Bonds, Series 2003A, 6.750%, 3/01/22	3/13 at 101
1,000	Broad Street Community Development Authority, Virginia, Revenue Bonds, Series 2003, 7.500%, 6/01/33	6/13 at 102
	Buena Vista Public Recreational Facilities Authority, Virginia, Lease Revenue Bonds, Golf Course Project, Series 2005A:	
210	5.250%, 7/15/25 - ACA Insured	7/15 at 100
165	5.500%, 7/15/35 - ACA Insured	7/15 at 100
800	Fairfax County Economic Development Authority, Virginia, Lease Revenue Bonds, Joint Public Uses Community Project, Series 2006, 5.000%, 5/15/18	5/16 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TAX OBLIGATION/LIMITED (continued)	
$ 1,800	Loudoun County Industrial Development Authority, Virginia, Lease Revenue Refunding Bonds, Public Facility Project, Series 2003, 5.000%, 3/01/19	3/13 at 100
1,300	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/31 - AMBAC Insured	No Opt. C
2,000	Puerto Rico Infrastructure Financing Authority, Special Tax Revenue Bonds, Series 2005A, 0.000%, 7/01/29 - AMBAC Insured	No Opt. C
400	Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D, 5.250%, 7/01/27	7/12 at 100
455	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E, 5.500%, 8/01/29	2/12 at 100
1,000	Spotsylvania County Industrial Development Authority, Virginia, Lease Revenue Bonds, School Facilities, Series 2003B, 5.125%, 8/01/23 - AMBAC Insured	8/13 at 100
1,000	Stafford County and Staunton Industrial Development Authority, Virginia, Revenue Bonds, Virginia Municipal League and Virginia Association of Counties Finance Program, Series 2006A, 5.000%, 8/01/23 - MBIA Insured	8/16 at 100
800	Virginia Beach Development Authority, Public Facilities Revenue	5/15 at 100

	Bonds, Series 2005A, 5.000%, 5/01/22	
685	Virginia Gateway Community Development Authority, Prince William County, Special Assessment Bonds, Series 2003, 6.375%, 3/01/30	3/13 at 102
2,540	Virginia Public School Authority, School Financing Bonds, 1997 Resolution, Series 2001B, 5.000%, 8/01/19	8/11 at 101
570	Virginia Public School Authority, School Financing Bonds, 1997 Resolution, Series 2005C, 5.000%, 8/01/17	8/15 at 100
1,265	Virginia Resources Authority, Infrastructure Revenue Bonds, Pooled Loan Bond Program, Series 2001D, 5.000%, 5/01/26	5/10 at 101
16,174	Total Tax Obligation/Limited	
	TRANSPORTATION - 4.5% (3.0% OF TOTAL INVESTMENTS)	
1,000	Metropolitan Washington D.C. Airports Authority, Airport System Revenue Bonds, Series 2002A, 5.125%, 10/01/26 - FGIC Insured (Alternative Minimum Tax)	10/12 at 100
940	Metropolitan Washington D.C. Airports Authority, Airport System Revenue Bonds, Series 2006, 5.000%, 10/01/36 - FGIC Insured (Alternative Minimum Tax)	10/16 at 100
1,500	Norfolk, Virginia, Parking System Revenue Bonds, Series 2005A, 5.000%, 2/01/23 - MBIA Insured	2/15 at 100
300	Virginia Resources Authority, Airports Revolving Fund Revenue Bonds, Series 2001A, 5.250%, 8/01/17	2/11 at 100
3,740	Total Transportation	
	U.S. GUARANTEED - 22.8% (15.3% OF TOTAL INVESTMENTS) (4)	
165	Albemarle County Industrial Development Authority, Virginia, Residential Care Facility Revenue Bonds, Westminster Canterbury of the Blue Ridge First Mortgage, Series 2001, 6.200%, 1/01/31 (Pre-refunded 1/01/12)	1/12 at 100
1,000	Bristol, Virginia, General Obligation Utility System Revenue Bonds, Series 2002, 5.000%, 11/01/24 - FSA Insured (ETM)	No Opt. C
195	Fairfax County Water Authority, Virginia, Water Revenue Refunding Bonds, Series 2002, 5.000%, 4/01/27 (Pre-refunded 4/01/12)	4/12 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	U.S. GUARANTEED (4) (continued)	
	Loudoun County Industrial Development Authority, Virginia, Hospital Revenue Bonds, Loudoun Hospital Center, Series 2002A:	
$ 250	6.000%, 6/01/22 (Pre-refunded 6/01/12)	6/12 at 101
600	6.100%, 6/01/32 (Pre-refunded 6/01/12)	6/12 at 101
1,840	Newport News, Virginia, General Obligation Bonds, General Improvement and Water Projects, Series 2002A, 5.000%, 7/01/20 (Pre-refunded 7/01/13)	7/13 at 100
1,000	Newport News, Virginia, General Obligation Bonds, Series 2003B, 5.000%, 11/01/22 (Pre-refunded 11/01/13)	11/13 at 100
300	Pocahontas Parkway Association, Virginia, Senior Lien Revenue Bonds, Route 895 Connector Toll Road, Series 1998A, 5.250%, 8/15/07 (ETM)	No Opt. C
2,750	Puerto Rico Infrastructure Financing Authority, Special Obligation Bonds, Series 2000A, 5.500%, 10/01/40	10/10 at 101
1,100	Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D, 5.250%, 7/01/27 (Pre-refunded 7/01/12)	7/12 at 100
1,345	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E, 5.500%, 8/01/29 (Pre-refunded 2/01/12)	2/12 at 100
490	Rockbridge County Industrial Development Authority, Virginia, Horse Center Revenue Refunding Bonds, Series 2001C, 6.850%, 7/15/21 (Pre-refunded 7/15/11)	7/11 at 105
	Salem, Virginia, General Obligation Public Improvement Bonds, Series 2002:	
1,145	5.375%, 1/01/21 (Pre-refunded 1/01/12)	1/12 at 100
1,200	5.375%, 1/01/22 (Pre-refunded 1/01/12)	1/12 at 100
1,260	5.375%, 1/01/23 (Pre-refunded 1/01/12)	1/12 at 100
	Tobacco Settlement Financing Corporation of Virginia, Tobacco Settlement Asset-Backed Bonds, Series 2005:	
1,050	5.250%, 6/01/19 (Pre-refunded 6/01/12)	6/12 at 100
2,700	5.500%, 6/01/26 (Pre-refunded 6/01/15)	6/15 at 100
18,390	Total U.S. Guaranteed	
	UTILITIES - 2.6% (1.7% OF TOTAL INVESTMENTS)	
2,000	Mecklenburg County Industrial Development Authority, Virginia, Revenue Bonds, UAE Mecklenburg Cogeneration LP, Series 2002, 6.500%, 10/15/17 (Alternative Minimum Tax)	10/12 at 100
	WATER AND SEWER - 16.5% (11.1% OF TOTAL INVESTMENTS)	

805	Fairfax County Water Authority, Virginia, Water Revenue Refunding Bonds, Series 2002, 5.000%, 4/01/27	4/12 at 100
	Henry County Public Service Authority, Virginia, Water and Sewerage Revenue Refunding Bonds, Series 2001:	
1,000	5.500%, 11/15/17 - FSA Insured	No Opt. C
3,000	5.500%, 11/15/19 - FSA Insured	No Opt. C
	Norfolk, Virginia, Water Revenue Refunding Bonds, Series 2001:	
1,130	5.000%, 11/01/18 - FGIC Insured	11/11 at 100
1,190	5.000%, 11/01/19 - FGIC Insured	11/11 at 100
1,450	5.000%, 11/01/23 - FGIC Insured	11/11 at 100
1,525	5.000%, 11/01/24 - FGIC Insured	11/11 at 100

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WATER AND SEWER (continued)	
$ 1,080	Virginia Resources Authority, Clean Water State Revolving Fund Revenue Bonds, Series 2007, Residuals 1006, 5.397%, 10/01/29 (IF)	10/17 at 100
2,250	Virginia Resources Authority, Water and Sewerage System Revenue Bonds, Caroline County Public Improvements Project, Series 2001, 5.000%, 5/01/32	5/11 at 101
13,430	Total Water and Sewer	
$ 124,499	Total Investments (cost $124,020,171) - 149.1%	
	Other Assets Less Liabilities - (0.5)%	
	Preferred Shares, at Liquidation Value - (48.6)%	
	Net Assets Applicable to Common Shares - 100%	

The Fund may invest in "zero coupon" securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax-exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the portfolio with a 0.00% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of

independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's or Moody's rating. Ratings below BBB by Standard & Poor's Group or Baa by Moody's Investor Service, Inc. are considered to be below investment grade.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

(5) The issuer has received a formal adverse determination from the Internal Revenue Service (the "IRS") regarding the tax-exempt status of the bonds' coupon payments. The Fund will continue to treat coupon payments as tax-exempt income until such time that it is formally determined that the interest on the bonds should be treated as taxable.

N/R Not rated.

WI/DD Purchased on a when-issued or delayed delivery basis.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

Statement of
ASSETS & LIABILITIES
May 31, 2007

	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)
ASSETS		
Investments, at value (cost $226,265,245, $91,193,616, $91,526,983 and $114,131,178, respectively)	$233,686,765	$93,803,275
Cash	635,206	--
Receivables:		
Interest	3,885,792	1,631,075
Investments sold	115,000	360,000
Other assets	7,523	7,814
Total assets	238,330,286	95,802,164

LIABILITIES		
Cash overdraft	--	797,061
Floating rate obligations	2,800,000	1,133,000
Payable for investments purchased	1,200,000	500,000
Unrealized depreciation on forward swaps	--	39,197
Accrued expenses:		
Management fees	125,239	34,413
Other	64,865	27,332
Preferred share dividends payable	36,048	9,732
Total liabilities	4,226,152	2,540,735
Preferred shares, at liquidation value	79,100,000	32,000,000
Net assets applicable to Common shares	$155,004,134	$61,261,429
Common shares outstanding	10,637,954	4,181,361
Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	$ 14.57	$ 14.65
NET ASSETS APPLICABLE TO COMMON SHARES CONSIST OF:		
Common shares, $.01 par value per share	$ 106,380	$ 41,814
Paid-in surplus	147,763,730	59,335,928
Undistributed (Over-distribution of) net investment income	(54,806)	(79,783)
Accumulated net realized gain (loss) from investments and derivative transactions	(232,690)	(606,992)
Net unrealized appreciation (depreciation) of investments and derivative transactions	7,421,520	2,570,462
Net assets applicable to Common shares	$155,004,134	$61,261,429
Authorized shares:		
Common	Unlimited	Unlimited
Preferred	Unlimited	Unlimited

See accompanying notes to financial statements.

	VIRGINIA PREMIUM INCOME (NPV)
ASSETS	
Investments, at value (cost $191,342,034, $67,515,636 and $124,020,171, respectively)	$197,768,381
Cash	--
Receivables:	
Interest	2,960,512
Investments sold	1,282,195
Other assets	9,246
Total assets	202,020,334

LIABILITIES	
Cash overdraft	3,495,616
Floating rate obligations	--
Payable for investments purchased	1,600,355
Unrealized depreciation on forward swaps	39,197
Accrued expenses:	
Management fees	105,573
Other	51,063
Preferred share dividends payable	28,494
Total liabilities	5,320,298
Preferred shares, at liquidation value	63,800,000
Net assets applicable to Common shares	$132,900,036
Common shares outstanding	8,928,307
Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	$ 14.89
NET ASSETS APPLICABLE TO COMMON SHARES CONSIST OF:	
Common shares, $.01 par value per share	$ 89,283
Paid-in surplus	125,716,566
Undistributed (Over-distribution of) net investment income	45,172
Accumulated net realized gain (loss) from investments and derivative transactions	661,865
Net unrealized appreciation (depreciation) of investments and derivative transactions	6,387,150
Net assets applicable to Common shares	$132,900,036
Authorized shares:	
Common	Unlimited
Preferred	Unlimited

See accompanying notes to financial statements.

Statement of
OPERATIONS

Year Ended May 31, 2007

	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)
INVESTMENT INCOME	$11,309,507	$4,547,316
EXPENSES		
Management fees	1,483,239	595,639
Preferred shares - auction fees	197,750	80,001
Preferred shares - dividend disbursing agent fees	20,000	10,000
Shareholders' servicing agent fees and expenses	22,282	1,834

Floating rate obligations interest expense and fees	58,711	23,757
Custodian's fees and expenses	81,512	35,659
Trustees' fees and expenses	5,903	2,430
Professional fees	21,143	13,594
Shareholders' reports - printing and mailing expenses	34,162	14,796
Stock exchange listing fees	9,804	355
Investor relations expense	33,683	12,594
Other expenses	18,830	14,081
Total expenses before custodian fee credit and expense reimbursement	1,987,019	804,740
Custodian fee credit	(18,703)	(13,295)
Expense reimbursement	--	(218,982)
Net expenses	1,968,316	572,463
Net investment income	9,341,191	3,974,853
REALIZED AND UNREALIZED GAIN (LOSS)		
Net realized gain (loss) from investments	19,964	137,858
Net realized gain (loss) from forward swaps	--	--
Change in net unrealized appreciation (depreciation) of investments	1,306,051	379,809
Change in net unrealized appreciation (depreciation) of forward swaps	--	(39,197)
Net realized and unrealized gain (loss)	1,326,015	478,470
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS		
From net investment income	(2,475,539)	(986,560)
From accumulated net realized gains	--	--
Decrease in net assets applicable to Common shares from distributions to Preferred shareholders	(2,475,539)	(986,560)
Net increase (decrease) in net assets applicable to Common shares from operations	$ 8,191,667	$3,466,763

See accompanying notes to financial statements.

	VIRGINIA PREMIUM INCOME (NPV)
INVESTMENT INCOME	$ 9,416,931
EXPENSES	
Management fees	1,250,000
Preferred shares - auction fees	159,501
Preferred shares - dividend disbursing agent fees	20,000
Shareholders' servicing agent fees and expenses	18,294
Floating rate obligations interest expense and fees	--
Custodian's fees and expenses	57,027
Trustees' fees and expenses	4,647
Professional fees	16,666

Shareholders' reports - printing and mailing expenses	31,010
Stock exchange listing fees	9,848
Investor relations expense	27,971
Other expenses	17,731
Total expenses before custodian fee credit and expense reimbursement	1,612,695
Custodian fee credit	(16,076)
Expense reimbursement	--
Net expenses	1,596,619
Net investment income	7,820,312
REALIZED AND UNREALIZED GAIN (LOSS)	
Net realized gain (loss) from investments	662,460
Net realized gain (loss) from forward swaps	--
Change in net unrealized appreciation (depreciation) of investments	53,189
Change in net unrealized appreciation (depreciation) of forward swaps	(39,197)
Net realized and unrealized gain (loss)	676,452
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS	
From net investment income	(2,029,334)
From accumulated net realized gains	(38,016)
Decrease in net assets applicable to Common shares from distributions to Preferred shareholders	(2,067,350)
Net increase (decrease) in net assets applicable to Common shares from operations	$ 6,429,414

See accompanying notes to financial statements.

Statement of
CHANGES in NET ASSETS

	MARYLAND PREMIUM INCOME (NMY)		MARYLAND DIVIDEND ADVANTAGE (NFM)	
	YEAR ENDED 5/31/07	YEAR ENDED 5/31/06	YEAR ENDED 5/31/07	YEAR ENDED 5/31/06
OPERATIONS				
Net investment income	$ 9,341,191	$ 9,509,021	$ 3,974,853	$ 3,981,268
Net realized gain (loss) from investments	19,964	83,005	137,858	(25,376)
Net realized gain (loss) from forward swaps	--	--	--	(62,612)
Net realized gain (loss) from futures	--	--	--	--
Change in net unrealized appreciation (depreciation) of investments	1,306,051	(6,030,163)	379,809	(2,009,294)

Change in net unrealized appreciation (depreciation) of forward swaps	--	--	(39,197)	64,747
Distributions to Preferred Shareholders:				
From net investment income	(2,475,539)	(1,920,310)	(986,560)	(790,032)
From accumulated net realized gains	--	(31,400)	--	--
Net increase (decrease) in net assets applicable to Common shares from operations	8,191,667	1,610,153	3,466,763	1,158,701
DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(7,114,011)	(8,311,346)	(3,120,217)	(3,532,953)
From accumulated net realized gains	--	(260,035)	--	--
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(7,114,011)	(8,571,381)	(3,120,217)	(3,532,953)
CAPITAL SHARE TRANSACTIONS				
Common shares:				
Offering costs adjustments	--	--	--	--
Net proceeds from shares issued to shareholders due to reinvestment of distributions	92,621	298,649	152,937	84,704
Preferred shares offering costs adjustments	--	--	--	--
Net increase in net assets applicable to Common shares from capital share transactions	92,621	298,649	152,937	84,704
Net increase (decrease) in net assets applicable to Common shares	1,170,277	(6,662,579)	499,483	(2,289,548)
Net assets applicable to Common shares at the beginning of year	153,833,857	160,496,436	60,761,946	63,051,494
Net assets applicable to Common shares at the end of year	$155,004,134	$153,833,857	$61,261,429	$60,761,946
Undistributed (Over-distribution of) net investment income at the end of year	$ (54,806)	$ 266,281	$ (79,783)	$ 52,442

See accompanying notes to financial statements.

	MARYLAND DIVIDEND ADVANTAGE 3 (NWI)		VIRGINIA PREMIUM INCOME (NPV)	
	YEAR ENDED 5/31/07	YEAR ENDED 5/31/06	YEAR ENDED 5/31/07	YEAR ENDED 5/31/06

OPERATIONS				
Net investment income	$ 4,702,597	$ 4,610,127	$ 7,820,312	$ 7,868,441
Net realized gain (loss) from investments	120,873	163,785	662,460	1,639,045
Net realized gain (loss) from forward swaps	33,256	(75,241)	--	--
Net realized gain (loss) from futures	--	(156)	--	--
Change in net unrealized appreciation (depreciation) of investments	907,283	(2,948,764)	53,189	(7,073,360)
Change in net unrealized appreciation (depreciation) of forward swaps	(211,923)	406,799	(39,197)	--
Distributions to preferred shareholders:				
From net investment income	(1,185,502)	(978,804)	(2,029,334)	(1,304,947)
From accumulated net realized gains	--	--	(38,016)	(231,433)
Net increase (decrease) in net assets applicable to Common shares from operations	4,366,584	1,177,746	6,429,414	897,746
DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(3,570,184)	(3,826,714)	(6,247,006)	(7,081,332)
From accumulated net realized gains	--	--	(191,731)	(2,160,808)
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(3,570,184)	(3,826,714)	(6,438,737)	(9,242,140)
CAPITAL SHARE TRANSACTIONS				
Common shares:				
Offering costs adjustments	--	--	--	--
Net proceeds from shares issued to shareholders due to reinvestment of distributions	34,058	15,363	282,861	630,496
Preferred shares offering costs adjustments	--	--	--	--
Net increase in net assets applicable to Common shares from capital share transactions	34,058	15,363	282,861	630,496
Net increase (decrease) in net assets applicable to Common shares	830,458	(2,633,605)	273,538	(7,713,898)
Net assets applicable to Common shares at the beginning of year	76,809,227	79,442,832	132,626,498	140,340,396
Net assets applicable to Common shares at the end of year	$77,639,685	$76,809,227	$132,900,036	$132,626,498
Undistributed (Over-distribution of) net investment income at the end of year	$ (138,732)	$ (84,856)	$ 45,172	$ 501,200

See accompanying notes to financial statements.

Statement of
CHANGES in NET ASSETS (continued)

OPERATIONS	
Net investment income	
Net realized gain (loss) from investments	
Net realized gain (loss) from forward swaps	
Net realized gain (loss) from futures	
Change in net unrealized appreciation (depreciation) of investments	
Change in net unrealized appreciation (depreciation) of forward swaps	
Distributions to Preferred Shareholders:	
From net investment income	
From accumulated net realized gains	
Net increase (decrease) in net assets applicable to Common shares from operations	
DISTRIBUTIONS TO COMMON SHAREHOLDERS	
From net investment income	
From accumulated net realized gains	
Decrease in net assets applicable to Common shares from distributions to Common shareholders	
CAPITAL SHARE TRANSACTIONS	
Common shares:	
Offering costs adjustments	
Net proceeds from shares issued to shareholders due to reinvestment of distributions	
Preferred shares offering costs adjustments	
Net increase in net assets applicable to Common shares from capital share transactions	
Net increase (decrease) in net assets applicable to Common shares	
Net assets applicable to Common shares at the beginning of year	
Net assets applicable to Common	

shares at the end of year	
Undistributed (Over-distribution of) net investment income at the end of year	

See accompanying notes to financial statements.

Notes to
FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

The funds (the "Funds") covered in this report and their corresponding Common share stock exchange symbols are Nuveen Maryland Premium Income Municipal Fund (NMY), Nuveen Maryland Dividend Advantage Municipal Fund (NFM), Nuveen Maryland Dividend Advantage Municipal Fund 2 (NZR), Nuveen Maryland Dividend Advantage Municipal Fund 3 (NWI), Nuveen Virginia Premium Income Municipal Fund (NPV), Nuveen Virginia Dividend Advantage Municipal Fund (NGB) and Nuveen Virginia Dividend Advantage Municipal Fund 2 (NNB). Common shares of Maryland Premium Income (NMY) and Virginia Premium Income (NPV) are traded on the New York Stock Exchange while Common shares of Maryland Dividend Advantage (NFM), Maryland Dividend Advantage 2 (NZR), Maryland Dividend Advantage 3 (NWI), Virginia Dividend Advantage (NGB) and Virginia Dividend Advantage 2 (NNB) are traded on the American Stock Exchange. The Funds are registered under the Investment Company Act of 1940, as amended, as closed-end management investment companies.

Each Fund seeks to provide current income exempt from both regular federal and designated state income taxes by investing primarily in a diversified portfolio of municipal obligations issued by state and local government authorities within a single state or certain U.S. territories.

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with U.S. generally accepted accounting principles.

Investment Valuation

The prices of municipal bonds in each Fund's investment portfolio are provided by a pricing service approved by the Fund's Board of Trustees. When market price quotes are not readily available (which is usually the case for municipal securities), the pricing service may establish fair value based on yields or prices of municipal bonds of comparable quality, type of issue, coupon, maturity and rating, indications of value from securities dealers, evaluations of anticipated cash flows or collateral and general market conditions. Prices of forward swap contracts are also provided by an independent pricing service approved by each Fund's Board of Trustees. Futures contracts are valued using the closing settlement price, or, in the absence of such a price, at the mean of the bid and asked prices. If the pricing service is unable to supply a price for a municipal bond, forward swap contract or futures contract, each Fund may use a market price or fair market value quote provided by a major broker/dealer in such investments. If it is determined that the market price or fair market value for an investment is unavailable or inappropriate, the Board of Trustees of the Funds, or its designee, may establish a fair value for the investment. Temporary investments in securities that have variable rate and demand features qualifying them as short-term investments are valued at amortized cost, which approximates

market value.

Investment Transactions

Investment transactions are recorded on a trade date basis. Realized gains and losses from transactions are determined on the specific identification method. Investments purchased on a when-issued/delayed delivery basis may have extended settlement periods. Any investments so purchased are subject to market fluctuation during this period. The Funds have instructed the custodian to segregate assets with a current value at least equal to the amount of the when-issued/delayed delivery purchase commitments. At May 31, 2007, Maryland Premium Income (NMY), Maryland Dividend Advantage (NFM), Maryland Dividend Advantage 2 (NZR), Maryland Dividend Advantage 3 (NWI), Virginia Premium Income (NPV), Virginia Dividend Advantage (NGB) and Virginia Dividend Advantage 2 (NNB) had outstanding when-issued/delayed delivery purchase commitments of $1,200,000, $500,000, $500,000, $620,000, $1,600,355, $565,142 and $1,056,340, respectively.

Investment Income

Interest income, which includes the amortization of premiums and accretion of discounts for financial reporting purposes, is recorded on an accrual basis. Investment income also includes paydown gains and losses, if any.

Income Taxes

Each Fund is a separate taxpayer for federal income tax purposes. Each Fund intends to distribute substantially all net investment income and net capital gains to shareholders and to otherwise comply with the requirements of Subchapter M of the Internal

Revenue Code applicable to regulated investment companies. Therefore, no federal income tax provision is required. Furthermore, each Fund intends to satisfy conditions which will enable interest from municipal securities, which is exempt from regular federal and designated state income taxes, to retain such tax-exempt status when distributed to shareholders of the Funds. Net realized capital gains and ordinary income distributions paid by the Funds are subject to federal taxation.

Dividends and Distributions to Common Shareholders

Dividends from tax-exempt net investment income are declared monthly. Net realized capital gains and/or market discount from investment transactions, if any, are distributed to shareholders not less frequently than annually. Furthermore, capital gains are distributed only to the extent they exceed available capital loss carryforwards.

Distributions to Common shareholders of tax-exempt net investment income, net realized capital gains and/or market discount, if any, are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles.

Preferred Shares

The Funds have issued and outstanding Preferred shares, $25,000 stated value per share, as a means of effecting financial leverage. Each Fund's Preferred shares are issued in one or more Series. The dividend rate paid by the Funds on each

Series is determined every seven days, pursuant to a dutch auction process overseen by the auction agent, and is payable at the end of each rate period. The number of Preferred shares outstanding, by Series and in total, for each Fund is as follows:

	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)	MARY DIVI ADVANTA (
Number of shares:			
Series M	--	1,280	
Series T	--	--	
Series W	1,404	--	
Series TH	1,760	--	
Series F	--	--	1
Total	3,164	1,280	1

	VIRGINIA PREMIUM INCOME (NPV)	VIRG DIVI ADVAN (
Number of shares:		
Series M	--	
Series T	832	
Series W	--	
Series TH	1,720	
Series F	--	
Total	2,552	

Inverse Floating Rate Securities

Each Fund may invest in inverse floating rate securities. An inverse floating rate security is created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. In turn, this trust (a) issues floating rate certificates, in face amounts equal to some fraction of the deposited bond's par amount or market value, that typically pay short-term tax-exempt interest rates to third parties, and (b) issues to a long-term investor (such as one of the Funds) an inverse floating rate certificate (sometimes referred to as an "inverse floater") that represents all remaining or residual interest in the trust. The income received by the inverse floater holder varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the inverse floater holder bears substantially all of the underlying bond's downside investment risk and also benefits disproportionately from any potential appreciation of the underlying bond's value. The price of an inverse floating rate security will be more volatile than that of the underlying bond because the interest rate is dependent on not only the fixed coupon rate of the underlying bond but also on the short-term interest paid on the floating rate certificates, and because the inverse floating rate security essentially bears the risk of loss of the greater face value of the underlying bond.

A Fund may purchase an inverse floating rate security in a secondary market

transaction without first owning the underlying bond (referred to as an "externally-deposited inverse floater"), or instead by first selling a fixed-rate bond to a broker-dealer for deposit into the special purpose trust and receiving in turn the residual interest in the trust (referred to as a "self-deposited inverse floater").

An investment in an externally-deposited inverse floater is identified in the Portfolio of Investments as an "Inverse floating rate investment". An investments in a self-deposited inverse floater is accounted for as a financing transaction in accordance with Statement of Financial Accounting Standards (SFAS) No. 140 "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities". In such instances, a fixed-rate bond deposited into a special purpose trust is identified in the Portfolio of Investments as an "Underlying bond of an inverse floating rate trust", with the Fund accounting for the short-term floating rate certificates issued by the trust as "Floating rate obligations" on the Statement of Assets and Liabilities. In addition, the Fund reflects in Investment Income the entire earnings of the underlying bond and accounts for the related interest paid to the holders of the short-term floating rate certificates as "Floating rate obligations interest expense and fees" in the Statement of Operations.

During the fiscal year ended May 31, 2007, each Fund invested in externally deposited inverse floaters and/or self-deposited inverse floaters.

The average floating rate obligations outstanding and average annual interest rate and fees related to self-deposited inverse floaters during the fiscal year ended May 31, 2007, were as follows:

	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)	MARY DIVI ADVANTA (
Average floating rate obligations	$ 1,511,233	$ 611,510	$ 611
Average annual interest rate and fees	3.88%	3.88%	3

Forward Swap Transactions

The Funds are authorized to invest in certain derivative financial instruments. Each Funds' use of forward interest rate swap transactions is intended to help the Fund manage its overall interest rate sensitivity, either shorter or longer, generally to more closely align the Fund's interest rate sensitivity with that of the broader municipal market. Forward interest rate swap transactions involve each Fund's agreement with a counterparty to pay, in the future, a fixed or variable rate payment in exchange for the counterparty paying the Fund a variable or fixed rate payment, the accruals for which would begin at a specified date in the future (the "effective date"). The amount of the payment obligation is based on the notional amount of the forward swap contract and the termination date of the swap (which is akin to a bond's maturity). The value of the Fund's swap commitment would increase or decrease based primarily on the extent to which long-term interest rates for bonds having a maturity of the swap's termination date increases or decreases. The Funds may terminate a swap contract prior to the effective date, at which point a realized gain or loss is recognized. When a forward swap is terminated, it ordinarily does not involve the delivery of securities or other underlying assets or principal, but rather

is settled in cash on a net basis. Each Fund intends, but is not obligated, to terminate its forward swaps before the effective date. Accordingly, the risk of loss with respect to the swap counterparty on such transactions is limited to the credit risk associated with a counterparty failing to honor its commitment to pay any realized gain to the Fund upon termination. To reduce such credit risk, all counterparties are required to pledge collateral daily (based on the daily valuation of each swap) on behalf of each Fund with a value approximately equal to the amount of any unrealized gain above a pre-determined threshold. Reciprocally, when any of the Funds have an unrealized loss on a swap contract, the Funds have instructed the custodian to pledge assets of the Funds as collateral with a value approximately equal to the amount of the unrealized loss above a pre-determined threshold. Collateral pledges are monitored and subsequently adjusted if and when the swap valuations fluctuate, either up or down, by at least the predetermined threshold amount.

Futures Contracts

The Funds are authorized to invest in futures contracts. Upon entering into a futures contract, a Fund is required to deposit with the broker an amount of cash or liquid securities equal to a specified percentage of the contract amount. This is known as the "initial margin." Subsequent payments ("variation margin") are made or received by a Fund each day, depending on the daily fluctuation of the value of the contract.

During the period the futures contract is open, changes in the value of the contract are recognized as an unrealized gain or loss by "marking-to-market" on a daily basis to reflect the changes in market value of the contract. When the contract is closed or expired, a Fund records a realized gain or loss equal to the difference between the value of the contract on the closing date and value of the contract when originally entered into. Cash held by the broker to cover initial margin requirements on open futures contracts, if any, is recognized in the Statement of Assets and Liabilities. Additionally, the Statement of Assets and Liabilities reflects a receivable or payable for the variation margin when applicable. The Funds did not invest in any such instruments during the fiscal year ended May 31, 2007.

Risks of investments in futures contracts include the possible adverse movement of the securities or indices underlying the contracts, the possibility that there may not be a liquid secondary market for the contracts and/or that a change in the value of the contract may not correlate with a change in the value of the underlying securities or indices.

Custodian Fee Credit

Each Fund has an arrangement with the custodian bank whereby certain custodian fees and expenses are reduced by credits earned on each Fund's cash on deposit with the bank. Such deposit arrangements are an alternative to overnight investments.

Indemnifications

Under the Funds' organizational documents, their Officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds enter into contracts that provide general indemnifications to other parties. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet

occurred. However, the Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets applicable to Common shares from operations during the reporting period. Actual results may differ from those estimates.

2. FUND SHARES

Transactions in Common shares were as follows:

	MARYLAND PREMIUM INCOME (NMY)		MARYLAND DIVIDEND ADVANTAGE (NFM)		MA AD
	YEAR ENDED 5/31/07	YEAR ENDED 5/31/06	YEAR ENDED 5/31/07	YEAR ENDED 5/31/06	Y EN 5/31
Common shares issued to shareholders due to reinvestment of distributions	6,252	19,420	9,782	5,298	9,

	MARYLAND DIVIDEND ADVANTAGE 3 (NWI)		VIRGINIA PREMIUM INCOME (NPV)		VI A
	YEAR ENDED 5/31/07	YEAR ENDED 5/31/06	YEAR ENDED 5/31/07	YEAR ENDED 5/31/06	Y EN 5/31
Common shares issued to shareholders due to reinvestment of distributions	2,324	1,071	18,377	38,319	4,

	VI AD Y EN 5/31
Common shares issued to shareholders due to reinvestment of distributions	9,

3. INVESTMENT TRANSACTIONS

Purchases and sales (including maturities but excluding short-term investments and derivative transactions) during the fiscal year ended May 31, 2007, were as follows:

	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)	MARY DIVI ADVANTA (
Purchases	$33,382,065	$14,000,508	$11,125
Sales and maturities	29,560,480	11,299,418	9,139

	VIRGINIA PREMIUM INCOME (NPV)	VIRG DIVI ADVAN (
Purchases	$36,465,445	$15,948
Sales and maturities	32,202,287	16,377

4. INCOME TAX INFORMATION

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to the treatment of paydown gains and losses, timing differences in recognizing taxable market discount, timing differences in recognizing certain gains and losses on investment transactions and the treatment of investments in inverse floating rate transactions subject to SFAS No. 140. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts on the Statement of Assets and Liabilities presented in the annual report, based on their federal tax basis treatment; temporary differences do not require reclassification. Temporary and permanent differences do not impact the net asset values of the Funds.

At May 31, 2007, the cost of investments was as follows:

	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)	MARYL DIVID ADVANTAG (N
Cost of investments	$223,430,916	$90,067,053	$90,438,

	VIRGINIA PREMIUM INCOME (NPV)	VIRGI DIVID ADVANT (N
Cost of investments	$191,034,790	$67,478,

Gross unrealized appreciation and gross unrealized depreciation of investments at May 31, 2007, were as follows:

	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)	MARYL DIVID ADVANTAG (N
Gross unrealized:			
Appreciation	$8,205,594	$2,820,167	$2,784,
Depreciation	(749,759)	(216,904)	(272,
Net unrealized appreciation (depreciation) of investments	$7,455,835	$2,603,263	$2,511,

	VIRGINIA PREMIUM INCOME (NPV)	VIRGI DIVID ADVANT (N
Gross unrealized:		
Appreciation	$7,261,662	$2,391,
Depreciation	(528,071)	(208,
Net unrealized appreciation (depreciation) of investments	$6,733,591	$2,182,

The tax components of undistributed net tax-exempt income, net ordinary income and net long-term capital gains at May 31, 2007, the Funds' tax year end, were as follows:

	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)	MARY DIVI ADVANTA (
Undistributed net tax-exempt income *	$258,179	$142,245	$172
Undistributed net ordinary income **	69,718	--	
Undistributed net long-term capital gains	--	--	128

	VIRGINIA PREMIUM INCOME (NPV)	VIRG DIVI ADVAN (
Undistributed net tax-exempt income *	$262,579	$ 77
Undistributed net ordinary income **	8,291	3
Undistributed net long-term capital gains	661,863	396

* Undistributed net tax-exempt income (on a tax basis) has not been reduced

for the dividend declared on May 1, 2007, paid on June 1, 2007.

** Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

The tax character of distributions paid during the tax years ended May 31, 2007 and May 31, 2006, was designated for purposes of the dividends paid deduction as follows:

2007	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)	MARY DIVI ADVANTA (
Distributions from net tax-exempt income ***	$9,664,847	$4,128,452	$4,166
Distributions from net ordinary income **	--	--	6
Distributions from net long-term capital gains ****	--	--	

2007	VIRGINIA PREMIUM INCOME (NPV)	VIRG DIVI ADVAN (
Distributions from net tax-exempt income ***	$8,317,694	$3,260
Distributions from net ordinary income **	--	
Distributions from net long-term capital gains ****	229,747	

2006	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)	MARY DIVI ADVANTA (
Distributions from net tax-exempt income	$10,253,086	$4,350,733	$4,281
Distributions from net ordinary income **	82,432	--	
Distributions from net long-term capital gains	291,303	--	114

2006	VIRGINIA PREMIUM INCOME (NPV)	VIRG DIVI ADVAN (
Distributions from net tax-exempt income	$8,481,521	$3,279
Distributions from net ordinary income **	--	
Distributions from net long-term capital gains	2,392,241	

** Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

*** The Funds hereby designate these amounts paid during the fiscal year ended May 31, 2007, as Exempt Interest Dividends.

**** The Funds hereby designate these amounts paid during the fiscal year ended May 31, 2007, as long-term capital gain dividends pursuant to Internal Revenue Code Section 852(b)(3).

At May 31, 2007, the following Funds had unused capital loss carryforwards available for federal income tax purposes to be applied against future capital gains, if any. If not applied, the carryforwards will expire as follows:

	MARYLAND PREMIUM INCOME (NMY)	MARY DIVI IN (
Expiration year:		
2009	$ --	$
2010	--	37
2011	--	
2012	--	430
2013	--	15
2014	--	62
2015	28,576	
Total	$28,576	$545

Maryland Dividend Advantage elected to defer net realized losses from investments incurred from November 1, 2006 through May 31, 2007 ("post-October losses") in accordance with federal income tax regulations. The post-October losses of $9,857 were treated as having arisen on the first day of the following taxable year.

5. MANAGEMENT FEES AND OTHER TRANSACTIONS WITH AFFILIATES

Each Fund's management fee is separated into two components - a complex-level component, based on the aggregate amount of all fund assets managed by Nuveen Asset Management (the "Adviser"), a wholly owned subsidiary of Nuveen Investments, Inc. ("Nuveen"), and a specific fund-level component, based only on the amount of assets within each individual fund. This pricing structure enables Nuveen fund shareholders to benefit from growth in the assets within each individual fund as well as from growth in the amount of complex-wide assets managed by the Adviser.

The annual fund-level fee, payable monthly, for each Fund is based upon the average daily net assets (including net assets attributable to Preferred shares) of each Fund as follows:

AVERAGE DAILY NET ASSETS (INCLUDING NET ASSETS ATTRIBUTABLE TO PREFERRED SHARES)	MARYLAND PREMIUM INCOME (NMY) VIRGINIA PREMIUM INCOME (NPV) FUND-LEVEL FEE RATE
For the first $125 million	.4500%
For the next $125 million	.4375
For the next $250 million	.4250
For the next $500 million	.4125
For the next $1 billion	.4000
For the next $3 billion	.3875
For net assets over $5 billion	.3750

AVERAGE DAILY NET ASSETS (INCLUDING NET ASSETS ATTRIBUTABLE TO PREFERRED SHARES)	MARYLAND DIVIDEND ADVANTAGE (NFM) MARYLAND DIVIDEND ADVANTAGE 2 (NZR) MARYLAND DIVIDEND ADVANTAGE 3 (NWI) VIRGINIA DIVIDEND ADVANTAGE (NGB) VIRGINIA DIVIDEND ADVANTAGE 2 (NNB) FUND-LEVEL FEE RATE
For the first $125 million	.4500%
For the next $125 million	.4375
For the next $250 million	.4250
For the next $500 million	.4125
For the next $1 billion	.4000
For net assets over $2 billion	.3750

The annual complex-level fee, payable monthly, which is additive to the fund-level fee, for all Nuveen sponsored funds in the U.S., is based on the aggregate amount of total fund assets managed as stated in the table below. As of May 31, 2007, the complex-level fee rate was .1824%.

COMPLEX-LEVEL ASSETS(1)	COMPLEX-LEVEL FEE RATE
For the first $55 billion	.2000%
For the next $1 billion	.1800
For the next $1 billion	.1600
For the next $3 billion	.1425
For the next $3 billion	.1325
For the next $3 billion	.1250
For the next $5 billion	.1200
For the next $5 billion	.1175
For the next $15 billion	.1150
For Managed Assets over $91 billion (2)	.1400

(1) The complex-level fee component of the management fee for the funds is calculated based upon the aggregate Managed Assets ("Managed Assets" means the average daily net assets of each fund including assets attributable to preferred stock issued by or borrowings by the Nuveen funds) of Nuveen-sponsored funds in the U.S.

(2) With respect to the complex-wide Managed Assets over $91 billion, the fee rate or rates that will apply to such assets will be determined at a later date. In the unlikely event that complex-wide Managed Assets reach $91 billion prior to a determination of the complex-level fee rate or rates to be applied to Managed Assets in excess of $91 billion, the complex-level fee rate for such complex-wide Managed Assets shall be .1400% until such time as a different rate or rates is determined.

The management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Funds pay no compensation directly to those of its Trustees who are affiliated with the Adviser or to its Officers, all of whom receive remuneration for their services to the Funds from the Adviser or its affiliates. The Board of Trustees has adopted a deferred compensation plan for independent Trustees that enables Trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from certain Nuveen advised funds. Under the plan, deferred amounts are treated as though equal dollar amounts had

been invested in shares of select Nuveen advised funds.

For the first ten years of Maryland Dividend Advantage's (NFM) and Virginia Dividend Advantage's (NGB) operations, the Adviser has agreed to reimburse the Funds, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING JANUARY 31,		YEAR ENDING JANUARY 31,	
2001*	.30%	2007	.25%
2002	.30	2008	.20
2003	.30	2009	.15
2004	.30	2010	.10
2005	.30	2011	.05
2006	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse Maryland Dividend Advantage (NFM) and Virginia Dividend Advantage (NGB) for any portion of its fees and expenses beyond January 31, 2011.

For the first ten years of Maryland Dividend Advantage 2's (NZR) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING SEPTEMBER 30,		YEAR ENDING SEPTEMBER 30,	
2001*	.30%	2007	.25%
2002	.30	2008	.20
2003	.30	2009	.15
2004	.30	2010	.10
2005	.30	2011	.05
2006	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse Maryland Dividend Advantage 2 (NZR) for any portion of its fees and expenses beyond September 30, 2011.

For the first eight years of Maryland Dividend Advantage 3's (NWI) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING SEPTEMBER 30,		YEAR ENDING SEPTEMBER 30,	
2002*	.32%	2007	.32%
2003	.32	2008	.24
2004	.32	2009	.16
2005	.32	2010	.08
2006	.32		

* From the commencement of operations.			

The Adviser has not agreed to reimburse Maryland Dividend Advantage 3 (NWI) for any portion of its fees and expenses beyond September 30, 2010.

For the first ten years of Virginia Dividend Advantage 2's (NNB) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets (including net assets attributable to Preferred shares), for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING NOVEMBER 30,		YEAR ENDING NOVEMBER 30,	
2001*	.30%	2007	.25%
2002	.30	2008	.20
2003	.30	2009	.15
2004	.30	2010	.10
2005	.30	2011	.05
2006	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse Virginia Dividend Advantage 2 (NNB) for any portion of its fees and expenses beyond November 30, 2011.

6. NEW ACCOUNTING PRONOUNCEMENTS

Financial Accounting Standards Board Interpretation No. 48

On July 13, 2006, the Financial Accounting Standards Board (FASB) released FASB Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" (FIN 48). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Funds' tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. Adoption of FIN 48 is required for fiscal years beginning after December 15, 2006, and is to be applied to all open tax years as of the effective date. Recent SEC guidance allows funds to delay implementing FIN 48 into NAV calculations until the fund's last NAV calculation in the first required financial statement reporting period. As a result, the Funds must begin to incorporate FIN 48 into their NAV calculations by November 30, 2007. At this time, management is continuing to evaluate the implications of FIN 48 and does not expect the adoption of FIN 48 will have a significant impact on the net assets or results of operations of the Funds.

Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 157, "Fair Value Measurements." This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. SFAS No. 157 applies to fair value measurements already required or permitted by existing standards. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current generally accepted accounting principles from the application of this standard relate to the definition of fair value, the methods

used to measure fair value, and the expanded disclosures about fair value measurements. As of May 31, 2007, the Funds do not believe the adoption of SFAS No. 157 will impact the financial statement amounts; however, additional disclosures may be required about the inputs used to develop the measurements and the effect of certain of the measurements included within the Statement of Operations for the period.

7. SUBSEQUENT EVENTS

Distributions to Common Shareholders

The Funds declared Common share dividend distributions from their tax-exempt net investment income which were paid on July 2, 2007, to shareholders of record on June 15, 2007, as follows:

	MARYLAND PREMIUM INCOME (NMY)	MARYLAND DIVIDEND ADVANTAGE (NFM)	MARYLAND DIVIDEND ADVANTAGE 2 (NZR)	MARYLAND DIVIDEND ADVANTAGE 3 (NWI)
Dividend per share	$.0515	$.0585	$.0585	$.0525

	VIRGINIA PREMIUM INCOME (NPV)	VIRGINIA DIVIDEND ADVANTAGE (NGB)	VIRGINIA DIVIDEND ADVANTAGE 2 (NNB)
Dividend per share	$.0530	$.0595	$.0595

Agreement and Plan of Merger

On June 20, 2007, Nuveen Investments announced that it had entered into a definitive Agreement and Plan of Merger ("Merger Agreement") with an investor group majority-led by Madison Dearborn Partners, LLC. Madison Dearborn Partners, LLC is a private equity investment firm based in Chicago, Illinois. The investor group includes affiliates of Merrill Lynch, Wachovia, Citigroup, Deutsche Bank and Morgan Stanley. It is anticipated that Merrill Lynch and its affiliates will be indirect "affiliated persons" (as that term is defined in the Investment Company Act of 1940) of the Funds. Under the terms of the merger, each outstanding share of Nuveen Investments' common stock (other than dissenting shares) will be converted into the right to receive a specified amount of cash, without interest. The merger is expected to be completed by the end of the year, subject to customary conditions, including obtaining the approval of Nuveen Investments shareholders, obtaining necessary fund and client consents sufficient to satisfy the terms of the Merger Agreement, and expiration of certain regulatory waiting periods. The obligations of Madison Dearborn Partners, LLC to consummate the merger are not conditioned on its obtaining financing. The Merger Agreement includes a "go shop" provision through July 19, 2007, during which Nuveen Investments may actively solicit and negotiate competing takeover proposals.

The consummation of the merger will be deemed to be an "assignment" (as defined in the 1940 Act) of the investment management agreement between each Fund and the Adviser, and will result in the automatic termination of each Fund's agreement. Prior to the consummation of the merger, it is anticipated that the

Board of Trustees of each Fund will consider a new investment management agreement with the Adviser. If approved by the Board, the new agreement would be presented to the Fund's shareholders for approval, and, if so approved by shareholders, would take effect upon consummation of the merger. There can be no assurance that the merger described above will be consummated as contemplated or that necessary shareholder approvals will be obtained.

Financial
HIGHLIGHTS

Financial
HIGHLIGHTS

Selected data for a Common share outstanding throughout each period:

	Beginning Common Share Net Asset Value	Investment Operations: Net Investment Income	Investment Operations: Net Realized/ Unrealized Gain (Loss)	Investment Operations: Distributions from Net Investment Income to Preferred Share-holders+	Investment Operations: Distributions from Capital Gains to Preferred Share-holders+	Investment Operations: Total
MARYLAND PREMIUM INCOME (NMY)						
Year Ended 5/31:						
2007	$14.47	$ .88	$ .12	$(.23)	$ --	$ .77
2006	15.12	.89	(.56)	(.18)	--	.15
2005	14.28	.92	.92	(.10)	--	1.74
2004	15.10	.96	(.81)	(.06)	--	.09
2003	14.04	1.02	1.00	(.07)	--	1.95
MARYLAND DIVIDEND ADVANTAGE (NFM)						
Year Ended 5/31:						
2007	14.57	.95	.12	(.24)	--	.83
2006	15.13	.95	(.47)	(.19)	--	.29
2005	14.43	.98	.75	(.10)	--	1.63
2004	15.47	1.01	(1.07)	(.05)	--	(.11)
2003	14.18	1.04	1.18	(.08)	--	2.14

	Offering	Total Returns: Based

	Costs and Preferred Share Underwriting Discounts	Ending Common Share Net Asset Value	Ending Market Value	Based on Market Value*	on Common Share Net Asset Value*
MARYLAND PREMIUM INCOME (NMY)					
Year Ended 5/31:					
2007	$ --	$14.57	$14.84	6.96%	5.35%
2006	--	14.47	14.52	(2.94)	1.08
2005	--	15.12	15.78	15.64	12.52
2004	--	14.28	14.45	(10.77)	.64
2003	--	15.10	17.15	15.22	14.33
MARYLAND DIVIDEND ADVANTAGE (NFM)					
Year Ended 5/31:					
2007	--	14.65	15.28	5.51	5.74
2006	--	14.57	15.19	2.51	1.95
2005	--	15.13	15.63	6.22	11.60
2004	--	14.43	15.62	2.99	(.69)
2003	.01	15.47	16.08	9.98	15.55

	Ratios/Supplemental Data				
	Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement				Ratios to A Applicable After Credi
	Ending Net Assets Applicable to Common Shares (000)	Expenses Including Interest++(a)	Expenses Excluding Interest++(a)	Net Investment Income++	Expenses Including Interest++(a)	Exp Excl Int
MARYLAND PREMIUM INCOME (NMY)						
Year Ended 5/31:						
2007	$155,004	1.27%	1.23%	5.95%	1.26%	
2006	153,834	1.23	1.23	6.05	1.21	
2005	160,496	1.24	1.24	6.22	1.23	
2004	151,107	1.24	1.24	6.54	1.23	
2003	159,415	1.26	1.26	7.00	1.25	
MARYLAND DIVIDEND ADVANTAGE (NFM)						
Year Ended 5/31:						
2007	61,261	1.30	1.26	6.06	.93	
2006	60,762	1.26	1.26	5.99	.81	
2005	63,051	1.26	1.26	6.11	.79	
2004	60,041	1.24	1.24	6.34	.78	
2003	64,338	1.26	1.26	6.54	.79	

	Preferred Shares at End of Period			Floating Rate Obligations at End of Period	
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share	Aggregate Amount Outstanding (000)	Asset Coverage Per $1,000
MARYLAND PREMIUM INCOME (NMY)					
Year Ended 5/31:					
2007	$79,100	$25,000	$73,990	$2,800	$84,609
2006	79,100	25,000	73,620	--	--
2005	79,100	25,000	75,726	--	--
2004	79,100	25,000	72,758	--	--
2003	79,100	25,000	75,384	--	--
MARYLAND DIVIDEND ADVANTAGE (NFM)					
Year Ended 5/31:					
2007	32,000	25,000	72,860	1,133	83,314
2006	32,000	25,000	72,470	--	--
2005	32,000	25,000	74,259	--	--
2004	32,000	25,000	71,907	--	--
2003	32,000	25,000	75,264	--	--

* Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. Total returns are not annualized.

** After custodian fee credit and expense reimbursement, where applicable.

\+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1 - Inverse Floating Rate Securities.

See accompanying notes to financial statements.

82-83 spread

Financial
HIGHLIGHTS (continued)

Selected data for a Common share outstanding throughout each period:

	Investment Operations		
Beginning		Distributions from Net Investment	Distributions from Capital

	Common Share Net Asset Value	Net Investment Income	Net Realized/ Unrealized Gain (Loss)	Income to Preferred Share-holders+	Gains to Preferred Share-holders+	Total
MARYLAND DIVIDEND ADVANTAGE 2 (NZR)						
Year Ended 5/31:						
2007	$14.76	$.94	$ .10	$(.23)	$ --	$ .81
2006	15.45	.94	(.59)	(.18)	--	.17
2005	14.64	.94	.90	(.09)	--	1.75
2004	15.71	.96	(1.08)	(.06)	--	(.18)
2003	14.01	.97	1.62	(.09)	--	2.50
MARYLAND DIVIDEND ADVANTAGE 3 (NWI)						
Year Ended 5/31:						
2007	14.33	.88	.16	(.22)	--	.82
2006	14.82	.86	(.46)	(.18)	--	.22
2005	13.88	.86	.97	(.10)	--	1.73
2004	14.89	.87	(1.03)	(.06)	--	(.22)
2003(b)	14.33	.52	.75	(.05)	--	1.22

				Total Returns	
	Offering Costs and Preferred Share Underwriting Discounts	Ending Common Share Net Asset Value	Ending Market Value	Based on Market Value**	Based on Common Share Net Asset Value**
MARYLAND DIVIDEND ADVANTAGE 2 (NZR)					
Year Ended 5/31:					
2007	$ --	$14.81	$15.38	9.32%	5.56%
2006	--	14.76	14.76	1.13	1.14
2005	--	15.45	15.41	14.71	12.22
2004	--	14.64	14.28	(2.90)	(1.16)
2003	.01	15.71	15.60	12.71	18.39
MARYLAND DIVIDEND ADVANTAGE 3 (NWI)					
Year Ended 5/31:					
2007	--	14.48	14.74	11.47	5.75
2006	--	14.33	13.85	1.09	1.55
2005	--	14.82	14.40	14.98	12.67
2004	--	13.88	13.24	(5.97)	(1.51)
2003(b)	(.20)	14.89	14.90	2.53	7.31

	Ratios/Supplemental Data	
	Ratios to Average Net Assets Applicable to Common Shares	Ratios to A Applicable

	Ending Net Assets Applicable to Common Shares (000)	Before Credit/Reimbursement			After Credi	
		Expenses Including Interest++(a)	Expenses Excluding Interest++(a)	Net Investment Income++	Expenses Including Interest++(a)	Exp Excl Int
MARYLAND DIVIDEND ADVANTAGE 2 (NZR)						
Year Ended 5/31:						
2007	$62,064	1.32%	1.28%	5.86%	.90%	
2006	61,726	1.25	1.25	5.76	.77	
2005	64,500	1.23	1.23	5.74	.77	
2004	61,064	1.24	1.24	5.90	.78	
2003	65,490	1.26	1.26	6.07	.80	
MARYLAND DIVIDEND ADVANTAGE 3 (NWI)						
Year Ended 5/31:						
2007	77,640	1.28	1.24	5.52	.79	
2006	76,809	1.23	1.23	5.41	.73	
2005	79,443	1.23	1.23	5.40	.74	
2004	74,369	1.22	1.22	5.59	.73	
2003(b)	79,700	1.18*	1.18*	5.01*	.70*	

	Preferred Shares at End of Period			Floating Rate Obligations at End of Period	
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share	Aggregate Amount Outstanding (000)	Asset Coverage Per $1,000
MARYLAND DIVIDEND ADVANTAGE 2 (NZR)					
Year Ended 5/31:					
2007	$32,000	$25,000	$73,488	$1,133	$84,022
2006	32,000	25,000	73,224	--	--
2005	32,000	25,000	75,390	--	--
2004	32,000	25,000	72,706	--	--
2003	32,000	25,000	76,164	--	--
MARYLAND DIVIDEND ADVANTAGE 3 (NWI)					
Year Ended 5/31:					
2007	39,000	25,000	74,769	1,400	84,314
2006	39,000	25,000	74,237	--	--
2005	39,000	25,000	75,925	--	--
2004	39,000	25,000	72,672	--	--

* Annualized.

** Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested

capital gains distributions, if any, at the average price paid per share at the time of reinvestment. Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. Total returns are not annualized.

*** After custodian fee credit and expense reimbursement, where applicable.

\+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1 - Inverse Floating Rate Securities.

(b) For the period September 25, 2002 (commencement of operations) through May 31, 2003.

See accompanying notes to financial statements.

84-85 spread

Financial
HIGHLIGHTS (continued)

Selected data for a Common share outstanding throughout each period:

	Investment Operations					
	Beginning Common Share Net Asset Value	Net Investment Income	Net Realized/ Unrealized Gain (Loss)	Distributions from Net Investment Income to Preferred Share-holders+	Distributions from Capital Gains to Preferred Share-holders+	Total
VIRGINIA PREMIUM INCOME (NPV)						
Year Ended 5/31:						
2007	$14.89	$ .88	$ .07	$(.23)	$ --*	$ .72
2006	15.82	.88	(.59)	(.15)	(.03)	.11
2005	14.95	.93	.93	(.09)	--	1.77
2004	15.93	.97	(.99)	(.05)	--	(.07)
2003	14.69	1.00	1.21	(.07)	--	2.14
VIRGINIA DIVIDEND ADVANTAGE (NGB)						
Year Ended 5/31:						
2007	14.91	.96	.14	(.24)	--	.86
2006	15.52	.97	(.54)	(.17)	--	.26
2005	14.42	.99	1.13	(.09)	--	2.03
2004	15.43	1.02	(1.05)	(.05)	--	(.08)
2003	14.23	1.02	1.10	(.07)	--	2.05

			Total Returns	
	Offering Costs and	Ending		Based on

	Preferred Share Underwriting Discounts	Common Share Net Asset Value	Ending Market Value	Based on Market Value**	Common Share Net Asset Value**
VIRGINIA PREMIUM INCOME (NPV)					
Year Ended 5/31:					
2007	$ --	$14.89	$15.24	7.18%	4.89%
2006	--	14.89	14.91	(9.98)	0.71
2005	--	15.82	17.65	24.54	12.13
2004	--	14.95	14.95	(10.70)	(.42)
2003	--	15.93	17.67	15.27	14.99
VIRGINIA DIVIDEND ADVANTAGE (NGB)					
Year Ended 5/31:					
2007	--	14.98	17.51	7.24	5.82
2006	--	14.91	17.10	5.86	1.74
2005	--	15.52	16.99	19.11	14.46
2004	--	14.42	15.07	(8.11)	(.50)
2003	.01	15.43	17.35	21.45	14.92

	Ratios/Supplemental Data					
	Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement				Ratios to A Applicable After Credi	
	Ending Net Assets Applicable to Common Shares (000)	Expenses Including Interest++(a)	Expenses Excluding Interest++(a)	Net Investment Income++	Expenses Including Interest++(a)	Exp Excl Int
VIRGINIA PREMIUM INCOME (NPV)						
Year Ended 5/31:						
2007	$132,900	1.20%	1.20%	5.80%	1.19%	
2006	132,626	1.19	1.19	5.75	1.17	
2005	140,340	1.20	1.20	5.98	1.19	
2004	132,122	1.20	1.20	6.33	1.19	
2003	140,223	1.25	1.25	6.61	1.24	
VIRGINIA DIVIDEND ADVANTAGE (NGB)						
Year Ended 5/31:						
2007	46,908	1.27	1.27	5.99	.90	
2006	46,626	1.26	1.26	5.93	.82	
2005	48,474	1.28	1.28	6.13	.81	
2004	44,988	1.24	1.24	6.39	.77	
2003	48,102	1.28	1.28	6.45	.81	

	Preferred Shares at End of Period			Floating Rate Obligations at End of Period	
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share	Aggregate Amount Outstanding (000)	Asset Coverage Per $1,000
VIRGINIA PREMIUM INCOME (NPV)					
Year Ended 5/31:					
2007	$63,800	$25,000	$77,077	$ --	$ --
2006	63,800	25,000	76,970	--	--
2005	63,800	25,000	79,992	--	--
2004	63,800	25,000	76,772	--	--
2003	63,800	25,000	79,946	--	--
VIRGINIA DIVIDEND ADVANTAGE (NGB)					
Year Ended 5/31:					
2007	24,000	25,000	73,862	--	--
2006	24,000	25,000	73,568	--	--
2005	24,000	25,000	75,493	--	--
2004	24,000	25,000	71,863	--	--
2003	24,000	25,000	75,106	--	--

* Per share Distributions from Capital Gains to Preferred Shareholders rounds to less than $.01 per share.

** Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. Total returns are not annualized.

*** After custodian fee credit and expense reimbursement, where applicable.

\+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1 - Inverse Floating Rate Securities.

See accompanying notes to financial statements.

86-87 spread

Financial
HIGHLIGHTS (continued)

Selected data for a Common share outstanding throughout each period:

	Investment Operations				
	Beginning Common Share	Net	Net Realized/	Distributions from Net Investment Income to Preferred	Distributions from Capital Gains to Preferred

	Net Asset Value	Investment Income	Unrealized Gain (Loss)	Share-holders+	Share-holders+	Total
VIRGINIA DIVIDEND ADVANTAGE 2 (NNB)						
Year Ended 5/31:						
2007	$15.02	$.96	$ .11	$(.24)	$ --	$ .83
2006	15.70	.95	(.52)	(.18)	(.01)	.24
2005	14.79	.96	1.13	(.09)	(.01)	1.99
2004	16.02	.99	(1.22)	(.06)	--	(.29)
2003	14.31	.97	1.69	(.08)	--	2.58

				Total Returns	
	Offering Costs and Preferred Share Underwriting Discounts	Ending Common Share Net Asset Value	Ending Market Value	Based on Market Value*	Based on Common Share Net Asset Value*
VIRGINIA DIVIDEND ADVANTAGE 2 (NNB)					
Year Ended 5/31:					
2007	$ --	$15.08	$16.73	6.96%	5.60%
2006	--	15.02	16.40	3.45	1.53
2005	--	15.70	16.74	21.96	13.75
2004	--	14.79	14.65	(3.81)	(1.84)
2003	--	16.02	16.14	14.58	18.51

	Ratios/Supplemental Data					
	Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement				Ratios to A Applicable After Credi	
	Ending Net Assets Applicable to Common Shares (000)	Expenses Including Interest++(a)	Expenses Excluding Interest++(a)	Net Investment Income++	Expenses Including Interest++(a)	Expe Exclu Inte
VIRGINIA DIVIDEND ADVANTAGE 2 (NNB)						
Year Ended 5/31:						
2007	$86,382	1.21%	1.21%	5.89%	.78%	
2006	85,887	1.19	1.19	5.75	.73	
2005	89,626	1.19	1.19	5.74	.74	
2004	84,248	1.20	1.20	5.99	.74	
2003	91,065	1.21	1.21	6.01	.75	

Floating Rate Obligations

	Preferred Shares at End of Period			at End of Period	
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share	Aggregate Amount Outstanding (000)	Asset Coverage Per $1,000
VIRGINIA DIVIDEND ADVANTAGE 2 (NNB)					
Year Ended 5/31:					
2007	$42,000	$25,000	$76,418	$ --	$ --
2006	42,000	25,000	76,123	--	--
2005	42,000	25,000	78,349	--	--
2004	42,000	25,000	75,148	--	--
2003	42,000	25,000	79,206	--	--

* Total Return on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. Total Return on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. Total returns are not annualized.

** After custodian fee credit and expense reimbursement, where applicable.

\+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1 - Inverse Floating Rate Securities.

See accompanying notes to financial statements.

88-89 spread

Board Members & OFFICERS

The management of the Funds, including general supervision of the duties performed for the Funds by the Adviser, is the responsibility of the Board Members of the Funds. The number of board members of the Fund is currently set at nine. None of the board members who are not "interested" persons of the Funds has ever been a director or employee of, or consultant to, Nuveen or its affiliates. The names and business addresses of the board members and officers of the Funds, their principal occupations and other affiliations during the past five years, the number of portfolios each oversees and other directorships they hold are set forth below.

NAME, BIRTHDATE & ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED AND TERM(2)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY BOARD MEMBER	PRINCIPAL OCCUPATION INCLUDING DIRECTORSH DURING PAS
BOARD MEMBER WHO IS AN INTERESTED PERSON OF THE FUNDS:				
o TIMOTHY R. SCHWERTFEGER(1) 3/28/49	Chairman of	1994		Director (Chairman (

333 W. Wacker Drive Chicago, IL 60606	the Board and Board Member	ANNUAL	176	Chairman (Investment Chairman a Asset Mana Rittenhous 1999); Cha Advisers I Chairman a Advisory C Advisory C (1996-2006 Corporatio
BOARD MEMBERS WHO ARE NOT INTERESTED PERSONS OF THE FUNDS:				
o ROBERT P. BREMNER 8/22/40 333 W. Wacker Drive Chicago, IL 60606	Lead Independent Board member	1997 CLASS III	176	Private In
o JACK B. EVANS 10/22/48 333 W. Wacker Drive Chicago, IL 60606	Board member	1999 CLASS III	176	President, private ph 1996); Dir Fire Group of the Boa Iowa Unive Companies; Iowa Colle Advisory C Finance in University Alliant En Reserve Ba and Chief Group, Inc firm.
o WILLIAM C. HUNTER 3/6/48 333 W. Wacker Drive Chicago, IL 60606	Board member	2004 CLASS II	176	Dean, Tipp of Iowa (s and Distin School of Connecticu Vice Presi the Federa (1995-2003 Research C Director (Director, 2005-Octob

NAME, BIRTHDATE & ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED AND TERM(2)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY BOARD MEMBER	PRINCIPAL OCCUPATION INCLUDING DIRECTORSH DURING PAS
BOARD MEMBERS WHO ARE NOT INTERESTED PERSONS OF THE FUNDS:				

o DAVID J. KUNDERT 10/28/42 333 W. Wacker Drive Chicago, IL 60606	Board member	2005 CLASS II	174	Director, Management Chairman, President Advisors C Group Mutu Vice Presi Chairman a Management College; m Associatio Friends of of Board o Theater.
o WILLIAM J. SCHNEIDER 9/24/44 333 W. Wacker Drive Chicago, IL 60606	Board member	1997 ANNUAL	176	Chairman o a real est Senior Par (retired, formerly, Realty; Bo Committee of Premier not-for-pr Hospital; Philharmon Member, Re promotes c issues; Di Coalition; Advisory B Ohio and B Cleveland
o JUDITH M. STOCKDALE 12/29/47 333 W. Wacker Drive Chicago, IL 60606	Board member	1997 CLASS I	176	Executive Donnelley thereto, E Protection
o CAROLE E. STONE 6/28/47 333 West Wacker Drive Chicago, IL 60606	Board member	2007 CLASS I	176	Director, (since 200 Associatio Commission Public Aut formerly D of the Bud Authoritie Director, Corporatio
o EUGENE S. SUNSHINE 1/22/50 333 W. Wacker Drive Chicago, IL 60606	Board member	2005 CLASS II	176	Senior Vic Finance, N 1997); Dir Options Ex Board of D insurance University Chamber of a business Director (of therapy

physically
children;
National M
national p
community-

NAME, BIRTHDATE AND ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED(4)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY OFFICER	PRINCIPAL OCCUPATION DURING PAS
OFFICERS OF THE FUND:				
o GIFFORD R. ZIMMERMAN 9/9/56 333 W. Wacker Drive Chicago, IL 60606	Chief Administrative Officer	1988	176	Managing D Secretary formerly, General Co Managing D Secretary formerly, Nuveen Ass (since 200 1994) of N Secretary Company, L and Assist Investment Managing D Assistant Management LLC (since Investors, Management Managing D Counsel (1 formerly, Corp. and Corp.(3);
o WILLIAMS ADAMS IV 6/9/55 333 West Wacker Drive Chicago, IL 60606	Vice President	2007	119	Executive Products o 1999), pri Structured
o JULIA L. ANTONATOS 9/22/63 333 W. Wacker Drive Chicago, IL 60606	Vice President	2004	176	Managing D Vice Presi Investment Analyst.
o CEDRIC H. ANTOSIEWICZ 1/11/62 333 W. Wacker Drive Chicago, IL 60606	Vice President	2007	119	Managing D Vice Presi Investment
o MICHAEL T. ATKINSON 2/3/66 333 W. Wacker Drive	Vice President and Assistant	2000	176	Vice Presi Investment

Chicago, IL 60606	Secretary			
o PETER H. D'ARRIGO 11/28/67 333 W. Wacker Drive Chicago, IL 60606	Vice President	1999	176	Vice Presi Investment Inc. (sinc Treasurer 2002) and Inc. (sinc NWQ Invest (since 200 of Nuveen (since 200 Management Barbara As Assistant Investors, President Nuveen Adv Institutio Financial
o LORNA C. FERGUSON 10/24/45 333 W. Wacker Drive Chicago, IL 60606	Vice President	1998	176	Managing D Vice Presi Managing D President Corp. and Corp.(3); Nuveen Ass

NAME, BIRTHDATE AND ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED(4)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY OFFICER	PRINCIPAL OCCUPATION DURING PAS
OFFICERS OF THE FUND:				
o WILLIAM M. FITZGERALD 3/2/64 333 W. Wacker Drive Chicago, IL 60606	Vice President	1995	176	Managing D Vice Presi Managing D Advisory C Advisory C 2001) of N President Advisers I
o STEPHEN D. FOY 5/31/54 333 W. Wacker Drive Chicago, IL 60606	Vice President and Controller	1998	176	Vice Presi Controller Investment and Funds Investment Accountant
o WALTER M. KELLY 2/24/70 333 West Wacker Drive Chicago, IL 60606	Chief Compliance Officer and Vice President	2003	176	Assistant Secretary Vice Presi Assistant

					General Co Investment (2001-2003 Price, Kau
o	DAVID J. LAMB 3/22/63 333 W. Wacker Drive Chicago, IL 60606	Vice President	2000	176	Vice Presi Investment Accountant
o	TINA M. LAZAR 8/27/61 333 W. Wacker Drive Chicago, IL 60606	Vice President	2002	176	Vice Presi (since 199
o	LARRY W. MARTIN 7/27/51 333 W. Wacker Drive Chicago, IL 60606	Vice President and Assistant Secretary	1988	176	Vice Presi Assistant Investment and Assist Corp. and Corp.(3); Assistant Inc.; Vice Assistant Asset Mana 2000), Ass General Co Asset Mana Assistant Advisers I Secretary Company, L Management Global Inv Asset Mana
o	KEVIN J. MCCARTHY 3/26/66 333 W. Wacker Drive Chicago, IL 60606	Vice President and Secretary	2007	176	Vice Presi Counsel, N 2007); pri Lloyd LLP
o	JOHN V. MILLER 4/10/67 333 W. Wacker Drive Chicago, IL 60606	Vice President	2007	176	Managing D Vice Presi Investment Analyst.

(1) Mr. Schwertfeger is an "interested person" of the Funds, as defined in the Investment Company Act of 1940, because he is an officer and board member of the Adviser.

(2) Board Members serve three year terms, except for two board members who are elected by the holders of Preferred Shares. The Board of Trustees is divided into three classes, Class I, Class II, and Class III, with each being elected to serve until the third succeeding annual shareholders' meeting subsequent to its election or thereafter in each case when its respective successors are duly elected or appointed, except two board members are elected by the holders of Preferred Shares to serve until the next annual shareholders' meeting subsequent to its election or thereafter in each case when its respective successors are duly elected or appointed. The first year elected or appointed represents the year in which the board member was first elected or appointed to any fund in the Nuveen Complex.

(3) Nuveen Advisory Corp. and Nuveen Institutional Advisory Corp. were reorganized into Nuveen Asset Management, effective January 1, 2005.

(4) Officers serve one year terms through July of each year. The year first elected or appointed represents the year in which the Officer was first elected or appointed to any fund in the Nuveen Complex.

Annual Investment Management Agreement APPROVAL PROCESS

The Board of Trustees is responsible for overseeing the performance of the investment adviser to the Funds and determining whether to continue the advisory arrangements. At a meeting held on May 21-23, 2007 (the "May Meeting"), the Board of Trustees of the Funds, including the independent Trustees, unanimously approved the continuance of the Investment Management Agreement between each Fund and NAM (the "Fund Adviser").

THE APPROVAL PROCESS

During the course of the year, the Board received a wide variety of materials relating to the services provided by the Fund Adviser and the performance of the Funds. At each of its quarterly meetings, the Board reviews investment performance and various matters relating to the respective Fund's operations, including the Fund's compliance program, shareholder services, valuation, custody, distribution and other information relating to the nature, extent and quality of services provided by the Fund Adviser. Between the regularly scheduled quarterly meetings, the Trustees received information on particular matters as the need arose. In considering whether to renew the respective advisory contract with the Fund Adviser at the May Meeting, the independent Trustees also received extensive materials well in advance of their meeting which outlined, among other things:

- the nature, extent and quality of services provided by the Fund Adviser;
- the organization and business operations of the Fund Adviser, including the responsibilities of various departments and key personnel;
- the Fund's past performance as well as the Fund's performance compared to funds with similar investment objectives based on data and information provided by an independent third party and to customized benchmarks;
- the profitability of the Fund Adviser and certain industry profitability analyses for unaffiliated advisers;
- the expenses of the Fund Adviser in providing the various services;
- the advisory fees and total expense ratios of the Fund, including comparisons of such fees and expenses with those of comparable, unaffiliated funds based on information and data provided by an independent third party (the "Peer Universe") as well as compared to a subset of funds within the Peer Universe (the "Peer Group") of the respective Fund (as applicable);
- the advisory fees the Fund Adviser assesses to other types of investment products or clients;

- the soft dollar practices of the Fund Adviser, if any; and

- from independent legal counsel, a legal memorandum describing among other things, applicable laws, regulations and duties in reviewing and approving advisory contracts.

At the May Meeting, the Fund Adviser made a presentation to and responded to questions from the Board.

Prior to and after the presentations and reviewing the written materials, the independent Trustees met privately with their legal counsel to review the Board's duties in reviewing advisory contracts and consider the renewal of the advisory contracts. The independent Trustees, in consultation with independent counsel, reviewed the factors set out in judicial decisions and SEC directives relating to the renewal of advisory contracts. As outlined in more detail below, the Trustees considered all factors they believed relevant with respect to each Fund, including, but not limited to, the following: (a) the nature, extent and quality of the services to be provided by the Fund Adviser; (b) the investment performance of the Fund and the Fund Adviser; (c) the costs of the services to be provided and profits to be realized by the Fund Adviser and its affiliates; (d) the extent to which economies of scale would be realized; and (e) whether fee levels reflect these economies of scale for the benefit of Fund investors. In addition, as noted, the Trustees met regularly throughout the year to oversee the Funds. In evaluating the advisory contracts, the Trustees also relied upon

their knowledge resulting from their meetings and other interactions throughout the year of the Fund Adviser, its services and the Funds. It is with this background that the Trustees considered each advisory contract.

A. NATURE, EXTENT AND QUALITY OF SERVICES

In reviewing the Fund Adviser, the Trustees considered the nature, extent and quality of the Fund Adviser's services. The Trustees reviewed materials outlining, among other things, the Fund Adviser's organization and business; the types of services that the Fund Adviser or its affiliates provide and are expected to provide to the Funds; the performance record of the applicable Fund (as described in further detail below); and any initiatives Nuveen has taken for the municipal fund product line. As noted, the Trustees are already familiar with the organization, operations and personnel of the Fund Adviser due to the Trustees' experience in governing the respective Fund and working with NAM on matters relating to the Funds. With respect to personnel, the Trustees recognized NAM's investment in additional qualified personnel throughout the various groups in the organization and recommended to NAM that it continue to review staffing needs as necessary. In addition, with respect to the municipal funds advised by NAM, the Trustees reviewed materials describing the current status and, in particular, the developments in 2006 with respect to NAM's investment process, investment strategies (including additional tools used in executing such strategies), personnel (including portfolio management and research teams), trading process, hedging team, risk management team (e.g., reviewing credit quality, duration limits, derivative use, as applicable), and investment operations (such as, enhancements to trading procedures, pricing procedures, and client services). The Trustees recognized NAM's investment of resources and efforts to continue to enhance and refine its investment process.

In addition to advisory services, the independent Trustees considered the quality of any administrative or non-advisory services provided. With respect to NAM, NAM provides the Funds with a wide variety of services and officers and

other personnel as are necessary for the operations of the respective Fund, including,

- product management;
- fund administration;
- oversight of shareholder services and other fund service providers;
- administration of Board relations;
- regulatory and portfolio compliance; and
- legal support services.

As the Funds operate in a highly regulated industry and given the importance of compliance, the Trustees considered, in particular, NAM's compliance activities for the Funds and enhancements thereto. In this regard, the Trustees recognized the quality of NAM's compliance team. The Trustees further noted NAM's negotiations with other service providers and the corresponding reduction in certain service providers' fees.

With respect to closed-end funds, in addition to the foregoing services, the Trustees also noted the additional services that NAM or its affiliates provide to closed-end funds, including, in particular, its secondary market support activities. The Trustees recognized Nuveen's continued commitment to supporting the secondary market for the common shares of its closed-end funds through a variety of programs designed to raise investor and analyst awareness and understanding of closed-end funds. These efforts include:

- maintaining shareholder communications;
- providing advertising for closed-end funds;
- maintaining its closed-end fund website;
- continual contact with financial advisers;
- providing educational symposia;
- conducting research with investors and financial analysis regarding closed-end funds; and
- evaluating secondary market performance.

With respect to Funds that utilize leverage through the issuance of preferred shares, the Trustees noted Nuveen's continued support for the preferred shares by, among other things:

- maintaining an in-house trading desk;
- maintaining a product manager for the preferred shares;
- developing distribution for preferred shares with new market participants;
- maintaining an orderly auction process;

- managing leverage and risk management of leverage; and

- maintaining systems necessary to test compliance with rating agency criteria.

Based on their review, the Trustees found that, overall, the nature, extent and quality of services provided (and expected to be provided) to the respective Funds under the Investment Management Agreements were satisfactory.

B. THE INVESTMENT PERFORMANCE OF THE FUNDS AND FUND ADVISER

The Board considered the investment performance for each Fund, including the Fund's historic performance as well as its performance compared to funds with similar investment objectives (the "Performance Peer Group") based on data provided by an independent third party (as described below). With respect to municipal funds, the Trustees reviewed portfolio level performance against customized benchmarks, as described in further detail below.

In evaluating the performance information, in certain instances, the Trustees noted that the closest Performance Peer Group for a Fund may not adequately reflect such Fund's investment objectives and strategies, thereby limiting the usefulness of the comparisons of such Fund's performance with that of the Performance Peer Group.

With respect to state specific municipal funds, the Trustees also recognized that certain state municipal funds do not have a corresponding state specific Performance Peer Group in which case their performance is measured against a more general municipal category for various states. With respect to municipal closed-end funds, municipal funds that do not have corresponding state-specific Performance Peer Groups are from all states other than New York, California, Florida, New Jersey, Michigan, and Pennsylvania. However, with respect to Funds based on Florida, New Jersey, Michigan and Pennsylvania, the peer group may be so small or the Nuveen Funds may dominate the category to such an extent that performance information for such Funds was also compared to the more general category for all states (other than New York and California).

With respect to municipal funds, the Trustees reviewed performance information including, among other things, total return information compared with the Fund's Performance Peer Group for the one-, three- and five-year periods (as applicable) ending December 31, 2006. The Trustees also reviewed the Fund's portfolio level performance (which does not reflect fund level fees and expenses) compared to customized portfolio-level benchmarks for the one- and three-year periods ending December 31, 2006 (as applicable). This analysis is designed to assess the efficacy of investment decisions against appropriate measures of risk and total return, within specific market segments. This information supplements the Fund performance information provided to the Board at each of its quarterly meetings. Based on their review, the Trustees determined that the respective Fund's absolute and relative investment performance over time had been satisfactory, subject to the following. With respect to various municipal closed-end funds, the Trustees have noted the relative total return underperformance in recent years compared to peers. The Trustees reviewed materials and discussed with the Fund Adviser the factors contributing to the shift in performance including, among other things, the degree of risk undertaken by peers compared to the Funds (such as through the increased use of leverage or taking concentrated positions in high risk credits). In addition, the Trustees also considered a Fund's dividend performance and the extent of any secondary market discounts. The Trustees noted NAM's efforts to evaluate the factors affecting performance and determine whether modification to a Fund's investment strategy is necessary or appropriate and are satisfied with the steps being taken.

C. FEES, EXPENSES AND PROFITABILITY

1. FEES AND EXPENSES

In evaluating the management fees and expenses of a Fund, the Board reviewed, among other things, the Fund's advisory fees (net and gross management fees) and total expense ratios (before and after expense reimbursements and/or waivers) in absolute terms as well as comparisons to the gross management fees (before waivers), net management fees (after waivers) and total expense ratios (before and after waivers) of comparable funds in the Peer Universe and the Peer Group. In reviewing the fee schedule for a Fund, the Trustees considered the fund-level and complex-wide breakpoint schedules (described in further detail below) and any fee waivers and reimbursements provided by Nuveen (applicable, in particular, for certain Funds launched since 1999). The Trustees further reviewed data regarding the construction of Peer Groups as well as the methods of measurement for the fee and expense analysis and the performance analysis. In certain cases, due to the small number of peers in the Peer Universe, the Peer Universe and Peer Group may be the same. In reviewing the comparison of fee and expense information, the Trustees recognized that in certain cases, the Fund size relative to peers, the small size and odd composition of the Peer Group (including differences in objectives and strategies), expense anomalies, timing of information used or other factors impact the comparisons thereby limiting some of their usefulness. With respect to municipal closed-end funds, the Trustees also considered the differences in the use of leverage. Based on their review of the fee and expense information provided, the Trustees determined that each Fund's net total expense ratio was within an acceptable range compared to peers.

2. COMPARISONS WITH THE FEES OF OTHER CLIENTS

The Trustees further reviewed data comparing the advisory fees of NAM with fees NAM charges to other clients. With respect to municipal funds, such other clients include municipal managed accounts. In general, the advisory fees charged for separate accounts are somewhat lower than the advisory fees assessed to the Funds. The Trustees considered the differences in the product types, including, but not limited to, the services provided, the structure and operations, product distribution and costs thereof, portfolio investment policies, investor profiles, account sizes and regulatory requirements. The Trustees noted, in particular, that the range of services provided to the Funds (as discussed above) is more extensive than that provided to separately managed accounts. As described in further detail above, such additional services include, but are not limited to, providing: product management, fund administration, oversight of third party service providers, administration of Board relations, and legal support. Funds further operate in a highly regulated industry requiring extensive compliance functions compared to the other investment products. Given the inherent differences in the products, particularly the extensive services provided to the Funds, the Trustees believe such facts justify the different levels of fees.

3. PROFITABILITY OF FUND ADVISERS

In conjunction with its review of fees, the Trustees also considered the profitability of Nuveen for its advisory activities (which incorporated Nuveen's wholly-owned affiliated sub-advisers) and its financial condition. The Trustees reviewed the revenues and expenses of Nuveen's advisory activities for the last three years, the allocation methodology used in

preparing the profitability data as well as the 2006 Annual Report for Nuveen. The Trustees noted this information supplements the profitability information requested and received during the year to help keep them apprised of developments affecting profitability (such as changes in fee waivers and expense reimbursement commitments). In this regard, the Trustees noted the enhanced dialogue and information regarding profitability with NAM during the year, including more frequent meetings and updates from Nuveen's corporate finance group. The Trustees also reviewed data comparing Nuveen's profitability with other fund sponsors prepared by three independent third party service providers as well as comparisons of the revenues, expenses and profit margins of various unaffiliated management firms with similar amounts of assets under management prepared by Nuveen.

In reviewing profitability, the Trustees have recognized the subjective nature in determining profitability which may be affected by numerous factors, including, the allocation of expenses. Further, the Trustees

have recognized the difficulties in making comparisons as the profitability of other advisers generally is not publicly available and the profitability information that is available for certain advisers or management firms may not be representative of the industry and may be affected by, among other things, the adviser's particular business mix, capital costs, types of funds managed and expense allocations.

Notwithstanding the foregoing, the Trustees reviewed Nuveen's methodology and assumptions for allocating expenses across product lines to determine profitability. Last year, the Trustees also designated an independent Trustee as a point person for the Board to review the methodology determinations during the year and any refinements thereto and report back to them. The Trustees also reviewed the comparisons of Nuveen's profitability margins (including pre- and post-marketing profit margins) with the profitability of various unaffiliated management firms. In reviewing profitability, the Trustees recognized Nuveen's increased investment into its fund business. Based on its review, the Trustees concluded that they were satisfied that Nuveen's level of profitability for its advisory activities was reasonable in light of the services provided.

In evaluating the reasonableness of the compensation, the Trustees also considered any other revenues paid to the Fund Adviser as well as any indirect benefits (such as soft dollar arrangements, if any) the Fund Adviser and its affiliates are expected to receive that are directly attributable to their management of the Funds, if any. See Section E below for additional information. Based on their review of the overall fee arrangements of the applicable Fund, the Trustees determined that the advisory fees and expenses of the respective Fund were reasonable.

D. ECONOMIES OF SCALE AND WHETHER FEE LEVELS REFLECT THESE ECONOMIES OF SCALE

With respect to economies of scale, the Trustees recognized the potential benefits resulting from the costs of a Fund being spread over a larger asset base. To help ensure the shareholders share in these benefits, the Trustees have reviewed and considered the breakpoints in the advisory fee schedules that reduce advisory fees. In addition to advisory fee breakpoints, the Board also approved in 2004 a complex-wide fee arrangement. Pursuant to the complex-wide fee arrangement, the fees of the funds in the Nuveen complex, including the Funds, are reduced as the assets in the fund complex reach certain levels. In evaluating the complex-wide fee arrangement, the Trustees noted that the last

breakpoint for the complex-wide fee schedule is at the $91 billion level and anticipate further review and/or negotiations prior to the assets of the Nuveen complex reaching such threshold. Based on their review, the Trustees concluded that the breakpoint schedule and complex-wide fee arrangement currently was acceptable and desirable in providing benefits from economies of scale to shareholders subject to further evaluation of the complex-wide fee schedule as assets in the complex increase.

E. INDIRECT BENEFITS

In evaluating fees, the Trustees also considered any indirect benefits or profits the Fund Adviser or its affiliates may receive as a result of its relationship with each Fund. With respect to closed-end funds, the Trustees considered revenues received by affiliates of NAM for serving as agent at Nuveen's preferred trading desk and for serving as a co-manager in the initial public offering of new closed-end exchange traded funds.

In addition to the above, the Trustees considered whether the Fund Adviser received any benefits from soft dollar arrangements whereby a portion of the commissions paid by a Fund for brokerage may be used to acquire research that may be useful to the Fund Adviser in managing the assets of the Fund and other clients. With respect to NAM, the Trustees noted that NAM does not currently have any soft dollar arrangements; however, to the extent certain bona fide agency transactions that occur on markets that traditionally trade on a principal basis and riskless principal transactions are considered as generating "commissions," NAM intends to comply with the applicable safe harbor provisions.

F. OTHER CONSIDERATIONS

The Trustees did not identify any single factor discussed previously as all-important or controlling. The Trustees, including the independent Trustees, unanimously concluded that the terms of the NAM Investment Management Agreements are fair and reasonable, that the Fund Adviser's fees are reasonable in light of the services provided to each Fund and that the renewal of the NAM Investment Management Agreements should be approved.

Reinvest Automatically
EASILY and CONVENIENTLY

NUVEEN MAKES REINVESTING EASY. A PHONE CALL IS ALL IT TAKES TO SET UP YOUR REINVESTMENT ACCOUNT.

NUVEEN CLOSED-END FUNDS DIVIDEND REINVESTMENT PLAN

Your Nuveen Closed-End Fund allows you to conveniently reinvest dividends and/or capital gains distributions in additional Fund shares.

By choosing to reinvest, you'll be able to invest money regularly and automatically, and watch your investment grow through the power of tax-free compounding. Just like dividends or distributions in cash, there may be times when income or capital gains taxes may be payable on dividends or distributions that are reinvested.

It is important to note that an automatic reinvestment plan does not ensure a profit, nor does it protect you against loss in a declining market.

EASY AND CONVENIENT

To make recordkeeping easy and convenient, each month you'll receive a statement showing your total dividends and distributions, the date of investment, the shares acquired and the price per share, and the total number of shares you own.

HOW SHARES ARE PURCHASED

The shares you acquire by reinvesting will either be purchased on the open market or newly issued by the Fund. If the shares are trading at or above net asset value at the time of valuation, the Fund will issue new shares at the greater of the net asset value or 95% of the then-current market price. If the shares are trading at less than net asset value, shares for your account will be purchased on the open market. If the Plan Agent begins purchasing Fund shares on the open market while shares are trading below net asset value, but the Fund's shares subsequently trade at or above their net asset value before the Plan Agent is able to complete its purchases, the Plan Agent may cease open-market purchases and may invest the uninvested portion of the distribution in newly-issued Fund shares at a price equal to the greater of the shares' net asset value or 95% of the shares' market value on the last business day immediately prior to the purchase date. Dividends and distributions received to purchase shares in the open market will normally be invested shortly after the dividend payment date. No interest will be paid on dividends and distributions awaiting reinvestment. Because the market price of the shares may increase before purchases are completed, the average purchase price per share may exceed the market price at the time of valuation, resulting in the acquisition of fewer shares than if the dividend or distribution had been paid in shares issued by the Fund. A pro rata portion of any applicable brokerage commissions on open market purchases will be paid by Plan participants. These commissions usually will be lower than those charged on individual transactions.

FLEXIBLE

You may change your distribution option or withdraw from the Plan at any time, should your needs or situation change. Should you withdraw, you can receive a certificate for all whole shares credited to your reinvestment account and cash payment for fractional shares, or cash payment for all reinvestment account shares, less brokerage commissions and a $2.50 service fee.

You can reinvest whether your shares are registered in your name, or in the name of a brokerage firm, bank, or other nominee. Ask your investment advisor if his or her firm will participate on your behalf. Participants whose shares are registered in the name of one firm may not be able to transfer the shares to another firm and continue to participate in the Plan.

The Fund reserves the right to amend or terminate the Plan at any time. Although the Fund reserves the right to amend the Plan to include a service charge payable by the participants, there is no direct service charge to participants in the Plan at this time.

CALL TODAY TO START REINVESTING DIVIDENDS AND/OR DISTRIBUTIONS

For more information on the Nuveen Automatic Reinvestment Plan or to enroll in or withdraw from the Plan, speak with your financial advisor or call us at (800) 257-8787.

100

NOTES

101

Glossary of
TERMS USED in this REPORT

- AVERAGE ANNUAL TOTAL RETURN: This is a commonly used method to express an investment's performance over a particular, usually multi-year time period. It expresses the return that would have been necessary each year to equal the investment's actual cumulative performance (including change in NAV or market price and reinvested dividends and capital gains distributions, if any) over the time period being considered.

- AVERAGE EFFECTIVE MATURITY: The average of the number of years to maturity of the bonds in a Fund's portfolio, computed by weighting each bond's time to maturity (the date the security comes due) by the market value of the security. This figure does not account for the likelihood of prepayments or the exercise of call provisions unless an escrow account has been established to redeem the bond before maturity. The market value weighting for an investment in an inverse floating rate security is the value of the portfolio's residual interest in the inverse floating rate trust, and does not include the value of the floating rate securities issued by the trust.

- INVERSE FLOATERS: Inverse floating rate securities are created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. This trust, in turn, (a) issues floating rate certificates typically paying short-term tax-exempt interest rates to third parties in amounts equal to some fraction of the deposited bond's par amount or market value, and (b) issues an inverse floating rate certificate (sometimes referred to as an "inverse floater") to an investor (such as a Fund) interested in gaining investment exposure to a long-term municipal bond. The income received by the holder of the inverse floater varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the holder of the inverse floater bears substantially all of the underlying bond's downside investment risk. The holder of the inverse floater typically also benefits disproportionately from any potential appreciation of the underlying bond's value. Hence, an inverse floater essentially represents an investment in the underlying bond on a leveraged basis.

- LEVERAGE-ADJUSTED DURATION: Duration is a measure of the expected period over which a bond's principal and interest will be paid, and consequently is a measure of the sensitivity of a bond's or bond Fund's value to changes when market interest rates change. Generally, the longer a bond's or Fund's duration, the more the price of the bond or Fund will change as interest rates change. Leverage-adjusted duration takes into account the leveraging process for a Fund and therefore is longer than the duration of the Fund's portfolio of bonds.

- MARKET YIELD (ALSO KNOWN AS DIVIDEND YIELD OR CURRENT YIELD): An investment's current annualized dividend divided by its current market price.

- NET ASSET VALUE (NAV): A Fund's common share NAV per share is calculated by subtracting the liabilities of the Fund (including any MuniPreferred shares issued in order to leverage the Fund) from its total assets and then dividing the remainder by the number of shares outstanding. Fund NAVs are calculated at the end of each business day.

- TAXABLE-EQUIVALENT YIELD: The yield necessary from a fully taxable investment to equal, on an after-tax basis, the yield of a municipal bond investment.

Other Useful INFORMATION

QUARTERLY PORTFOLIO OF INVESTMENTS AND PROXY VOTING INFORMATION

Each Fund's (i) quarterly portfolio of investments, (ii) information regarding how the Funds voted proxies relating to portfolio securities held during the 12-month period ended June 30, 2006, and (iii) a description of the policies and procedures that the Funds used to determine how to vote proxies relating to portfolio securities are available without charge, upon request, by calling Nuveen Investments toll-free at (800) 257-8787 or on Nuveen's website at www.nuveen.com.

You may also obtain this and other Fund information directly from the Securities and Exchange Commission ("SEC"). The SEC may charge a copying fee for this information. Visit the SEC on-line at http://www.sec.gov or in person at the SEC's Public Reference Room in Washington, D.C. Call the SEC at 1-202-942-8090 for room hours and operation. You may also request Fund information by sending an e-mail request to publicinfo@sec.gov or by writing to the SEC's Public References Section at 450 Fifth Street NW, Washington, D.C. 20549.

CEO CERTIFICATION DISCLOSURE

For Funds listed on the New York Stock Exchange, each Fund's Chief Executive Officer has submitted to the Exchange the annual CEO certification as required by Section 303A.12(a) of the NYSE Listed Company Manual.

Each Fund has filed with the Securities and Exchange Commission the certification of its Chief Executive Officer and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

INVESTMENT POLICY CHANGE

In February 2007, the Board of Trustees voted to remove investment policy restrictions that limited the territorial bond holdings of these Funds to a maximum of 10 percent of net assets. This change will give the Funds' portfolio managers greater flexibility to achieve its investment objectives.

BOARD OF TRUSTEES
Robert P. Bremner
Jack B. Evans
William C. Hunter
David J. Kundert
William J. Schneider
Timothy R. Schwertfeger
Judith M. Stockdale

Carol E. Stone
Eugene S. Sunshine

FUND MANAGER
Nuveen Asset Management
333 West Wacker Drive
Chicago, IL 60606

CUSTODIAN
State Street Bank & Trust Company
Boston, MA

TRANSFER AGENT AND
SHAREHOLDER SERVICES
State Street Bank & Trust Company
Nuveen Funds
P.O. Box 43071
Providence, RI 02940-3071
(800) 257-8787

LEGAL COUNSEL
Chapman and Cutler LLP
Chicago, IL

INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM
Ernst & Young LLP
Chicago, IL

Each Fund intends to repurchase shares of its own common or preferred stock in the future at such times and in such amounts as is deemed advisable. No shares were repurchased during the period covered by this report. Any future repurchases will be reported to shareholders in the next annual or semiannual report.

Nuveen Investments:

SERVING INVESTORS FOR GENERATIONS

Since 1898, financial advisors and their clients have relied on Nuveen Investments to provide dependable investment solutions. For the past century, Nuveen Investments has adhered to the belief that the best approach to investing is to apply conservative risk-management principles to help minimize volatility. Building on this tradition, we today offer a range of high quality equity and fixed-income solutions that are integral to a well-diversified core portfolio. Our clients have come to appreciate this diversity, as well as our continued adherence to proven, long-term investing principles.

WE OFFER MANY DIFFERENT INVESTING SOLUTIONS FOR OUR CLIENTS' DIFFERENT NEEDS.

Managing $166 billion in assets, as of March 31, 2007, Nuveen Investments offers access to a number of different asset classes and investing solutions through a variety of products. Nuveen Investments markets its capabilities under six distinct brands: NWQ, specializing in value-style equities; Nuveen, managing fixed-income investments; Santa Barbara, committed to growth equities; Tradewinds, specializing in global value equities; Rittenhouse, focused on

"blue-chip" growth equities; and Symphony, with expertise in alternative investments as well as equity and income portfolios.

FIND OUT HOW WE CAN HELP YOU REACH YOUR FINANCIAL GOALS.

To learn more about the products and services Nuveen Investments offers, talk to your financial advisor, or call us at (800) 257-8787. Please read the information provided carefully before you invest.

Be sure to obtain a prospectus, where applicable. Investors should consider the investment objective and policies, risk considerations, charges and expenses of the Fund carefully before investing. The prospectus contains this and other information relevant to an investment in the Fund. For a prospectus, please contact your securities representative or NUVEEN INVESTMENTS, 333 W. WACKER DR., CHICAGO, IL 60606. Please read the prospectus carefully before you invest or send money.

Learn more about Nuveen Funds at: WWW.NUVEEN.COM/ETF

SHARE PRICES
FUND DETAILS
DAILY FINANCIAL NEWS
INVESTOR EDUCATION
INTERACTIVE PLANNING TOOLS

EAN-A-0507D

ITEM 2. CODE OF ETHICS.

As of the end of the period covered by this report, the registrant has adopted a code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. There were no amendments to or waivers from the Code during the period covered by this report. The registrant has posted the code of ethics on its website at www.nuveen.com/etf. (To view the code, click on the Investor Resources drop down menu box, click on Fund Governance and then click on Code of Conduct.)

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The registrant's Board of Directors or Trustees determined that the registrant has at least one "audit committee financial expert" (as defined in Item 3 of Form N-CSR) serving on its Audit Committee. The registrant's audit committee financial expert is Jack B. Evans, Chairman of the Audit Committee, who is "independent" for purposes of Item 3 of Form N-CSR.

Mr. Evans was formerly President and Chief Operating Officer of SCI Financial Group, Inc., a full service registered broker-dealer and registered investment adviser ("SCI"). As part of his role as President and Chief Operating Officer, Mr. Evans actively supervised the Chief Financial Officer (the "CFO") and actively supervised the CFO's preparation of financial statements and other filings with various regulatory authorities. In such capacity, Mr. Evans was actively involved in the preparation of SCI's financial statements and the resolution of issues raised in connection therewith. Mr. Evans has also served on the audit committee of various reporting companies. At such companies, Mr. Evans was involved in the oversight of audits, audit plans, and the preparation of financial statements. Mr. Evans also formerly chaired the audit committee of the Federal Reserve Bank of Chicago.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Nuveen Maryland Dividend Advantage Municipal Fund 3

The following tables show the amount of fees that Ernst & Young LLP, the Fund's auditor, billed to the Fund during the Fund's last two full fiscal years. For engagements with Ernst & Young LLP the Audit Committee approved in advance all audit services and non-audit services that Ernst & Young LLP provided to the Fund, except for those non-audit services that were subject to the pre-approval exception under Rule 2-01 of Regulation S-X (the "pre-approval exception"). The pre-approval exception for services provided directly to the Fund waives the pre-approval requirement for services other than audit, review or attest services if: (A) the aggregate amount of all such services provided constitutes no more than 5% of the total amount of revenues paid by the Fund to its accountant during the fiscal year in which the services are provided; (B) the Fund did not recognize the services as non-audit services at the time of the engagement; and (C) the services are promptly brought to the Audit Committee's attention, and the Committee (or its delegate) approves the services before the audit is completed.

The Audit Committee has delegated certain pre-approval responsibilities to its Chairman (or, in his absence, any other member of the Audit Committee).

SERVICES THAT THE FUND'S AUDITOR BILLED TO THE FUND

FISCAL YEAR ENDED	AUDIT FEES BILLED TO FUND (1)	AUDIT-RELATED FEES BILLED TO FUND (2)	TAX FEES BILLED TO FUND (3)
May 31, 2007	$ 9,445	$ 0	$ 0
Percentage approved pursuant to pre-approval exception	0%	0%	0%
May 31, 2006	$ 8,955	$ 0	$524
Percentage approved pursuant to pre-approval exception	0%	0%	0%

(1) "Audit Fees" are the aggregate fees billed for professional services for the audit of the Fund's annual financial statements and services provided in connection with statutory and regulatory filings or engagements.

(2) "Audit Related Fees" are the aggregate fees billed for assurance and related services reasonably related to the performance of the audit or review of financial statements and are not reported under "Audit Fees".

(3) "Tax Fees" are the aggregate fees billed for professional services for tax advice, tax compliance, and tax planning.

(4) "All Other Fees" are the aggregate fees billed for products and services other than "Audit Fees", "Audit Related Fees", and "Tax Fees".

SERVICES THAT THE FUND'S AUDITOR BILLED TO THE ADVISER AND AFFILIATED FUND SERVICE PROVIDERS

The following tables show the amount of fees billed by Ernst & Young LLP to Nuveen Asset Management ("NAM" or the "Adviser"), and any entity controlling, controlled by or under common control with NAM ("Control Affiliate") that provides ongoing services to the Fund ("Affiliated Fund Service Provider"), for engagements directly related to the Fund's operations and financial reporting, during the Fund's last two full fiscal years.

The tables also show the percentage of fees subject to the pre-approval exception. The pre-approval exception for services provided to the Adviser and any Affiliated Fund Service Provider (other than audit, review or attest services) waives the pre-approval requirement if: (A) the aggregate amount of all such services provided constitutes no more than 5% of the total amount of revenues paid to Ernst & Young LLP by the Fund, the Adviser and Affiliated Fund Service Providers during the fiscal year in which the services are provided that would have to be pre-approved by the Audit Committee; (B) the Fund did not recognize the services as non-audit services at the time of the engagement; and (C) the services are promptly brought to the Audit Committee's attention, and the Committee (or its delegate) approves the services before the Fund's audit is completed.

FISCAL YEAR ENDED	AUDIT-RELATED FEES BILLED TO ADVISER AND AFFILIATED FUND SERVICE PROVIDERS	TAX FEES BILLED TO ADVISER AND AFFILIATED FUND SERVICE PROVIDERS (1)	ALL OTH BILLED TO AND AFFILI SERVICE P
May 31, 2007	$ 0	$ 0	$
Percentage approved pursuant to pre-approval exception	0%	0%	0
May 31, 2006	$ 0	$ 2,400	$
Percentage approved pursuant to pre-approval exception	0%	0%	0

(1) The amounts reported for the Fund under the column heading "Tax Fees" represents amounts billed to the Adviser exclusively for the preparation for the Fund's tax return, the cost of which is borne by the Adviser. In the aggregate, for all Nuveen funds for which Ernst & Young LLP serves as independent registered public accounting firm, these fees amounted to $161,400 in 2006. Beginning with fund fiscal years ending August 31, 2006, Ernst & Young LLP will no longer prepare the fund tax returns.

NON-AUDIT SERVICES

The following table shows the amount of fees that Ernst & Young LLP billed during the Fund's last two full fiscal years for non-audit services. The Audit Committee is required to pre-approve non-audit services that Ernst & Young LLP

provides to the Adviser and any Affiliated Fund Services Provider, if the engagement related directly to the Fund's operations and financial reporting (except for those subject to the de minimis exception described above). The Audit Committee requested and received information from Ernst & Young LLP about any non-audit services that Ernst & Young LLP rendered during the Fund's last fiscal year to the Adviser and any Affiliated Fund Service Provider. The Committee considered this information in evaluating Ernst & Young LLP's independence.

FISCAL YEAR ENDED	TOTAL NON-AUDIT FEES BILLED TO FUND	TOTAL NON-AUDIT FEES BILLED TO ADVISER AND AFFILIATED FUND SERVICE PROVIDERS (ENGAGEMENTS RELATED DIRECTLY TO THE OPERATIONS AND FINANCIAL REPORTING OF THE FUND)	TOTA BILL AFFIL PROV
May 31, 2007	$ 2,250	$ 0	
May 31, 2006	$ 3,374	$ 2,400	

"Non-Audit Fees billed to Adviser" for both fiscal year ends represent "Tax Fees" billed to Adviser in their respective amounts from the previous table.

Audit Committee Pre-Approval Policies and Procedures. Generally, the Audit Committee must approve (i) all non-audit services to be performed for the Fund by the Fund's independent accountants and (ii) all audit and non-audit services to be performed by the Fund's independent accountants for the Affiliated Fund Service Providers with respect to operations and financial reporting of the Fund. Regarding tax and research projects conducted by the independent accountants for the Fund and Affiliated Fund Service Providers (with respect to operations and financial reports of the Fund) such engagements will be (i) pre-approved by the Audit Committee if they are expected to be for amounts greater than $10,000; (ii) reported to the Audit Committee chairman for his verbal approval prior to engagement if they are expected to be for amounts under $10,000 but greater than $5,000; and (iii) reported to the Audit Committee at the next Audit Committee meeting if they are expected to be for an amount under $5,000.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

The registrant's Board of Directors or Trustees has a separately designated Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78c(a)(58)(A)). The members of the audit committee are Robert P. Bremner, Jack B. Evans, William J. Schneider, Eugene S. Sunshine and David J. Kundert.

ITEM 6. SCHEDULE OF INVESTMENTS.

See Portfolio of Investments in Item 1.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

The registrant invests its assets primarily in municipal bonds and cash management securities. On rare occasions the registrant may acquire, directly or through a special purpose vehicle, equity securities of a municipal bond issuer whose bonds the registrant already owns when such bonds have deteriorated or are

expected shortly to deteriorate significantly in credit quality. The purpose of acquiring equity securities generally will be to acquire control of the municipal bond issuer and to seek to prevent the credit deterioration or facilitate the liquidation or other workout of the distressed issuer's credit problem. In the course of exercising control of a distressed municipal issuer, NAM may pursue the registrant's interests in a variety of ways, which may entail negotiating and executing consents, agreements and other arrangements, and otherwise influencing the management of the issuer. NAM does not consider such activities proxy voting for purposes of Rule 206(4)-6 under the 1940 Act, but nevertheless provides reports to the registrant's Board of Trustees on its control activities on a quarterly basis.

In the rare event that a municipal issuer were to issue a proxy or that the registrant were to receive a proxy issued by a cash management security, NAM would either engage an independent third party to determine how the proxy should be voted or vote the proxy with the consent, or based on the instructions, of the registrant's Board of Trustees or its representative. A member of NAM's legal department would oversee the administration of the voting, and ensure that records were maintained in accordance with Rule 206(4)-6, reports were filed with the SEC on Form N-PX, and the results provided to the registrant's Board of Trustees and made available to shareholders as required by applicable rules.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

THE PORTFOLIO MANAGER

The following individual has primary responsibility for the day-to-day implementation of the registrant's investment strategies:

NAME	FUND
CATHRYN P. STEEVES	Nuveen Maryland Dividend Advantage Municipal Fund 3

Other Accounts Managed. In addition to managing the registrant, the portfolio manager is also primarily responsible for the day-to-day portfolio management of the following accounts:

PORTFOLIO MANAGER	TYPE OF ACCOUNT MANAGED	NUMBER ACCOU
Cathryn P. Steeves	Registered Investment Company	41
	Other Pooled Investment Vehicles	-0
	Other Accounts	-0

* Assets are as of May 31, 2007. None of the assets in these accounts are subject to an advisory fee based on performance.

Compensation. Each portfolio manager's compensation consists of three basic elements--base salary, cash bonus and long-term incentive compensation. The compensation strategy is to annually compare overall compensation, including these three elements, to the market in order to create a compensation structure that is competitive and consistent with similar financial services companies. As discussed below, several factors are considered in determining each portfolio manager's total compensation. In any year these factors may include, among

others, the effectiveness of the investment strategies recommended by the portfolio manager's investment team, the investment performance of the accounts managed by the portfolio manager, and the overall performance of Nuveen Investments, Inc. (the parent company of NAM). Although investment performance is a factor in determining the portfolio manager's compensation, it is not necessarily a decisive factor. The portfolio manager's performance is evaluated in part by comparing manager's performance against a specified investment benchmark. This fund-specific benchmark is a customized subset (limited to bonds in each Fund's specific state and with certain maturity parameters) of the S&P/Investortools Municipal Bond index, an index comprised of bonds held by managed municipal bond fund customers of Standard & Poor's Securities Pricing, Inc. that are priced daily and whose fund holdings aggregate at least $2 million. As of April 30, 2007, the S&P/Investortools Municipal Bond index was comprised of 50,300 securities with an aggregate current market value of $985.260 billion.

Base salary. Each portfolio manager is paid a base salary that is set at a level determined by NAM in accordance with its overall compensation strategy discussed above. NAM is not under any current contractual obligation to increase a portfolio manager's base salary.

Cash bonus. Each portfolio manager is also eligible to receive an annual cash bonus. The level of this bonus is based upon evaluations and determinations made by each portfolio manager's supervisors, along with reviews submitted by his peers. These reviews and evaluations often take into account a number of factors, including the effectiveness of the investment strategies recommended to the NAM's investment team, the performance of the accounts for which he serves as portfolio manager relative to any benchmarks established for those accounts, his effectiveness in communicating investment performance to stockholders and their representatives, and his contribution to the NAM's investment process and to the execution of investment strategies. The cash bonus component is also impacted by the overall performance of Nuveen Investments, Inc. in achieving its business objectives.

Long-term incentive compensation. Each portfolio manager is eligible to receive bonus compensation in the form of equity-based awards issued in securities issued by Nuveen Investments, Inc. The amount of such compensation is dependent upon the same factors articulated for cash bonus awards but also factors in his long-term potential with the firm.

Material Conflicts of Interest. Each portfolio manager's simultaneous management of the registrant and the other accounts noted above may present actual or apparent conflicts of interest with respect to the allocation and aggregation of securities orders placed on behalf of the Registrant and the other account. NAM, however, believes that such potential conflicts are mitigated by the fact that the NAM has adopted several policies that address potential conflicts of interest, including best execution and trade allocation policies that are designed to ensure (1) that portfolio management is seeking the best price for portfolio securities under the circumstances, (2) fair and equitable allocation of investment opportunities among accounts over time and (3) compliance with applicable regulatory requirements. All accounts are to be treated in a non-preferential manner, such that allocations are not based upon account performance, fee structure or preference of the portfolio manager. In addition, NAM has adopted a Code of Conduct that sets forth policies regarding conflicts of interest.

Beneficial Ownership of Securities. As of the May 31, 2007, the portfolio manager beneficially owned the following dollar range of equity securities issued by the Registrant and other Nuveen Funds managed by NAM's municipal investment team.

NAME OF PORTFOLIO MANAGER	FUND	DOLLAR RANGE OF EQUITY SECURITIES BENEFICIALLY OWNED IN FUND	DOLLA EQUIT BENEF IN TH NUVEE BY NA INVES
Cathryn Steeves	Nuveen Maryland Dividend Advantage Municipal Fund 3	$0	$10,0

PORTFOLIO MANAGER BIO:

Cathryn Steeves, PhD is currently a portfolio manager for 42 state-specific municipal bond funds. She joined Nuveen in 1996 and worked as a senior analyst in the healthcare sector. Cathryn has an undergraduate degree from Wake Forest University, an MA, MPhil and a PhD from Columbia University.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There have been no material changes to the procedures by which shareholders may recommend nominees to the registrants Board implemented after the registrant last provided disclosure in response to this item.

ITEM 11. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (17 CFR 240.13a-15(b) or 240.15d-15(b)).

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

File the exhibits listed below as part of this Form. Letter or number the exhibits in the sequence indicated.

(a)(1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit: Not applicable because the code is posted on registrant's website at www.nuveen.com/etf and there were no amendments during the period covered by this report. (To view the code, click on the Investor Resources drop down menu box, click on Fund Governance and then Code of Conduct.)

(a)(2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)) in the exact form set forth below: Ex-99.CERT Attached hereto.

(a)(3) Any written solicitation to purchase securities under Rule 23c-1 under the 1940 Act (17 CFR 270.23c-1) sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons. Not applicable.

(b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the 1940 Act (17 CFR 270.30a-2(b)); Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed "filed" for purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference. Ex-99.906 CERT attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) Nuveen Maryland Dividend Advantage Municipal Fund 3

By (Signature and Title)* /s/ Kevin J. McCarthy
Kevin J. McCarthy
Vice President and Secretary

Date: August 8, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)* /s/ Gifford R. Zimmerman
Gifford R. Zimmerman
Chief Administrative Officer
(principal executive officer)

Date: August 8, 2007

By (Signature and Title)* /s/ Stephen D. Foy

Stephen D. Foy
Vice President and Controller
(principal financial officer)

Date: August 8, 2007

* Print the name and title of each signing officer under his or her signature.