

NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2
Form N-CSR
May 06, 2010

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 811-10197

Nuveen California Dividend Advantage Municipal Fund 2

(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: February 28

Date of reporting period: February 28, 2010

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.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

ITEM 1. REPORTS TO STOCKHOLDERS.

[LOGO]
NUVEEN
INVESTMENTS

Closed-End Funds

Nuveen Investments
Municipal Closed-End Funds

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

Annual Report
February 28, 2010

NUVEEN INSURED CALIFORNIA
PREMIUM INCOME MUNICIPAL
FUND, INC.
NPC

NUVEEN INSURED CALIFORNIA
PREMIUM INCOME MUNICIPAL
FUND 2, INC.
NCL

NUVEEN CALIFORNIA
PREMIUM INCOME
MUNICIPAL FUND
NCU

NUVEEN CALIFOR
DIVIDEND ADVA
MUNICIPAL FUN
NAC

NUVEEN CALIFORNIA
DIVIDEND ADVANTAGE
MUNICIPAL FUND 2
NVX

NUVEEN CALIFORNIA
DIVIDEND ADVANTAGE
MUNICIPAL FUND 3
NZH

NUVEEN INSURED CALIFORNIA
DIVIDEND ADVANTAGE
MUNICIPAL FUND
NKL

NUVEEN INSURE
TAX-FREE ADVA
MUNICIPAL FUN
NKX

FEBRUARY

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 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 ROBERT P. BREMNER]

DEAR SHAREHOLDER,

The economic environment in which your Fund operates reflects continuing but uneven economic recovery. The U.S. and other major industrial countries are experiencing steady but comparatively low levels of economic growth, while emerging market countries are seeing a resumption of relatively strong economic expansion. The largest source of economic uncertainty is the potential impact of steps being considered by many governments to counteract the extraordinary governmental spending and credit expansion carried out to deal with the financial and economic crisis of 2008. Consequently, the implications for future tax rates, government spending, interest rates and the pace of economic recovery in the U.S. and other leading economies are extremely difficult to predict at the present time. The long term health of the global economy depends on restoring some measure of fiscal discipline around the world, but since all of the corrective steps require economic pain, it is not surprising that governments are reluctant to undertake them.

In the near term, governments remain committed to furthering economic recovery and realizing a meaningful reduction in their national unemployment rates. Such an environment should produce continued economic growth and, consequently, attractive investment opportunities. Over the longer term, the larger uncertainty mentioned earlier carries the risk of unexpected potholes in the road to sustained recovery. For this reason, Nuveen's investment management teams are working hard to balance return and risk by building well-diversified portfolios, among other strategies. I encourage you to read the following commentary on the management of your Fund. As always, I also encourage you to contact your financial consultant if you have any questions about your Nuveen Fund investment.

Over the last twelve months, the Nuveen leveraged municipal closed-end funds continued to make progress in refinancing their auction rate preferred shares (ARPS). By the fall of 2009, all of the Nuveen taxable closed-end Funds had completed redemption of their ARPS at par value. As of March 31, 2010, approximately 40% of the municipal ARPS issued by the Nuveen Funds also had been redeemed. Please consult the Nuveen web site for the most recent information on this issue and all recent developments on your Nuveen Funds at: www.nuveen.com.

On behalf of the other members of your Fund's Board, we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,
/s/ Robert P. Bremner

Robert P. Bremner
Chairman of the Board
April 19, 2010

Portfolio Manager's Comments

Nuveen Insured California Premium Income Municipal Fund, Inc. (NPC)
Nuveen Insured California Premium Income Municipal Fund 2, Inc. (NCL)
Nuveen California Premium Income Municipal Fund (NCU)
Nuveen California Dividend Advantage Municipal Fund (NAC)
Nuveen California Dividend Advantage Municipal Fund 2 (NVX)
Nuveen California Dividend Advantage Municipal Fund 3 (NZH)
Nuveen Insured California Dividend Advantage Municipal Fund (NKL)
Nuveen Insured California Tax-Free Advantage Municipal Fund (NKX)

PORTFOLIO MANAGER SCOTT ROMANS REVIEWS ECONOMIC AND MUNICIPAL MARKET CONDITIONS AT BOTH THE NATIONAL AND STATE LEVELS, KEY INVESTMENT STRATEGIES, AND THE TWELVE-MONTH PERFORMANCE OF THE NUVEEN CALIFORNIA MUNICIPAL FUNDS. SCOTT, WHO JOINED NUVEEN IN 2000, HAS MANAGED NCU, NAC, NVX, NZH, NKL AND NKX SINCE 2003. HE ASSUMED PORTFOLIO MANAGEMENT RESPONSIBILITY FOR NPC AND NCL IN 2005.

WHAT FACTORS AFFECTED THE U.S. ECONOMIC AND MUNICIPAL MARKET ENVIRONMENTS DURING THE TWELVE-MONTH REPORTING PERIOD ENDED FEBRUARY 28, 2010?

During this reporting period, municipal bond prices generally rose as strong cash flows into municipal bond funds combined with tighter supply of new tax-exempt issuance to provide favorable supply and demand conditions. As the period began, there continued to be considerable downward pressure on the economy, and both the Federal Reserve (Fed) and the federal government continued their efforts to improve overall economic conditions. The Fed kept the benchmark fed funds rate in a target range of zero to 0.25% after cutting it to its record low level in December 2008. In February 2009, the federal government passed a \$787 billion economic stimulus package. At its meeting in March 2010 (after the close of this reporting period), the Fed pledged to keep the fed funds rate "exceptionally low" for an "extended period."

In recent months, these and other measures taken by the Fed and the government to ease the economic recession have produced some incipient signs of improvement. In the fourth quarter of 2009, the U.S. gross domestic product (GDP), grew at an annualized rate of 5.6%, the fastest pace in six years. This was the second quarter in a row that the economy posted positive growth, following four quarters of contraction. Housing prices also provided a bright spot between May 2009 and January 2010 by recording nine consecutive months of positive returns (on a seasonally adjusted basis) after three years of decline. At the same time, inflation remained relatively tame, as the Consumer Price Index (CPI) rose 2.1%. The core CPI (which excludes food and energy) rose 1.3% over the year, within the Fed's unofficial objective of 2.0% or lower for this measure. Since the recession began in December 2007, the U.S. economy has lost a total of 8.4

CERTAIN STATEMENTS IN THIS REPORT ARE FORWARD-LOOKING STATEMENTS. DISCUSSIONS OF SPECIFIC INVESTMENTS ARE FOR ILLUSTRATION ONLY AND ARE NOT INTENDED AS RECOMMENDATIONS OF INDIVIDUAL INVESTMENTS. THE FORWARD-LOOKING STATEMENTS AND OTHER VIEWS EXPRESSED HEREIN ARE THOSE OF THE PORTFOLIO MANAGER AS OF THE DATE OF THIS REPORT. ACTUAL FUTURE RESULTS OR OCCURRENCES MAY DIFFER SIGNIFICANTLY FROM THOSE ANTICIPATED IN ANY FORWARD-LOOKING STATEMENTS AND THE VIEWS EXPRESSED HEREIN ARE SUBJECT TO CHANGE AT ANY TIME, DUE TO NUMEROUS MARKET AND OTHER FACTORS. THE FUNDS DISCLAIM ANY OBLIGATION TO UPDATE PUBLICLY OR REVISE ANY FORWARD-LOOKING STATEMENTS OR VIEWS EXPRESSED HEREIN.

2 Nuveen Investments

million jobs, the biggest decline since the Great Depression. While labor markets remained weak, recent months saw a slight improvement. As of February 2010, the national unemployment rate was 9.7%, up from 8.2% in February 2009 but down from the 26-year high of 10.1% in October 2009.

Municipal market conditions began to show general signs of improvement throughout most of the period. This trend was bolstered by the reduced supply of tax-exempt municipal debt in the marketplace, due in part to the introduction of the Build America Bond program in April 2009. Build America Bonds are a new class of taxable municipal debt created as part of the February 2009 economic stimulus package. These bonds currently offer municipal issuers a federal subsidy equal to 35% of the security's interest payments and therefore provide issuers with an attractive alternative to traditional tax-exempt debt. Between April 2009 and the end of this reporting period, taxable Build America Bonds issuance totaled \$78.2 billion, accounting for 20% of new bonds issued in the municipal market during that time. Over the twelve months ended February 28, 2010, municipal bond issuance nationwide--both tax-exempt and taxable--totaled \$423.1 billion, an increase of 7.3% compared with the twelve-month period ended February 28, 2009. Demand for tax-exempt bonds remained strong during this period and, combined with lower tax-exempt supply, provided support for municipal bond prices.

HOW WERE THE ECONOMIC AND MARKET ENVIRONMENTS IN CALIFORNIA DURING THIS PERIOD?

California continued to struggle to emerge from a deep recession, which was driven in part by the severe correction in the state's housing market. As of February 2010, California's unemployment rate had risen to 12.5%, up from 10.2% in February 2009. On the positive side, California's economy remained relatively diverse, and exports, which increased in recent months, continue to grow based on improving global demand, especially for the state's technology products. According to the Standard & Poor's (S&P)/Case-Shiller home price index of 20 major metropolitan areas, home prices in San Francisco, San Diego and Los Angeles rose 9.0%, 5.9%, and 3.9%, respectively, during the twelve months ended January 2010, compared with an average decline of 0.7% nationally. The increases in home value in these three cities contrasted sharply with their declines for the twelve months ended January 2009, which ranged from 25% to 32%.

During the summer of 2009, the state closed a gap in the fiscal 2009-2010 budget using an assortment of one-time measures, which led to the reappearance of the same kinds of deficit problems in the fiscal 2010-2011 budget. For the 2010-2011 budget, California faces a total shortfall of almost \$20 billion. Plans called for closing that gap by cutting spending on health and human services, welfare, transportation, and environmental programs as well as by generating additional revenue through the rollback of recent corporate tax breaks and expansion of oil drilling off the Santa Barbara coast. In addition, the state proposed asking the federal government for increased funds to help cover costs for Medicaid, imprisoning illegal immigrants and implementing federal education mandates. After billions of dollars in cuts to school funding in California in recent years, spending for public schools and colleges, which accounted for \$36 billion of expenditures in the 2010-2011 budget, would be protected under the current plan.

Nuveen Investments 3

As of February 2010, Moody's, S&P and Fitch rated California general obligation (GOs) bonds at Baal, A-, and BBB, respectively. These ratings reflected Moody's downgrades to A2 from A1 in March 2009 and to Baal from A2 in July 2009. In January 2010, S&P lowered California's GO rating to A- from A. Fitch, which had rated California GOs at A+ in February 2009, downgraded its rating three times

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

during this period--in March, June and July 2009. All three rating agencies cited the state's severe fiscal imbalance and continued budgetary stress as reasons for the downgrades. For the twelve months ended February 28, 2010, municipal issuance in California totaled \$74.0 billion, an increase of 42% from the previous twelve months. California remained the largest state issuer in the nation, representing approximately 17.5% of total issuance nationwide for the twelve months ended February 2010.

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

As previously mentioned, the availability of new tax-exempt bonds declined during this period, due in part to the introduction of taxable Build America Bonds in April 2009. Although total municipal issuance--including tax-exempt as well as taxable issuance--was up substantially in California for the twelve months ended February 28, 2010, Build America Bonds accounted for more than 83% of the increase. With \$18.3 billion in Build America Bonds issued in the state during this period, California ranked as the largest user of these bonds among the 50 states. Since interest payments from Build America Bonds represent taxable income, we do not view these bonds as good investment opportunities for the tax-exempt California Funds.

For the insured California Funds, this situation was compounded by the severe decline in the issuance of AAA rated insured bonds. Over the past twelve months, new insured securities accounted for approximately 8% of national issuance, compared with about 18% during the same period a year earlier and historical levels of approximately 50%.

Given the constrained supply, we continued to find attractive value opportunities, taking a bottom-up approach to discovering undervalued sectors and individual credits with the potential to perform well over the long term. During this period, the California Funds purchased health care, health care district and public utilities bonds. Tax-exempt supply was usually more plentiful in the health care sector because hospitals generally do not qualify for the Build America Bond program and so must continue to issue bonds in the tax-exempt municipal market. In addition, health care entities in California were active issuers during this period, as they sought to replace variable rate issuance with fixed rates. Although we had previously de-emphasized bonds issued by the State of California due to their exposure to the state's economic problems, we believed that California GOs and public works bonds (backed by appropriation debt of the state) offered good value as credit spreads on these bonds widened. Many of the Funds took new positions in these state credits for the first time in a long while, especially during the last part of 2009. Some of the Funds also purchased local GOs for school districts, waste water bonds and--in the insured Funds--insured utilities credits. We also found attractive new issuances offering favorable structures and large coupons in the "dirt deal" (i.e., land-secured bonds that finance public infrastructure costs for new developments)

4 Nuveen Investments

segment of the market, and we increased our exposure to certain issuers of these bonds that we already held in our portfolios.

Cash for new purchases during this period was generated largely by maturing or called bonds. In addition, the Funds took advantage of selected opportunities to sell a few pre-refunded and other bonds with very short maturities. In general, we tried to manage our purchase opportunities around anticipated cash flows.

As of February 28, 2010, all eight of these Funds continued to use inverse

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

floating rate securities.(1) We employ inverse floaters as a form of leverage for a variety of reasons, including duration(2) management, income enhancement and total return enhancement.

HOW DID THE FUNDS PERFORM?

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

AVERAGE ANNUAL TOTAL RETURNS ON COMMON SHARE NET ASSET VALUE FOR PERIODS ENDED 2/28/10

	1-YEAR	5-YEAR	10-YEAR

UNINSURED FUNDS			
NCU	17.06%	3.70%	6.80%
NAC	21.97%	3.79%	7.75%
NVX	19.52%	4.52%	N/A
NZH	22.17%	3.21%	N/A
Standard & Poor's (S&P) California Municipal Bond Index(3)	9.81%	3.95%	5.59%
Standard & Poor's (S&P) National Municipal Bond Index(4)	11.20%	4.32%	5.77%
Lipper California Municipal Debt Funds Average(5)	20.09%	2.84%	6.16%
INSURED FUNDS			
NPC	10.66%	3.97%	6.58%
NCL	15.35%	3.75%	6.44%
NKL	15.42%	4.44%	N/A
NKX	15.49%	4.10%	N/A
Standard & Poor's (S&P) California Municipal Bond Index(3)	9.81%	3.95%	5.59%
Standard & Poor's (S&P) Insured National Municipal Bond Index(6)	10.49%	4.22%	6.00%
Lipper Single-State Insured Municipal Debt Funds Average(7)	16.93%	3.63%	6.49%

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.

- (1) An inverse floating rate security, also known as an inverse floater, 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 this reporting period, are further defined within the Notes to Financial Statements and Glossary of Terms Used in this Report sections of this report.
- (2) 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.

- (3) The Standard & Poor's (S&P) California Municipal Bond Index is an unleveraged, market value-weighted index designed to measure the performance of the investment-grade California municipal bond market. This index does not reflect any initial or ongoing expenses and is not available for direct investment.
- (4) The Standard & Poor's (S&P) National Municipal Bond Index is an unleveraged, market value-weighted index designed to measure the performance of the investment-grade U.S. municipal bond market. This index does not reflect any initial or ongoing expenses and is not available for direct investment.
- (5) The Lipper California Municipal Debt Funds Average is calculated using the returns of all closed-end funds in this category for each period as follows: 1-year, 24 funds; 5-year, 24 funds; and 10-year, 12 funds. Lipper returns account for the effects of management fees and assume reinvestment of dividends, but do not reflect any applicable sales charges. The Lipper average is not available for direct investment.
- (6) The Standard & Poor's (S&P) Insured National Municipal Bond Index is a national unlever-aged, market value-weighted index designed to measure the performance of the insured U.S. municipal bond market. This index does not reflect any initial or ongoing expenses and is not available for direct investment.
- (7) The Lipper Single-State Insured Municipal Debt Funds Average is calculated using the returns of all closed-end funds in this category for each period as follows: 1-year, 44 funds; 5-year, 44 funds funds; and 10-year, 24 funds. Lipper returns account for the effects of management fees and assume reinvestment of dividends, but do not reflect any applicable sales charges. The Lipper average is not available for direct investment.

Nuveen Investments 5

For the twelve months ended February 28, 2010, the total returns on common share net asset value (NAV) for all eight of these California Funds exceeded the return for the Standard & Poor's (S&P) California Municipal Bond Index. NCU, NAC, NVX and NZH outperformed the S&P National Municipal Bond Index, while NPC, NCL, NKL and NKX surpassed the return on the S&P Insured National Municipal Bond Index. NAC and NZH exceeded the average return for the Lipper California Municipal Debt Funds Average, while NCU and NVX trailed this measure. All four of the insured Funds underperformed the Lipper Single-State Insured Municipal Debt Funds Average. Shareholders of the insured Funds should note that the Lipper Single-State Insured Municipal Debt Funds Average includes bonds from states in addition to California, which may make direct comparisons between the Funds and this benchmark less meaningful.

Key management factors that influenced the Funds' returns during this period included yield curve and duration positioning, credit exposure and sector allocation. In addition, the use of leverage was an important factor affecting each of the Funds' performances over this period. The impact of leverage is discussed in more detail on page seven.

During this period, yields on tax-exempt bonds generally declined and bond prices rose, especially at the longer end of the municipal yield curve. As a result, longer-term bonds generally outperformed credits with shorter maturities. Overall, duration and yield curve positioning proved positive for the performances of these Funds. The Funds tended to have durations that were longer than that of the market or--in the case of NKL and NKX--longer than their

duration targets, which had a positive impact on performance. In NVX, however, which had a duration slightly shorter than that of the market, duration positioning was a modest negative.

While duration and yield curve positioning played an important role in performance during these twelve months, credit exposure had an even greater impact. The demand for municipal bonds increased during this period, driven by a variety of factors, including concerns about potential tax increases, the need to rebalance portfolio allocations and a growing appetite for additional risk. At the same time, the supply of tax-exempt municipal paper declined. As investors bid up municipal bond prices, bonds rated BBB or below and non-rated bonds generally outperformed those rated AAA. In this environment, the Funds' performances benefited from their allocations of lower quality credits. This was especially true in NAC and NZH, which had the heaviest weightings of BBB and non-rated bonds among the four uninsured Funds. In addition, uninsured Dividend Advantage Funds, NAC, NVX and NZH were able to invest in subinvestment-grade bonds, which boosted their performances for the twelve months, especially relative to NCU, which cannot purchase bonds in this credit quality sector. On the other hand, the higher credit quality holdings of the four insured Funds hampered their relative performances during this period. NKX had the most exposure to BBB and non-rated bonds among these four Funds, followed by NKL and NCL, while NPC had the least. These weightings were reflected in their relative performances.

Holdings that generally contributed to each Funds' performance during this period included industrial development revenue and health care bonds. In particular, NCU, NAC and NZH were overweight in health care, which had a positive impact on their performances. Revenue bonds as a whole performed well, with housing, transportation and public utilities among the sectors also outperforming the general municipal market

6 Nuveen Investments

for this period. In addition, zero coupon bonds and lower-rated tobacco bonds were among the strongest performers.

Pre-refunded bonds, which are typically backed by U.S. Treasury securities, performed relatively poorly during this period. The underperformance of these bonds can be attributed primarily to their shorter effective maturities and higher credit quality. Many general obligation bonds also failed to keep pace with the overall municipal market, while education, water and sewer, leasing and resource recovery trailed the other revenue sectors for the twelve months. NAC, NVX, NZH and NKX were underweighted in GOs, which lessened the impact of the underperformance of this sector on these Funds' returns. Our holdings of "dirt deal" bonds also generally performed poorly during this period.

IMPACT OF THE FUNDS' LEVERAGE STRATEGIES ON PERFORMANCE

One important factor impacting the returns of these Funds relative to the comparative indexes was the Funds' use of financial leverage. The Funds use leverage because their managers believe that, over time, leveraging provides opportunities for additional income and total returns for common shareholders. However, use of leverage also can expose common shareholders to additional volatility. For example, as the prices of securities held by a Fund decline, the negative impact of these valuation changes on common share net asset value and common shareholder total return is magnified by the use of leverage. Conversely, leverage may enhance common share returns during periods when bond prices generally are rising.

Leverage made a significant positive contribution to the performance of these

Funds over this reporting period.

RECENT DEVELOPMENTS REGARDING THE FUNDS' LEVERAGED CAPITAL STRUCTURE

Shortly after their inception, each of the Funds issued auction rate preferred shares (ARPS) to create financial leverage. As noted in past shareholder reports, the ARPS issued by many closed-end funds, including these Funds, have been hampered by a lack of liquidity since February 2008. Since that time, more ARPS have been submitted for sale in each of their regularly scheduled auctions than there have been offers to buy. In fact, offers to buy have been almost completely non-existent since late February 2008. This means that these auctions have "failed to clear," and that many, or all, of the ARPS shareholders who wanted to sell their shares in these auctions were unable to do so. This lack of liquidity in ARPS did not lower the credit quality of these shares, and ARPS shareholders unable to sell their shares received distributions at the "maximum rate" applicable to failed auctions, as calculated in accordance with the pre-established terms of the ARPS. In the recent market, with short-term rates at multigenerational lows, those maximum rates also have been low.

One continuing implication for common shareholders from the auction failures is that each Fund's cost of leverage likely has been incrementally higher at times than it otherwise might have been had the auctions continued to be successful. As a result, each Fund's common share earnings likely have been incrementally lower at times than they otherwise might have been.

Nuveen Investments 7

As noted in past shareholder reports, the Nuveen funds' Board of Directors/Trustees authorized several methods to refinance a portion of the Nuveen funds' outstanding ARPS. Some Funds have invested in tender option bonds (TOBs), also known as floating rate securities. The amount of TOBs that a Fund may use varies according to the composition of each Fund's portfolio. Some Funds have a greater ability to use TOBs than others. As of February 28, 2010, some Funds have issued Variable Rate Demand Preferred Shares (VRDP), but these issuances have been limited since it has been difficult to find liquidity providers on economically viable terms given the constrained credit environment. Some Funds have issued MuniFund Term Preferred Shares (MTP), a fixed-rate form of preferred stock with a mandatory redemption period of five years.

While all these efforts have reduced the total amount of outstanding ARPS issued by the Nuveen funds, the Funds cannot provide any assurance on when the remaining outstanding ARPS might be redeemed.

As of February 28, 2010, the amount of ARPS redeemed by the Funds are as shown in the accompanying table.

FUND	AUCTION RATE PREFERRED SHARES REDEEMED	% OF ORIGINAL AUCTION RATE PREFERRED SHARES
NPC	--	--
NCL	\$ 15,175,000	16.0%
NCU	\$ 8,625,000	20.1%
NAC	\$ 39,475,000	22.6%
NVX	\$ 16,225,000	14.8%
NZH	\$117,500,000	62.8%
NKL	\$ 9,750,000	8.3%
NKX	\$ 45,000,000	100.0%

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Subsequent to the reporting period, the following Funds noticed for redemption at par additional ARPS. The total amount of ARPS redeemed and percentage of each Fund's original ARPS subsequent to the reporting period are as shown in the accompanying table.

FUND	AUCTION RATE PREFERRED SHARES NOTICED FOR REDEMPTION	AUCTION RATE PREFERRED SHARES REDEEMED	% OF ORIGINAL AUCTION RATE PREFERRED SHARES
NPC	\$45,000,000	45,000,000	100.0%
NCL	\$ 6,500,000	21,675,000	22.8%
NKL	\$ 4,500,000	14,250,000	12.1%

Subsequent to the reporting period, NPC issued \$42.7 million of VRDP to redeem at par the Fund's outstanding ARPS. As noted previously, VRDP is a newly-developed instrument that essentially replaces all or a portion of the ARPS used as leverage and potentially could be used to refinance all or a portion of the ARPS of other Funds. VRDP shares include a liquidity feature that allows holders of VRDP to have their shares purchased by a liquidity provider in the event that sell orders have not been matched with purchase orders and successfully settled in a remarketing. The liquidity feature for NPC's VRDP is being provided by Deutsche Bank AG, acting through its New York Branch. VRDP dividends will be set weekly at a rate established by Morgan Stanley & Co. Incorporated, as remarketing agent. VRDP is offered only to qualified institutional buyers, defined pursuant to Rule 144A under the Securities Act of 1933.

8 Nuveen Investments

Subsequent to the reporting period, NCU, NAC, NVX and NKL filed with the Securities and Exchange Commission (SEC) registration statements seeking to register MTP. These registration statements, declared effective by the SEC, enable the Funds to issue to the public shares of MTP to refinance all or a portion of their ARPS. The issuance of MTP by these Funds is subject to market conditions. There is no assurance that these MTP shares will be issued.

As of February 28, 2010, 80 out of the 84 Nuveen closed-end municipal funds that had issued ARPS have redeemed, at par, all or a portion of these shares. These redemptions bring the total amount of Nuveen's municipal closed-end funds' ARPS redemptions to approximately \$3.0 billion of the original approximately \$11.0 billion outstanding.

For up-to-date information, please visit the Nuveen CEF Auction Rate Preferred Resource Center at: <http://www.nuveen.com/arps>.

RECENT DEVELOPMENTS REGARDING BOND INSURANCE COMPANIES

During the period covered by this report, some bond insurers may have experienced rating reductions by at least one or more rating agencies. By the end of this reporting period, there were no longer any bond insurers rated AAA by more than one of the major rating agencies (Moody's Investor Service, S&P and Fitch) and most insured bonds were being valued according to their fundamentals as if they were uninsured. On the whole, the holdings of all of these Funds continued to be well diversified and it is important to note that municipal bonds historically have had a very low rate of default.

RECENT CHANGES TO INVESTMENT POLICIES OF NUVEEN INSURED FUNDS

On January 22, 2010, the Board of Directors/Trustees of NCL, NKL and NKX

approved changes to the investment policies of each of these Funds. The Board took this action in response to the continuing challenges faced by municipal bond insurers. The changes to the Funds' investment policies are intended to increase the Funds' investment flexibility in pursuing their investment objective, while retaining the insured nature of their portfolios. The changes, which took effect immediately, allow the Funds to invest:

- o At least 80% of their net assets in municipal bonds insured by insurance providers with a claims-paying ability of at least investment grade at the time of investment; and
- o Up to 20% in uninsured municipal bonds that are either escrowed to maturity, rated investment grade, or unrated but judged by the Fund's investment adviser to be investment grade quality.

Nuveen Investments 9

Common Share Dividend
and Share Price Information

During the twelve months ended February 28, 2010, each of these Nuveen California Funds had three increases in their monthly dividends. NCL, NVX, NZH and NKL also had an additional dividend increase that was declared just prior to the start of this reporting period and took effect in March 2009.

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 February 28, 2010, all of the Funds in this report had positive UNII balances for both tax and financial statement purposes.

COMMON SHARE REPURCHASES AND SHARE PRICE INFORMATION

As of February 28, 2010, and the since inception of the Funds' repurchase program the following Funds have cumulatively repurchased common shares as shown in the accompanying table.

FUND	COMMON SHARES REPURCHASED	% OF OUTSTANDING COMMON SHARES
NPC	17,700	0.3%
NCL	53,500	0.4%
NCU	42,100	0.7%
NAC	--	--
NVX	50,700	0.3%
NZH	12,900	0.1%
NKL	32,700	0.2%
NKX	--	--

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

During the twelve-month reporting period, the following Funds repurchased common shares at a weighted average price and a weighted average discount per common share as shown in the accompanying table.

FUND	COMMON SHARES REPURCHASED	WEIGHTED AVERAGE PRICE PER SHARE REPURCHASED	WEIGHTED AVERAGE DISCOUNT PER SHARE REPURCHASED
NPC	11,500	\$ 11.90	16.06%
NCL	11,700	\$ 10.43	18.03%
NCU	27,400	\$ 10.06	19.22%
NVX	32,400	\$ 10.28	19.87%
NKL	13,700	\$ 11.04	18.04%

As of February 28, 2010, the Funds' common share prices were trading at (-) discounts to their common share NAVs as shown in the accompanying table.

FUND	2/28/10 (-)DISCOUNT	TWELVE-MONTH AVERAGE (-)DISCOUNT
NPC	-9.77%	-12.14%
NCL	-9.08%	-9.37%
NCU	-11.67%	-13.33%
NAC	-9.22%	-10.03%
NVX	-6.42%	-10.22%
NZH	-3.87%	-6.42%
NKL	-7.14%	-9.59%
NKX	-8.27%	-8.30%

Nuveen Investments 11

NPC Performance OVERVIEW | Nuveen Insured California
 | Premium Income
 | Municipal Fund, Inc.
 | as of February 28, 2010

FUND SNAPSHOT

Common Share Price	\$13.30
Common Share Net Asset Value	\$14.74
Premium/(Discount) to NAV	-9.77%
Market Yield	5.86%
Taxable-Equivalent Yield(3)	9.00%
Net Assets Applicable to Common Shares (\$000)	\$94,944
Average Effective Maturity on Securities (Years)	16.59
Leverage-Adjusted Duration	10.80

AVERAGE ANNUAL TOTAL RETURN
 (Inception 11/19/92)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	ON SHARE PRICE	ON NAV
1-Year	17.13%	10.66%
5-Year	1.76%	3.97%
10-Year	6.14%	6.58%

PORTFOLIO COMPOSITION
(as a % of total investments)

Tax Obligation/Limited	31.6%
Tax Obligation/General	24.7%
U.S. Guaranteed	22.1%
Water and Sewer	12.4%
Other	9.2%

INSURERS
(as a % of total Insured investments)

NPFG(4)	30.0%
AGM	27.3%
AMBAC	18.5%
FGIC	15.0%
AGC	7.0%
Other	2.2%

CREDIT QUALITY (AS A % OF TOTAL INVESTMENTS) (1), (2)

[PIE CHART]

Insured	78%
U.S. Guaranteed*	22%

* U.S. Guaranteed includes 4% (as a % of total investments) of Insured securities.

2009-2010 MONTHLY TAX-FREE DIVIDENDS PER COMMON SHARE

[BAR CHART]

Mar	0.0605
Apr	0.0605
May	0.0615
Jun	0.0615
Jul	0.0615
Aug	0.0615
Sep	0.0630
Oct	0.0630

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Nov	0.0630
Dec	0.0650
Jan	0.0650
Feb	0.0650

COMMON SHARE PRICE PERFORMANCE -- WEEKLY CLOSING PRICE

[LINE GRAPH]

3/01/09	11.67
	11.28
	11.25
	11.29
	11.80
	11.83
	11.74
	11.83
	12.12
	12.35
	12.51
	12.38
	12.32
	12.36
	12.25
	11.86
	12.18
	11.79
	11.86
	12.04
	12.15
	12.62
	12.75
	12.94
	12.88
	12.96
	12.98
	13.65
	13.66
	13.78
	13.67
	13.74
	13.70
	13.04
	13.34
	13.15
	13.16
	12.95
	12.83
	12.90
	13.11
	13.32
	13.11
	12.99
	13.00
	12.97
	12.91
	12.90
	12.89
	12.95
	13.07
	13.06
	13.30

2/28/10

13.30

- (1) Primarily all of the Fund's net assets are invested in municipal securities that guarantee the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 - Insurance, for more information.
- (2) The percentages shown in the foregoing chart may reflect the ratings on certain bonds whose insurer has experienced downgrades as of the end of the reporting period. Please see the Portfolio Manager's Comments for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers during the period.
- (3) 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 34.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- (4) MBIA's public finance subsidiary.

12 Nuveen Investments

NCL Performance OVERVIEW | Nuveen Insured California
 | Premium Income
 | Municipal Fund 2, Inc.
 | as of February 28, 2010

CREDIT QUALITY (AS A % OF TOTAL INVESTMENTS) (1,2)

[PIE CHART]

Insured	89%
U.S. Guaranteed*	9%
AA (uninsured)	2%

* U.S. Guaranteed includes 7% (as a % of total investments) of Insured securities.

2009-2010 MONTHLY TAX-FREE DIVIDENDS PER COMMON SHARE

[BAR CHART]

Mar	0.0580
Apr	0.0580
May	0.0650
Jun	0.0650
Jul	0.0650
Aug	0.0650
Sep	0.0670
Oct	0.0670
Nov	0.0670
Dec	0.0690
Jan	0.0690
Feb	0.0690

COMMON SHARE PRICE PERFORMANCE -- WEEKLY CLOSING PRICE

[LINE GRAPH]

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

3/01/09	10.69
	10.36
	10.53
	10.72
	10.81
	11.02
	11.22
	11.15
	11.67
	11.95
	12.03
	11.89
	11.98
	12.08
	12.22
	11.95
	11.66
	11.30
	11.29
	11.43
	11.68
	12.00
	12.27
	12.34
	12.32
	12.53
	12.60
	13.18
	13.04
	13.80
	13.73
	13.57
	13.34
	12.60
	12.95
	13.08
	12.81
	12.72
	12.65
	12.69
	12.85
	12.80
	12.65
	12.57
	12.55
	12.59
	12.53
	12.51
	12.56
	12.55
	12.65
	12.61
	12.72
2/28/10	12.72

- (1) At least 80% of the Fund's net assets are invested in municipal securities that guarantee the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 - Insurance, for more information.
- (2) The percentages shown in the foregoing chart may reflect the ratings on certain bonds whose insurer has experienced downgrades as of the end of

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

the reporting period. Please see the Portfolio Manager's Comments for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers during the period.

- (3) 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 34.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- (4) MBIA's public finance subsidiary.

FUND SNAPSHOT

Common Share Price	\$12.72
Common Share Net Asset Value	\$13.99
Premium/(Discount) to NAV	-9.08%
Market Yield	6.51%
Taxable-Equivalent Yield(3)	10.00%
Net Assets Applicable to Common Shares (\$000)	\$177,169
Average Effective Maturity on Securities (Years)	17.79
Leverage-Adjusted Duration	12.37

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

	ON SHARE PRICE	ON NAV
1-Year	24.41%	15.35%
5-Year	2.45%	3.75%
10-Year	6.13%	6.44%

PORTFOLIO COMPOSITION
(as a % of total investments)

Tax Obligation/Limited	40.9%
Tax Obligation/General	17.8%
Water and Sewer	15.2%
U.S. Guaranteed	8.7%
Utilities	6.8%
Other	10.6%

INSURERS

(as a % of total Insured investments)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

AMBAC	26.4%
FGIC	24.7%
NPFG(4)	22.2%
AGM	21.0%
AGC	4.9%
Other	0.8%

Nuveen Investments 13

NCU Performance OVERVIEW | Nuveen California
 | Premium Income
 | Municipal Fund
 | as of February 28, 2010

FUND SNAPSHOT

Common Share Price	\$ 12.11
Common Share Net Asset Value	\$ 13.71
Premium/(Discount) to NAV	-11.67%
Market Yield	6.59%
Taxable-Equivalent Yield(1)	10.12%
Net Assets Applicable to Common Shares (\$000)	\$78,581
Average Effective Maturity on Securities (Years)	17.13
Leverage-Adjusted Duration	11.27

AVERAGE ANNUAL TOTAL RETURN
 (Inception 6/18/93)

	ON SHARE PRICE	ON NAV
1-Year	28.13%	17.06%
5-Year	2.51%	3.70%
10-Year	5.76%	6.80%

PORTFOLIO COMPOSITION
 (as a % of total investments)

Tax Obligation/Limited	30.2%
Health Care	17.9%

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Tax Obligation/General	16.9%
U.S. Guaranteed	10.7%
Utilities	5.3%
Water and Sewer	4.6%
Other	14.4%

CREDIT QUALITY (AS A % OF TOTAL INVESTMENTS)

[PIE CHART]

AAA/U.S. Guaranteed	22%
AA	28%
A	28%
BBB	19%
N/R	3%

2009-2010 MONTHLY TAX-FREE DIVIDENDS PER COMMON SHARE

[BAR CHART]

Mar	0.0555
Apr	0.0555
May	0.0570
Jun	0.0570
Jul	0.0570
Aug	0.0570
Sep	0.0620
Oct	0.0620
Nov	0.0620
Dec	0.0665
Jan	0.0665
Feb	0.0665

COMMON SHARE PRICE PERFORMANCE -- WEEKLY CLOSING PRICE

[LINE GRAPH]

3/01/09	9.66
	9.52
	9.68
	9.79
	9.85
	9.91
	10.00
	10.12
	10.48
	10.77
	10.95
	10.85
	10.82
	10.93
	10.92
	10.76
	10.70
	10.53
	10.64
	10.73

10.80
 11.07
 11.49
 11.53
 11.58
 11.84
 12.03
 12.18
 12.59
 12.78
 12.79
 12.84
 12.74
 12.23
 12.25
 12.06
 12.23
 11.79
 11.65
 11.76
 11.99
 12.06
 11.84
 12.02
 12.13
 12.08
 12.04
 11.93
 12.00
 12.07
 12.02
 12.00
 12.11
 12.11

2/28/10

(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 34.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

14 Nuveen Investments

NAC Performance OVERVIEW | Nuveen California Dividend Advantage
 | Municipal Fund
 | as of February 28, 2010

CREDIT QUALITY (AS A % OF TOTAL INVESTMENTS)

[PIE CHART]

AAA/U.S. Guaranteed	31%
AA	17%
A	27%
BBB	14%
BB or Lower	2%
N/R	9%

2009-2010 MONTHLY TAX-FREE DIVIDENDS PER COMMON SHARE

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

[BAR CHART]

Mar	0.0630
Apr	0.0630
May	0.0665
Jun	0.0665
Jul	0.0665
Aug	0.0665
Sep	0.0680
Oct	0.0680
Nov	0.0680
Dec	0.0720
Jan	0.0720
Feb	0.0720

COMMON SHARE PRICE PERFORMANCE -- WEEKLY CLOSING PRICE

[LINE GRAPH]

3/01/09	10.55
	9.70
	9.81
	10.30
	10.13
	10.55
	10.46
	10.64
	10.99
	11.30
	11.42
	11.33
	11.40
	11.62
	11.33
	10.83
	10.94
	10.90
	10.92
	11.10
	11.20
	11.45
	11.70
	11.83
	11.99
	12.15
	12.16
	12.54
	12.96
	13.17
	13.15
	13.46
	13.48
	12.49
	12.83
	12.36
	12.75
	12.40
	12.18
	12.36
	12.52
	12.58
	12.48

	12.46
	12.40
	12.52
	12.36
	12.47
	12.51
	12.67
	12.50
	12.44
	12.60
2/28/10	12.60

(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 34.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

FUND SNAPSHOT

Common Share Price	\$12.60
Common Share Net Asset Value	\$13.88
Premium/(Discount) to NAV	-9.22%
Market Yield	6.86%
Taxable-Equivalent Yield(1)	10.54%
Net Assets Applicable to Common Shares (\$000)	\$325,791
Average Effective Maturity on Securities (Years)	18.10
Leverage-Adjusted Duration	10.46

AVERAGE ANNUAL TOTAL RETURN
(Inception 5/26/99)

	ON SHARE PRICE	ON NAV
1-Year	24.62%	21.97%
5-Year	3.24%	3.79%
10-Year	6.65%	7.75%

PORTFOLIO COMPOSITION
(as a % of total investments)

Tax Obligation/Limited	22.1%
Health Care	17.8%
U.S. Guaranteed	17.3%
Transportation	13.6%
Tax Obligation/General	8.1%

Education and Civic Organizations	4.7%
Consumer Staples	4.5%
Other	11.9%

Nuveen Investments 15

NVX Performance OVERVIEW | Nuveen California
 | Dividend Advantage
 | Municipal Fund 2
 | as of February 28, 2010

FUND SNAPSHOT

Common Share Price	\$ 13.56
Common Share Net Asset Value	\$ 14.49
Premium/(Discount) to NAV	-6.42%
Market Yield	6.99%
Taxable-Equivalent Yield(1)	10.74%
Net Assets Applicable to Common Shares (\$000)	\$213,687
Average Effective Maturity on Securities (Years)	14.68
Leverage-Adjusted Duration	10.17

AVERAGE ANNUAL TOTAL RETURN
 (Inception 3/27/01)

	ON SHARE PRICE	ON NAV
1-Year	38.29%	19.52%
5-Year	5.33%	4.52%
Since Inception	5.07%	6.00%

PORTFOLIO COMPOSITION
 (as a % of total investments)

U.S. Guaranteed	27.6%
Tax Obligation/Limited	12.4%
Health Care	13.6%
Transportation	7.8%

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Water and Sewer	7.4%
Tax Obligation/General	7.3%
Utilities	6.3%
Education and Civic Organizations	5.4%
Consumer Staples	5.1%
Other	7.1%

CREDIT QUALITY (AS A % OF TOTAL INVESTMENTS)

[PIE CHART]

AAA/U.S. Guaranteed	34%
AA	20%
A	23%
BBB	13%
BB or Lower	2%
N/R	8%

2009-2010 MONTHLY TAX-FREE DIVIDENDS PER COMMON SHARE

[BAR CHART]

Mar	0.0660
Apr	0.0660
May	0.0695
Jun	0.0695
Jul	0.0695
Aug	0.0695
Sep	0.0760
Oct	0.0760
Nov	0.0760
Dec	0.0790
Jan	0.0790
Feb	0.0790

COMMON SHARE PRICE PERFORMANCE -- WEEKLY CLOSING PRICE

[LINE GRAPH]

3/01/09	10.42
	10.20
	10.37
	10.55
	10.72
	11.00
	10.92
	10.98
	11.20
	11.48
	12.00
	11.88
	11.80
	12.05
	11.69
	11.51
	11.44

11.33
 11.42
 11.50
 11.81
 11.90
 12.26
 12.33
 12.40
 12.59
 12.65
 13.17
 13.41
 13.50
 13.73
 13.82
 13.66
 13.12
 13.36
 13.15
 13.23
 13.10
 13.06
 13.09
 13.26
 13.31
 13.10
 13.29
 13.47
 13.42
 13.40
 13.39
 13.46
 13.54
 13.60
 13.42
 13.56
 13.56

2/28/10

(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 34.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

16 Nuveen Investments

NZH Performance OVERVIEW | Nuveen California
 | Dividend Advantage
 | Municipal Fund 3
 | as of February 28, 2010

CREDIT QUALITY (AS A % OF TOTAL INVESTMENTS)

[PIE CHART]

AAA/U.S. Guaranteed	29%
AA	18%
A	25%
BBB	19%
BB or Lower	1%

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

N/R

8%

2009-2010 MONTHLY TAX-FREE DIVIDENDS PER COMMON SHARE

[BAR CHART]

Mar	0.0640
Apr	0.0640
May	0.0675
Jun	0.0675
Jul	0.0675
Aug	0.0675
Sep	0.0700
Oct	0.0700
Nov	0.0700
Dec	0.0750
Jan	0.0750
Feb	0.0750

COMMON SHARE PRICE PERFORMANCE -- WEEKLY CLOSING PRICE

[LINE GRAPH]

3/01/09	10.23
	9.60
	10.01
	9.86
	10.18
	10.23
	10.20
	10.22
	10.71
	10.89
	11.38
	11.12
	11.34
	11.37
	11.27
	10.72
	10.77
	10.46
	10.53
	10.65
	10.95
	11.09
	11.35
	11.45
	11.75
	12.14
	12.13
	12.41
	12.60
	12.79
	12.89
	13.03
	12.84
	12.28
	12.65
	12.13
	12.23
	11.94
	11.87

	11.88
	12.22
	12.28
	12.21
	12.32
	12.40
	12.50
	12.49
	12.58
	12.72
	12.57
	12.75
	12.58
	12.67
2/28/10	12.67

(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 34.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

FUND SNAPSHOT

Common Share Price	\$ 12.67
Common Share Net Asset Value	\$ 13.18
Premium/(Discount) to NAV	-3.87%
Market Yield	7.10%
Taxable-Equivalent Yield(1)	10.91%
Net Assets Applicable to Common Shares (\$000)	\$317,860
Average Effective Maturity on Securities (Years)	16.83
Leverage-Adjusted Duration	11.07

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

	ON SHARE PRICE	ON NAV
1-Year	32.93%	22.17%
5-Year	4.62%	3.21%
Since Inception	4.18%	4.88%

PORTFOLIO COMPOSITION
(as a % of total investments)

Tax Obligation/Limited	25.2%
Health Care	18.4%
U.S. Guaranteed	14.8%

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Tax Obligation/General	13.3%
Water and Sewer	5.4%
Consumer Staples	5.3%
Transportation	4.8%
Other	12.8%

Nuveen Investments 17

NKL Performance OVERVIEW | Nuveen Insured California
 | Dividend Advantage
 | Municipal Fund
 | as of February 28, 2010

FUND SNAPSHOT

Common Share Price	\$ 13.66
Common Share Net Asset Value	\$ 14.71
Premium/(Discount) to NAV	-7.14%
Market Yield	6.59%
Taxable-Equivalent Yield(3)	10.12%
Net Assets Applicable to Common Shares (\$000)	\$224,301
Average Effective Maturity on Securities (Years)	16.12
Leverage-Adjusted Duration	8.90

AVERAGE ANNUAL TOTAL RETURN
 (Inception 3/25/02)

	ON SHARE PRICE	ON NAV
1-Year	30.55%	15.42%
5-Year	4.56%	4.44%
Since Inception	5.01%	6.29%

PORTFOLIO COMPOSITION
 (as a % of total investments)

Tax Obligation/Limited	31.6%
Tax Obligation/General	18.5%
U.S. Guaranteed	14.0%
Utilities	9.9%

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Water and Sewer	9.6%
Health Care	4.3%
Other	12.1%

INSURERS
(as a % of total Insured investments)

AMBAC	24.8%
AGM	24.3%
NFPG (4)	23.6%
FGIC	20.2%
SYNCORA	4.3%
Other	2.8%

CREDIT QUALITY (AS A % OF TOTAL INVESTMENTS) (1,2)

[PIE CHART]

Insured	72%
U.S. Guaranteed*	14%
GNMA/FNMA Guaranteed	1%
AAA (Uninsured)	1%
A (Uninsured)	5%
BBB (Uninsured)	7%

* U.S. Guaranteed includes 9% (as a % of total investments) of Insured securities.

2009-2010 MONTHLY TAX-FREE DIVIDENDS PER COMMON SHARE

[BAR CHART]

Mar	0.0635
Apr	0.0635
May	0.0695
Jun	0.0695
Jul	0.0695
Aug	0.0695
Sep	0.0705
Oct	0.0705
Nov	0.0705
Dec	0.0750
Jan	0.0750
Feb	0.0750

COMMON SHARE PRICE PERFORMANCE -- WEEKLY CLOSING PRICE

[LINE GRAPH]

3/01/09	10.88
	10.95
	10.95

11.15
 11.38
 11.54
 11.25
 11.48
 11.90
 11.98
 12.48
 12.46
 12.51
 12.60
 12.10
 11.55
 11.81
 11.78
 11.88
 11.88
 12.14
 12.44
 12.89
 12.80
 13.05
 13.13
 13.15
 13.81
 13.81
 14.11
 13.99
 14.15
 14.10
 13.27
 13.85
 13.81
 13.88
 13.82
 13.25
 13.33
 13.25
 13.45
 13.34
 13.37
 13.51
 13.54
 13.32
 13.43
 13.42
 13.60
 13.63
 13.59
 13.66
 13.66

2/28/10

- (1) At least 80% of the Fund's net assets are invested in municipal securities that guarantee the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 - Insurance, for more information.
- (2) The percentages shown in the foregoing chart may reflect the ratings on certain bonds whose insurer has experienced downgrades as of the end of the reporting period. Please see the Portfolio Manager's Comments for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers during the period.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

(3) 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 34.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

(4) MBIA's public finance subsidiary.

18 Nuveen Investments

NKX Performance OVERVIEW | Nuveen Insured California
 | Tax-Free Advantage
 | Municipal Fund
 | as of February 28, 2010

CREDIT QUALITY (AS A % OF TOTAL INVESTMENTS) (1,2,3)

[PIE CHART]

Insured	70%
U.S. Guaranteed*	14%
AAA (Uninsured)	2%
AA (Uninsured)	1%
A (Uninsured)	7%
BBB (Uninsured)	6%

* U.S. Guaranteed includes 10% (as a % of long-term investments) of Insured securities.

2009-2010 MONTHLY TAX-FREE DIVIDENDS PER COMMON SHARE

[BAR CHART]

Mar	0.0590
Apr	0.0590
May	0.0630
Jun	0.0630
Jul	0.0630
Aug	0.0630
Sep	0.0650
Oct	0.0650
Nov	0.0650
Dec	0.0660
Jan	0.0660
Feb	0.0660

COMMON SHARE PRICE PERFORMANCE -- WEEKLY CLOSING PRICE

[LINE GRAPH]

3/01/09	11.83
	10.75
	10.99
	10.96
	11.49
	11.69
	11.30
	11.50
	12.04

12.40
 12.26
 11.86
 12.19
 12.45
 11.97
 11.48
 11.73
 11.47
 11.80
 11.78
 11.90
 12.04
 12.30
 12.34
 12.33
 12.65
 12.75
 13.00
 13.42
 13.57
 13.70
 13.67
 13.73
 13.05
 13.00
 12.98
 12.95
 12.80
 12.56
 12.44
 12.65
 12.63
 12.75
 12.76
 12.68
 12.79
 12.75
 12.71
 12.81
 12.94
 12.95
 12.69
 12.87
 12.87

2/28/10

- (1) Excluding short-term investments.
- (2) At least 80% of the Fund's net assets are invested in municipal securities that guarantee the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 - Insurance, for more information.
- (3) The percentages shown in the foregoing chart may reflect the ratings on certain bonds whose insurer has experienced downgrades as of the end of the reporting period. Please see the Portfolio Manager's Comments for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers during the period.
- (4) 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

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

rate of 34.9%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

(5) MBIA's public finance subsidiary.

FUND SNAPSHOT

Common Share Price	\$ 12.87
Common Share Net Asset Value	\$ 14.03
Premium/(Discount) to NAV	-8.27%
Market Yield	6.15%
Taxable-Equivalent Yield(4)	9.45%
Net Assets Applicable to Common Shares (\$000)	\$ 82,579
Average Effective Maturity on Securities (Years)	16.83
Leverage-Adjusted Duration	9.65

AVERAGE ANNUAL TOTAL RETURN
(Inception 11/21/02)

	ON SHARE PRICE	ON NAV
1-Year	16.39%	15.49%
5-Year	2.83%	4.10%
Since Inception	3.61%	5.30%

PORTFOLIO COMPOSITION
(as a % of total investments)

Tax Obligation/Limited	31.6%
Health Care	17.1%
U.S. Guaranteed	13.5%
Tax Obligation/General	12.5%
Water and Sewer	9.6%
Transportation	6.9%
Other	8.8%

INSURERS
(as a % of total Insured investments)

AMBAC	44.3%
NPFG(5)	24.4%

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

AGM	11.7%
BHAC	5.4%
FGIC	4.9%
SYNCORA	4.8%
Other	4.5%

Nuveen Investments 19

NPC NCL NCU | Shareholder Meeting Report

The annual meeting of shareholders was held in the offices of Nuveen Investments on November 30, 2009; at this meeting the shareholders were asked to vote on the election of Board Members, the elimination of Fundamental Investment Policies and the approval of new Fundamental Investment Policies.³ The meeting for all Funds was subsequently adjourned to January 12, 2010; the meeting for NPC, NAC, NVX, NZH and NKL was additionally adjourned to March 23, 2010.

	NPC		NCL	
	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICY RELATING TO COMMODITIES.				
For	3,260,159	1,371	6,287,947	1
Against	168,038	7	368,237	
Abstain	148,949	38	413,889	
Broker Non-Votes	1,005,293	--	2,195,420	
Total	4,582,439	1,416	9,265,493	1
TO APPROVE THE NEW FUNDAMENTAL POLICY RELATING TO COMMODITIES.				
For	3,262,368	1,371	6,263,484	1
Against	159,740	7	331,173	
Abstain	155,038	38	475,416	
Broker Non-Votes	1,005,293	--	2,195,420	
Total	4,582,439	1,416	9,265,493	1
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICIES RELATING TO DERIVATIVES AND SHORT SALES.				
For	3,247,940	1,371	6,249,904	1
Against	181,874	7	367,487	
Abstain	147,332	38	452,682	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Broker Non-Votes	1,005,293	--	2,195,420	

Total	4,582,439	1,416	9,265,493	1
=====				
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICIES PROHIBITING INVESTMENT IN OTHER INVESTMENT COMPANIES.				
For	3,238,876	1,365	6,238,708	1
Against	189,486	13	366,301	
Abstain	148,784	38	465,064	
Broker Non-Votes	1,005,293	--	2,195,420	

Total	4,582,439	1,416	9,265,493	1
=====				
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICIES RELATING TO INVESTMENTS IN INSURED MUNICIPAL SECURITIES.				
For	3,280,486	1,374	6,288,723	1
Against	155,133	7	373,621	
Abstain	141,527	35	407,729	
Broker Non-Votes	1,005,293	--	2,195,420	

Total	4,582,439	1,416	9,265,493	1
=====				
TO APPROVE THE ELIMINATION OF THE FUND'S FUNDAMENTAL POLICIES RELATING TO INVESTMENTS IN MUNICIPAL SECURITIES AND BELOW INVESTMENT GRADE SECURITIES.				
For	--	--	--	
Against	--	--	--	
Abstain	--	--	--	
Broker Non-Votes	--	--	--	

Total	--	--	--	
=====				
TO APPROVE THE NEW FUNDAMENTAL POLICY RELATING TO INVESTMENTS IN INSURED MUNICIPAL SECURITIES.				
For	3,280,706	1,371	6,343,433	1
Against	143,349	7	338,923	
Abstain	153,091	38	387,717	
Broker Non-Votes	1,005,293	--	2,195,420	

Total	4,582,439	1,416	9,265,493	1
=====				

20 Nuveen Investments

	NPC		NCL	
	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class	Common and MuniPreferred shares voting together as a class	MuniPrefer shares vo toget as a c

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

TO APPROVE THE NEW FUNDAMENTAL POLICY
RELATING TO INVESTMENTS IN MUNICIPAL
SECURITIES.

For	--	--	--
Against	--	--	--
Abstain	--	--	--
Broker Non-Votes	--	--	--
Total	--	--	--

APPROVAL OF THE BOARD MEMBERS WAS
REACHED AS FOLLOWS:

John P. Amboian

For	4,400,738	579	8,778,058	1
Withhold	180,994	130	487,435	

Total	4,581,732	709	9,265,493	1
-------	-----------	-----	-----------	---

Robert P. Bremner

For	4,399,411	579	8,779,503	1
Withhold	182,321	130	485,990	

Total	4,581,732	709	9,265,493	1
-------	-----------	-----	-----------	---

Jack B. Evans

For	4,400,844	579	8,779,878	1
Withhold	180,888	130	485,615	

Total	4,581,732	709	9,265,493	1
-------	-----------	-----	-----------	---

William C. Hunter

For	--	579	--	1
Withhold	--	130	--	

Total	--	709	--	1
-------	----	-----	----	---

David J. Kundert

For	4,397,767	579	8,775,870	1
Withhold	183,965	130	489,623	

Total	4,581,732	709	9,265,493	1
-------	-----------	-----	-----------	---

William J. Schneider

For	--	579	--	1
Withhold	--	130	--	

Total	--	709	--	1
-------	----	-----	----	---

Judith M. Stockdale

For	4,395,567	579	8,798,409	1
Withhold	186,165	130	467,084	

Total	4,581,732	709	9,265,493	1
-------	-----------	-----	-----------	---

Carole E. Stone

For	4,394,672	579	8,797,589	1
Withhold	187,060	130	467,904	

Total	4,581,732	709	9,265,493	1
-------	-----------	-----	-----------	---

Terence J. Toth

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

For	4,402,382	579	8,766,114	1
Withhold	179,350	130	499,379	
<hr/>				
Total	4,581,732	709	9,265,493	1
<hr/>				

Nuveen Investments 21

NAC NVX NZH | Shareholder Meeting Report (continued)

	NAC		NVX	
	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class	Common and MuniPreferred shares voting together as a class	MuniPrefer shares vo toget as a c
<hr/>				
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICY RELATING TO COMMODITIES.				
For	--	--	--	
Against	--	--	--	
Abstain	--	--	--	
Broker Non-Votes	--	--	--	
<hr/>				
Total	--	--	--	
<hr/>				
TO APPROVE THE NEW FUNDAMENTAL POLICY RELATING TO COMMODITIES.				
For	--	--	--	
Against	--	--	--	
Abstain	--	--	--	
Broker Non-Votes	--	--	--	
<hr/>				
Total	--	--	--	
<hr/>				
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICIES RELATING TO DERIVATIVES AND SHORT SALES.				
For	--	--	--	
Against	--	--	--	
Abstain	--	--	--	
Broker Non-Votes	--	--	--	
<hr/>				
Total	--	--	--	
<hr/>				
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICIES PROHIBITING INVESTMENT IN OTHER INVESTMENT COMPANIES.				
For	--	--	--	
Against	--	--	--	
Abstain	--	--	--	
Broker Non-Votes	--	--	--	
<hr/>				
Total	--	--	--	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

=====

TO APPROVE THE ELIMINATION OF THE
FUNDAMENTAL POLICIES RELATING TO
INVESTMENTS IN INSURED MUNICIPAL
SECURITIES.

For	--	--	--
Against	--	--	--
Abstain	--	--	--
Broker Non-Votes	--	--	--

Total	--	--	--

=====

TO APPROVE THE ELIMINATION OF THE FUND'S
FUNDAMENTAL POLICIES RELATING TO
INVESTMENTS IN MUNICIPAL SECURITIES AND
BELOW INVESTMENT GRADE SECURITIES.

For	11,594,421	2,927	7,041,357	1
Against	666,036	165	426,880	
Abstain	395,752	61	250,319	
Broker Non-Votes	4,202,285	453	2,231,044	

Total	16,858,494	3,606	9,949,600	2

=====

TO APPROVE THE NEW FUNDAMENTAL POLICY
RELATING TO INVESTMENTS IN INSURED
MUNICIPAL SECURITIES.

For	--	--	--
Against	--	--	--
Abstain	--	--	--
Broker Non-Votes	--	--	--

Total	--	--	--

22 Nuveen Investments

	NAC		NVX	
	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class	Common and MuniPreferred shares voting together as a class	MuniPrefer shares vo toget as a c

=====

TO APPROVE THE NEW FUNDAMENTAL POLICY
RELATING TO INVESTMENTS IN MUNICIPAL
SECURITIES.

For	11,774,316	2,919	7,112,860	1
Against	466,099	154	393,172	
Abstain	415,794	80	212,524	
Broker Non-Votes	4,202,285	453	2,231,044	

Total	16,858,494	3,606	9,949,600	2

=====

APPROVAL OF THE BOARD MEMBERS WAS
REACHED AS FOLLOWS:

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

John P. Amboian				
For	--	--	--	
Withhold	--	--	--	
Total	--	--	--	
Robert P. Bremner				
For	16,193,325	1,883	9,503,740	1
Withhold	628,463	367	416,689	
Total	16,821,788	2,250	9,920,429	1
Jack B. Evans				
For	16,201,156	1,883	9,518,348	1
Withhold	620,632	367	402,081	
Total	16,821,788	2,250	9,920,429	1
William C. Hunter				
For	--	1,883	--	1
Withhold	--	367	--	
Total	--	2,250	--	1
David J. Kundert				
For	--	--	--	
Withhold	--	--	--	
Total	--	--	--	
William J. Schneider				
For	--	1,883	--	1
Withhold	--	267	--	
Total	--	2,150	--	1
Judith M. Stockdale				
For	--	--	--	
Withhold	--	--	--	
Total	--	--	--	
Carole E. Stone				
For	--	--	--	
Withhold	--	--	--	
Total	--	--	--	
Terence J. Toth				
For	--	--	--	
Withhold	--	--	--	
Total	--	--	--	

Nuveen Investments 23

	NKL		
	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class	Common MuniPreferred shares vot toget as a cl

TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICY RELATING TO COMMODITIES.			
For	--	--	
Against	--	--	
Abstain	--	--	
Broker Non-Votes	--	--	

Total	--	--	
=====			
TO APPROVE THE NEW FUNDAMENTAL POLICY RELATING TO COMMODITIES.			
For	--	--	
Against	--	--	
Abstain	--	--	
Broker Non-Votes	--	--	

Total	--	--	
=====			
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICIES RELATING TO DERIVATIVES AND SHORT SALES.			
For	--	--	
Against	--	--	
Abstain	--	--	
Broker Non-Votes	--	--	

Total	--	--	
=====			
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICIES PROHIBITING INVESTMENT IN OTHER INVESTMENT COMPANIES.			
For	--	--	
Against	--	--	
Abstain	--	--	
Broker Non-Votes	--	--	

Total	--	--	
=====			
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICIES RELATING TO INVESTMENTS IN INSURED MUNICIPAL SECURITIES.			
For	7,717,015	3,156	2,746,
Against	326,480	214	243,
Abstain	283,950	18	144,
Broker Non-Votes	3,085,696	--	850,

Total	11,413,141	3,388	3,985,
=====			
TO APPROVE THE ELIMINATION OF THE FUND'S FUNDAMENTAL POLICIES RELATING TO INVESTMENTS IN MUNICIPAL SECURITIES AND BELOW INVESTMENT GRADE SECURITIES.			
For	--	--	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Against	--	--	
Abstain	--	--	
Broker Non-Votes	--	--	

Total	--	--	
=====			
TO APPROVE THE NEW FUNDAMENTAL POLICY RELATING TO INVESTMENTS IN INSURED MUNICIPAL SECURITIES.			
For	7,748,169	3,156	2,761,
Against	282,052	214	244,
Abstain	297,224	18	128,
Broker Non-Votes	3,085,696	--	850,

Total	11,413,141	3,388	3,985,
=====			

24 Nuveen Investments

	NKL		
	Common and MuniPreferred shares voting together as a class	MuniPreferred shares voting together as a class	Common MuniPreferred shares vot toget as a cl

TO APPROVE THE NEW FUNDAMENTAL POLICY RELATING TO INVESTMENTS IN MUNICIPAL SECURITIES.			
For	--	--	
Against	--	--	
Abstain	--	--	
Broker Non-Votes	--	--	

Total	--	--	
=====			
APPROVAL OF THE BOARD MEMBERS WAS REACHED AS FOLLOWS:			
John P. Amboian			
For	--	--	
Withhold	--	--	

Total	--	--	
=====			
Robert P. Bremner			
For	10,973,853	1,738	3,809,
Withhold	430,059	379	175,

Total	11,403,912	2,117	3,985,
=====			
Jack B. Evans			
For	10,969,053	1,738	3,808,
Withhold	434,859	379	176,

Total	11,403,912	2,117	3,985,
=====			
William C. Hunter			
For	--	1,738	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Withhold	--	379

Total	--	2,117
=====		
David J. Kundert		
For	--	--
Withhold	--	--

Total	--	--
=====		
William J. Schneider		
For	--	1,616
Withhold	--	501

Total	--	2,117
=====		
Judith M. Stockdale		
For	--	--
Withhold	--	--

Total	--	--
=====		
Carole E. Stone		
For	--	--
Withhold	--	--

Total	--	--
=====		
Terence J. Toth		
For	--	--
Withhold	--	--

Total	--	--
=====		

Nuveen Investments 25

Report of Independent
Registered Public Accounting Firm

The BOARD OF DIRECTORS/TRUSTEES AND SHAREHOLDERS
 NUVEEN INSURED CALIFORNIA PREMIUM INCOME MUNICIPAL FUND, INC.
 NUVEEN INSURED CALIFORNIA PREMIUM INCOME MUNICIPAL FUND 2, INC.
 NUVEEN CALIFORNIA PREMIUM INCOME MUNICIPAL FUND
 NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND
 NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2
 NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 3
 NUVEEN INSURED CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND
 NUVEEN INSURED CALIFORNIA TAX-FREE ADVANTAGE MUNICIPAL FUND

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of Nuveen Insured California Premium Income Municipal Fund, Inc., Nuveen Insured California Premium Income Municipal Fund 2, Inc., Nuveen California Premium Income Municipal Fund, Nuveen California Dividend Advantage Municipal Fund, Nuveen California Dividend Advantage Municipal Fund 2, Nuveen California Dividend Advantage Municipal Fund 3, Nuveen Insured California Dividend Advantage Municipal Fund, and Nuveen Insured California Tax-Free Advantage Municipal Fund (the Funds) as of February 28, 2010, and the related statements of operations, changes in net assets, cash

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

flows (Nuveen Insured California Premium Income Municipal Fund 2, Inc. and Nuveen Insured California Tax-Free Advantage Municipal Fund only), 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 February 28, 2010, 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 Insured California Premium Income Municipal Fund, Inc., Nuveen Insured California Premium Income Municipal Fund 2, Inc., Nuveen California Premium Income Municipal Fund, Nuveen California Dividend Advantage Municipal Fund, Nuveen California Dividend Advantage Municipal Fund 2, Nuveen California Dividend Advantage Municipal Fund 3, Nuveen Insured California Dividend Advantage Municipal Fund, and Nuveen Insured California Tax-Free Advantage Municipal Fund at February 28, 2010, the results of their operations, the changes in their net assets, their cash flows (Nuveen Insured California Premium Income Municipal Fund 2, Inc. and Nuveen Insured California Tax-Free Advantage Municipal Fund only), and the financial highlights for each of the periods indicated therein in conformity with US generally accepted accounting principles.

/s/ Ernst & Young LLP

Chicago, Illinois
April 23, 2010

26 Nuveen Investments

NPC | Nuveen Insured California Premium Income Municipal Fund, Inc.
| Portfolio of Investments

February 28, 2010

PRINCIPAL
AMOUNT (000) DESCRIPTION (1)

OPTIONAL CALL
PROVISIONS (2)

EDUCATION AND CIVIC ORGANIZATIONS - 4.6% (3.2% OF TOTAL

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

INVESTMENTS)

\$	750	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 - NPFPG Insured (Alternative Minimum Tax)	3/10 at 100.00
	1,500	California State University, Systemwide Revenue Bonds, Series 2005A, 5.000%, 11/01/25 - AMBAC Insured	5/15 at 100.00
	2,000	California State University, Systemwide Revenue Bonds, Series 2005C, 5.000%, 11/01/27 - NPFPG Insured	11/15 at 100.00

	4,250	Total Education and Civic Organizations	

HEALTH CARE - 5.6% (3.8% OF TOTAL INVESTMENTS)			
	3,000	California Health Facilities Financing Authority, Insured Revenue Bonds, Sutter Health, Series 1998A, 5.375%, 8/15/30 - NPFPG Insured	8/10 at 100.00
	724	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.719%, 7/01/47 - AGM Insured (IF)	7/18 at 100.00
	1,500	California Statewide Community Development Authority, Certificates of Participation, Sutter Health Obligated Group, Series 1999, 5.500%, 8/15/19 - AGM Insured	8/10 at 100.00

	5,224	Total Health Care	

HOUSING/SINGLE FAMILY - 0.3% (0.2% OF TOTAL INVESTMENTS)			
	145	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 100.00
	90	California Housing Finance Agency, Single Family Mortgage Bonds II, Series 1997A-1, 6.000%, 8/01/20 - NPFPG Insured (Alternative Minimum Tax)	8/10 at 100.00

	235	Total Housing/Single Family	

TAX OBLIGATION/GENERAL - 35.8% (24.7% OF TOTAL INVESTMENTS)			
	1,890	Bonita Unified School District, San Diego County, California, General Obligation Bonds, Series 2004A: 5.250%, 8/01/23 - NPFPG Insured	8/14 at 100.00
	1,250	5.250%, 8/01/25 - NPFPG Insured	8/14 at 100.00
	2,000	California, General Obligation Veterans Welfare Bonds, Series 2001BZ, 5.375%, 12/01/24 - NPFPG Insured (Alternative Minimum Tax)	6/10 at 100.00
	2,580	El Segundo Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2004: 5.250%, 9/01/21 - FGIC Insured	9/14 at 100.00
	1,775	5.250%, 9/01/22 - FGIC Insured	9/14 at 100.00
	1,130	Fontana Unified School District, San Bernardino County, California, General Obligation Bonds, Trust 2668, 9.329%, 8/01/28 - AGM Insured (IF)	8/18 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

1,225	Fresno Unified School District, Fresno County, California, General Obligation Refunding Bonds, Series 1998A, 6.550%, 8/01/20 - NCFG Insured	2/13 at 103.00
1,180	Jurupa Unified School District, Riverside County, California, General Obligation Bonds, Series 2004, 5.000%, 8/01/21 - FGIC Insured	8/13 at 100.00
3,000	Pomona Unified School District, Los Angeles County, California, General Obligation Refunding Bonds, Series 1997A, 6.500%, 8/01/19 - NCFG Insured	8/11 at 103.00
160	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 100.00
3,000	Sacramento City Unified School District, Sacramento County, California, General Obligation Bonds, Series 2005, 5.000%, 7/01/27 - NCFG Insured	7/15 at 100.00
	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2001C:	
1,335	5.000%, 7/01/21 - AGM Insured	7/11 at 102.00
3,500	5.000%, 7/01/22 - AGM Insured	7/11 at 102.00
4,895	5.000%, 7/01/23 - AGM Insured	7/11 at 102.00
3,000	San Jacinto Unified School District, Riverside County, California, General Obligation Bonds, Series 2007, 5.250%, 8/01/32 - AGM Insured	No Opt. Call

31,920	Total Tax Obligation/General	

Nuveen Investments 27

NPC | Nuveen Insured California Premium Income Municipal Fund, Inc. (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	TAX OBLIGATION/LIMITED - 45.8% (31.6% OF TOTAL INVESTMENTS)	
\$ 1,000	Brea and Olinda Unified School District, Orange County, California, Certificates of Participation Refunding, Series 2002A, 5.125%, 8/01/26 - AGM Insured	8/11 at 101.00
	California Infrastructure Economic Development Bank, Revenue Bonds, North County Center for Self-Sufficiency Corporation, Series 2004:	
1,215	5.000%, 12/01/19 - AMBAC Insured	12/13 at 100.00
1,615	5.000%, 12/01/21 - AMBAC Insured	12/13 at 100.00
195	Capistrano Unified School District, Orange County,	9/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

California, Special Tax Bonds, Community Facilities
District, Series 2005, 5.000%, 9/01/24 - FGIC Insured

595	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 101.00
1,900	Corona-Norco Unified School District, Riverside County, California, Special Tax Bonds, Community Facilities District 98-1, Series 2002, 5.100%, 9/01/25 - AMBAC Insured	9/12 at 100.00
5,000	El Monte, California, Senior Lien Certificates of Participation, Department of Public Services Facility Phase II, Series 2001, 5.250%, 1/01/34 - AMBAC Insured	1/11 at 100.00
3,180	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Drivers Trust 2091, 9.613%, 6/01/45 - AGC Insured (IF)	6/15 at 100.00
1,000	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 - SYNCORA GTY Insured	9/17 at 100.00
435	Indian Wells Redevelopment Agency, California, Tax Allocation Bonds, Consolidated Whitewater Project Area, Series 2003A, 5.000%, 9/01/20 - AMBAC Insured	9/13 at 100.00
345	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 100.00
895	Los Angeles Community Redevelopment Agency, California, Tax Allocation Bonds, Bunker Hill Project, Series 2004A, 5.000%, 12/01/20 - AGM Insured	12/14 at 100.00
1,500	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 - FGIC Insured	1/17 at 100.00
3,150	Moreno Valley Community Redevelopment Agency, California, Tax Allocation Bonds, Series 2007A, 5.000%, 8/01/38 - AMBAC Insured	8/17 at 100.00
7,000	Rancho Cucamonga Redevelopment Agency, California, Housing Set-Aside Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/34 - NCFG Insured	9/17 at 100.00
165	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - SYNCORA GTY Insured	9/15 at 100.00
205	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 100.00
5,150	San Jacinto Unified School District, Riverside County, California, Certificates of Participation, Series 2010, 5.375%, 9/01/40 - AGC Insured	9/20 at 100.00
1,500	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A,	8/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

5.000%, 8/01/28 - NPF Insured

3,565	Sweetwater Union High School District Public Financing Authority, California, Special Tax Revenue Bonds, Series 2005A, 5.000%, 9/01/25 - AGM Insured	9/15 at 100.00
3,250	Tustin Community Redevelopment Agency, California, Tax Allocation Housing Bonds Series 2010, 5.250%, 9/01/39 (WI/DD, Settling 3/04/10) - AGM Insured	9/20 at 100.00
2,805	Yucaipa-Calimesa Joint Unified School District, San Bernardino County, California, General Obligation Refunding Bonds, Series 2001A, 5.000%, 10/01/31 - NPF Insured	10/11 at 100.00

45,665	Total Tax Obligation/Limited	

TRANSPORTATION - 2.5% (1.8% OF TOTAL INVESTMENTS)		
2,400	San Diego Unified Port District, California, Revenue Bonds, Series 2004B, 5.000%, 9/01/29 - NPF Insured	9/14 at 100.00

U.S. GUARANTEED - 32.0% (22.1% OF TOTAL INVESTMENTS) (4)		
2,500	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Series 2001A, 5.125%, 8/01/26 - AGM Insured (ETM)	8/10 at 101.00
6,000	Huntington Park Redevelopment Agency, California, Single Family Residential Mortgage Revenue Refunding Bonds, Series 1986A, 8.000%, 12/01/19 (ETM)	No Opt. Call

28 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

U.S. GUARANTEED (4) (continued)		
\$ 5,135	Palmdale Community Redevelopment Agency, California, Single Family Restructured Mortgage Revenue Bonds, Series 1986A, 8.000%, 3/01/16 (Alternative Minimum Tax) (ETM)	No Opt. Call
6,220	Riverside County, California, GNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 1987A, 9.000%, 5/01/21 (Alternative Minimum Tax) (ETM)	No Opt. Call
1,485	San Jose, California, Single Family Mortgage Revenue Bonds, Series 1985A, 9.500%, 10/01/13 (ETM)	No Opt. Call
2,150	Santa Clara Valley Water District, California, Water Utility System Revenue Bonds, Series 2000A, 5.125%, 6/01/31 (Pre-refunded 6/01/10) - FGIC Insured	6/10 at 100.00

23,490	Total U.S. Guaranteed	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

UTILITIES - 0.3% (0.2% OF TOTAL INVESTMENTS)

345	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - SYNCORA GTY Insured	9/15 at 100.00
-----	---	----------------

WATER AND SEWER - 18.0% (12.4% OF TOTAL INVESTMENTS)

2,200	Atwater Public Financing Authority, California, Wastewater Revenue Bonds, Tender Option Bond Trust 3145, 18.517%, 5/01/40 - AGM Insured (IF)	5/19 at 100.00
5,255	El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2003A, 5.000%, 3/01/20 - FGIC Insured	3/13 at 100.00
1,230	El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2004A, 5.000%, 3/01/21 - FGIC Insured	3/14 at 100.00
235	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - NCFG Insured	4/16 at 100.00
5,000	Indio Water Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 4/01/31 - AMBAC Insured	4/16 at 100.00
220	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - NCFG Insured	6/16 at 100.00
1,500	Placerville Public Financing Authority, California, Wastewater System Refinancing and Improvement Project Revenue Bonds, Series 2006, 5.000%, 9/01/34 - SYNCORA GTY Insured	9/16 at 100.00
1,345	West Basin Municipal Water District, California, Revenue Certificates of Participation, Series 2003A, 5.000%, 8/01/20 - NCFG Insured	8/13 at 100.00

16,985 Total Water and Sewer

\$ 130,514 Total Investments (cost \$133,461,573) - 144.9%
=====

OTHER ASSETS LESS LIABILITIES - 2.5%

Auction Rate Preferred Shares, at Liquidation Value - (47.4)% (5)

Net Assets Applicable to Common Shares - 100%
=====

Primarily all of the Fund's net assets are invested in municipal securities that guarantee the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 - Insurance, for more information.

- (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

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

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

The Portfolio of Investments may reflect the ratings on certain bonds whose insurer has experienced downgrades as of the end of the reporting period. Please see the Portfolio Manager's Comments for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers during the period.

- (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) Auction Rate Preferred Shares, at Liquidation Value as a percentage of Total Investments is 32.7%.

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.

Nuveen Investments 29

NPC | Nuveen Insured California Premium Income Municipal Fund 2, Inc.
| Portfolio of Investments

February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	EDUCATION AND CIVIC ORGANIZATIONS - 5.2% (3.4% OF TOTAL INVESTMENTS)	
\$ 620	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2000, 5.875%, 11/01/20 - NPMFG Insured	11/10 at 100.00
750	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 - NPMFG Insured (Alternative Minimum Tax)	3/10 at 100.00
1,500	California State University, Systemwide Revenue Bonds,	5/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Series 2005A, 5.000%, 11/01/25 - AMBAC Insured

6,000	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.000%, 5/15/27 - AMBAC Insured (UB)	5/13 at 100.00

8,870	Total Education and Civic Organizations	

HEALTH CARE - 2.3% (1.5% OF TOTAL INVESTMENTS)		
1,410	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.719%, 7/01/47 - AGM Insured (IF)	7/18 at 100.00
2,000	The Regents of the University of California, Medical Center Pooled Revenue Bonds, Series 2007A, 4.500%, 5/15/37 - NPPFG Insured	5/15 at 101.00
650	University of California, Hospital Revenue Bonds, UCLA Medical Center, Series 2004A, 5.500%, 5/15/18 - AMBAC Insured	5/12 at 101.00

4,060	Total Health Care	

HOUSING/SINGLE FAMILY - 1.3% (0.9% OF TOTAL INVESTMENTS)		
275	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 100.00
1,735	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006K, 5.500%, 2/01/42 - AMBAC Insured (Alternative Minimum Tax)	2/16 at 100.00
155	California Housing Finance Agency, Single Family Mortgage Bonds, Series 1997C-2-II, 5.625%, 8/01/20 - NPPFG Insured (Alternative Minimum Tax)	8/10 at 100.00

2,165	Total Housing/Single Family	

TAX OBLIGATION/GENERAL - 27.1% (17.8% OF TOTAL INVESTMENTS)		
1,460	ABC Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2000B, 5.750%, 8/01/16 - FGIC Insured	8/10 at 101.00
1,425	Bassett Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2006B, 5.250%, 8/01/30 - FGIC Insured	8/16 at 100.00
3,000	California State, General Obligation Bonds, Series 2006, 4.500%, 9/01/36 - AGM Insured	9/16 at 100.00
4,400	California, General Obligation Bonds, Series 2003, 5.000%, 2/01/31 - NPPFG Insured	2/13 at 100.00
3,000	California, General Obligation Veterans Welfare Bonds, Series 2001BZ, 5.375%, 12/01/24 - NPPFG Insured (Alternative Minimum Tax)	6/10 at 100.00
3,200	Coast Community College District, Orange County, California, General Obligation Bonds, Series 2006C, 0.000%, 8/01/31 - AGM Insured	8/18 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

2,500	Corona-Norco Unified School District, Riverside County, California, General Obligation Bonds, Election 2006 Series 2009B, 5.375%, 2/01/34 - AGC Insured	8/18 at 100.00
2,210	Fontana Unified School District, San Bernardino County, California, General Obligation Bonds, Trust 2668, 9.329%, 8/01/28 - AGM Insured (IF)	8/18 at 100.00
1,255	Los Angeles Community College District, Los Angeles County, California, General Obligation Bonds, Series 2005A, 5.000%, 8/01/24 - AGM Insured	8/15 at 100.00
4,000	Los Angeles Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2007A, 4.500%, 7/01/24 - AGM Insured	7/17 at 100.00
	Los Rios Community College District, Sacramento, El Dorado and Yolo Counties, California, General Obligation Bonds, Series 2006C:	
2,110	5.000%, 8/01/21 - AGM Insured (UB)	8/14 at 102.00
3,250	5.000%, 8/01/22 - AGM Insured (UB)	8/14 at 102.00
3,395	5.000%, 8/01/23 - AGM Insured (UB)	8/14 at 102.00
1,270	Merced City School District, Merced County, California, General Obligation Bonds, Series 2004, 5.000%, 8/01/22 - FGIC Insured	8/13 at 100.00

30 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	TAX OBLIGATION/GENERAL (continued)	
\$ 305	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 100.00
2,500	Sacramento City Unified School District, Sacramento County, California, General Obligation Bonds, Series 2005, 5.000%, 7/01/27 - NCFG Insured	7/15 at 100.00
1,125	San Diego Unified School District, California, General Obligation Bonds, Election of 1998, Series 1999A, 0.000%, 7/01/21 - FGIC Insured	No Opt. Call
2,000	San Francisco Community College District, California, General Obligation Bonds, Series 2002A, 5.000%, 6/15/26 - FGIC Insured	6/10 at 102.00
2,000	San Jacinto Unified School District, Riverside County, California, General Obligation Bonds, Series 2007, 5.250%, 8/01/32 - AGM Insured	No Opt. Call
1,000	San Ramon Valley Unified School District, Contra Costa County, California, General Obligation Bonds, Series	8/14 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

2004, 5.000%, 8/01/24 - AGM Insured

2,445	Washington Unified School District, Yolo County, California, General Obligation Bonds, Series 2004A, 5.000%, 8/01/21 - FGIC Insured	8/13 at 100.00
-------	---	----------------

47,850 Total Tax Obligation/General

TAX OBLIGATION/LIMITED - 62.3% (40.9% OF TOTAL INVESTMENTS)

Anaheim Public Finance Authority, California, Subordinate Lease Revenue Bonds, Public Improvement Project, Series 1997C:		
5,130	0.000%, 9/01/18 - AGM Insured	No Opt. Call
8,000	0.000%, 9/01/21 - AGM Insured	No Opt. Call
California Infrastructure Economic Development Bank, Revenue Bonds, North County Center for Self-Sufficiency Corporation, Series 2004:		
1,535	5.000%, 12/01/20 - AMBAC Insured	12/13 at 100.00
1,780	5.000%, 12/01/23 - AMBAC Insured	12/13 at 100.00
3,725	California State Public Works Board, Lease Revenue Bonds, Department of Corrections & Rehabilitation, Series 2005J, 5.000%, 1/01/17 - AMBAC Insured	1/16 at 100.00
380	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 100.00
5,625	El Monte, California, Senior Lien Certificates of Participation, Department of Public Services Facility Phase II, Series 2001, 5.000%, 1/01/21 - AMBAC Insured	1/11 at 100.00
8,280	Fontana Public Financing Authority, California, Tax Allocation Revenue Bonds, North Fontana Redevelopment Project, Series 2005A, 5.000%, 10/01/32 - AMBAC Insured	10/15 at 100.00
6,215	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Drivers Trust 2091, 9.613%, 6/01/45 - AGC Insured (IF)	6/15 at 100.00
2,000	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Residual Series 2040, 10.560%, 6/01/45 - FGIC Insured (IF)	6/15 at 100.00
Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A:		
15,830	5.000%, 6/01/35 - FGIC Insured	6/15 at 100.00
4,280	5.000%, 6/01/35 - FGIC Insured	6/15 at 100.00
7,500	5.000%, 6/01/45 - FGIC Insured	6/15 at 100.00
1,255	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 - SYNCORA GTY Insured	9/17 at 100.00
1,700	Hesperia Unified School District, San Bernardino County, California, Certificates of Participation, Capital Improvement, Series 2007, 5.000%, 2/01/41 - AMBAC Insured	2/17 at 100.00
1,810	Kern County Board of Education, California, Certificates	5/10 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

of Participation Refunding, Series 1998A, 5.200%,
5/01/28 - NPPFG Insured

5,000	La Quinta Redevelopment Agency, California, Tax Allocation Refunding Bonds, Redevelopment Project Area 1, Series 1998, 5.200%, 9/01/28 - AMBAC Insured	3/10 at 100.00
2,185	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 100.00
1,000	Los Angeles Community Redevelopment Agency, California, Tax Allocation Bonds, Bunker Hill Project, Series 2004A, 5.000%, 12/01/20 - AGM Insured	12/14 at 100.00
1,250	Los Angeles County Metropolitan Transportation Authority, California, Proposition A First Tier Senior Sales Tax Revenue Bonds, Series 2003B, 5.000%, 7/01/19 - NPPFG Insured	7/13 at 100.00

Nuveen Investments 31

NCL | Nuveen Insured California Premium Income Municipal Fund 2, Inc.
| (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
---------------------------	-----------------	---------------------------------

TAX OBLIGATION/LIMITED (continued)

\$ 4,000	Los Angeles, California, Certificates of Participation, Municipal Improvement Corporation, Series 2003AW, 5.000%, 6/01/33 - AMBAC Insured	6/13 at 100.00
3,000	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 - FGIC Insured	1/17 at 100.00
6,120	Moreno Valley Community Redevelopment Agency, California, Tax Allocation Bonds, Series 2007A, 5.000%, 8/01/38 - AMBAC Insured	8/17 at 100.00
2,810	Oakland Joint Powers Financing Authority, California, Lease Revenue Bonds, Administration Building Projects, Series 2008B, 5.000%, 8/01/21 - AGC Insured	8/18 at 100.00
4,140	Plumas County, California, Certificates of Participation, Capital Improvement Program, Series 2003A, 5.000%, 6/01/28 - AMBAC Insured	6/13 at 101.00
390	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 - NPPFG Insured	12/10 at 102.00
325	Rialto Redevelopment Agency, California, Tax Allocation	9/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35
 - SYNCORA GTY Insured

1,000	Rocklin Unified School District, Placer County, California, Special Tax Bonds, Community Facilities District 1, Series 2004, 5.000%, 9/01/25 - NPFPG Insured	9/13 at 100.00
405	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 100.00
5,000	San Bernardino Joint Powers Financing Authority, California, Certificates of Participation Refunding, Police Station Financing Project, Series 1999, 5.500%, 9/01/20 - NPFPG Insured	3/10 at 102.00
2,000	San Jacinto Unified School District, Riverside County, California, Certificates of Participation, Series 2010, 5.375%, 9/01/40 - AGC Insured	9/20 at 100.00
1,500	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 8/01/28 - NPFPG Insured	8/15 at 100.00
5,510	Sweetwater Union High School District Public Financing Authority, California, Special Tax Revenue Bonds, Series 2005A, 5.000%, 9/01/28 - AGM Insured	9/15 at 100.00
1,205	Tustin Community Redevelopment Agency, California, Tax Allocation Housing Bonds Series 2010, 5.000%, 9/01/30 (WI/DD, Settling 3/04/10) - AGM Insured	9/20 at 100.00
1,020	Washington Unified School District, Yolo County, California, Certificates of Participation, Series 2007, 5.125%, 8/01/37 - AMBAC Insured	8/17 at 100.00

122,905	Total Tax Obligation/Limited	

TRANSPORTATION - 7.3% (4.8% OF TOTAL INVESTMENTS)		
6,500	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 0.000%, 1/15/18 - NPFPG Insured	4/10 at 66.39
4,000	Orange County Transportation Authority, California, Toll Road Revenue Bonds, 91 Express Lanes Project, Series 2003A, 5.000%, 8/15/18 - AMBAC Insured	8/13 at 100.00
5,000	San Francisco Airports Commission, California, Revenue Refunding Bonds, San Francisco International Airport, Second Series 2001, Issue 27A, 5.250%, 5/01/31 - NPFPG Insured (Alternative Minimum Tax)	5/11 at 100.00

15,500	Total Transportation	

U.S. GUARANTEED - 13.2% (8.7% OF TOTAL INVESTMENTS) (4)		
1,380	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2000, 5.875%, 11/01/20 (Pre-refunded 11/01/10) - MBIA Insured	11/10 at 100.00
1,900	Central Unified School District, Fresno County,	3/10 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	California, General Obligation Bonds, Series 1993, 5.625%, 3/01/18 - AMBAC Insured (ETM)	
3,000	Escondido Union High School District, San Diego County, California, General Obligation Bonds, Series 1996, 5.700%, 11/01/10 - MBIA Insured (ETM)	5/10 at 100.00
	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Series 2001F:	
1,065	5.125%, 8/01/21 - AGM Insured (ETM)	8/10 at 101.00
1,160	5.125%, 8/01/22 - AGM Insured (ETM)	8/10 at 101.00
1,220	5.125%, 8/01/23 - AGM Insured (ETM)	8/10 at 101.00

32 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	U.S. GUARANTEED (4) (continued)	
\$ 1,500	Hacienda La Puente Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2000A, 5.250%, 8/01/25 (Pre-refunded 8/01/10) - MBIA Insured	8/10 at 101.00
	Manteca Unified School District, San Joaquin County, California, General Obligation Bonds, Series 2004:	
1,000	5.250%, 8/01/21 (Pre-refunded 8/01/14) - AGM Insured	8/14 at 100.00
1,000	5.250%, 8/01/22 (Pre-refunded 8/01/14) - AGM Insured	8/14 at 100.00
1,610	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 (Pre-refunded 12/15/10) - MBIA Insured	12/10 at 102.00
4,320	Riverside County, California, GNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 1987B, 8.625%, 5/01/16 (Alternative Minimum Tax) (ETM)	No Opt. Call
1,000	Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2000A, 5.500%, 12/01/20 (Pre-refunded 12/01/10) - AMBAC Insured	12/10 at 101.00
905	University of California, Hospital Revenue Bonds, UCLA Medical Center, Series 2004A, 5.500%, 5/15/18 (Pre-refunded 5/15/12) - AMBAC Insured	5/12 at 101.00

21,060	Total U.S. Guaranteed	

	UTILITIES - 10.4% (6.8% OF TOTAL INVESTMENTS)	
3,740	California Pollution Control Financing Authority, Revenue Refunding Bonds, Southern California Edison Company, Series 1999B, 5.450%, 9/01/29 - NPMFG Insured	3/10 at 101.00
670	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - SYNCORA GTY Insured	9/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

100	Sacramento City Financing Authority, California, Capital Improvement Revenue Bonds, Solid Waste and Redevelopment Projects, Series 1999, 5.800%, 12/01/19 - AMBAC Insured	6/10 at 102.00
1,950	Salinas Valley Solid Waste Authority, California, Revenue Bonds, Series 2002, 5.250%, 8/01/27 - AMBAC Insured (Alternative Minimum Tax)	8/12 at 100.00
	Santa Clara, California, Subordinate Electric Revenue Bonds, Series 2003A:	
2,800	5.000%, 7/01/24 - NPPG Insured	7/13 at 100.00
5,000	5.000%, 7/01/28 - NPPG Insured	7/13 at 100.00
4,000	Southern California Public Power Authority, California, Milford Wind Corridor Phase I Revenue Bonds, Series 2010-1, 5.000%, 7/01/28	No Opt. Call

18,260	Total Utilities	

	WATER AND SEWER - 23.1% (15.2% OF TOTAL INVESTMENTS)	
1,100	Atwater Public Financing Authority, California, Wastewater Revenue Bonds, Tender Option Bond Trust 3145, 18.517%, 5/01/40 - AGM Insured (IF)	5/19 at 100.00
2,975	Chino Basin Regional Finance Authority, California, Sewerage System Revenue Bonds, Inland Empire Utilities Agency, Series 1994, 6.000%, 8/01/16 - AMBAC Insured	8/10 at 100.00
2,000	El Dorado Irrigation District, California, Water and Sewer Certificates of Participation, Series 2004A, 5.000%, 3/01/21 - FGIC Insured	3/14 at 100.00
750	Fortuna Public Finance Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 10/01/36 - AGM Insured	10/16 at 100.00
460	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - NPPG Insured	4/16 at 100.00
2,700	Los Angeles County Sanitation Districts Financing Authority, California, Senior Revenue Bonds, Capital Projects, Series 2003A, 5.000%, 10/01/21 - AGM Insured	10/13 at 100.00
2,000	Los Angeles, California, Wastewater System Revenue Bonds, Series 2005A, 4.500%, 6/01/29 - NPPG Insured	6/15 at 100.00
430	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - NPPG Insured	6/16 at 100.00
12,000	Orange County Sanitation District, California, Certificates of Participation, Series 2003, 5.000%, 2/01/33 - FGIC Insured (UB)	8/13 at 100.00
1,520	San Buenaventura, California, Water Revenue Certificates of Participation, Series 2004, 5.000%, 10/01/25 - AMBAC Insured	10/14 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

NCL | Nuveen Insured California Premium Income Municipal Fund 2, Inc.
 | (continued)
 | Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
WATER AND SEWER (continued)		
\$ 1,000	San Diego County Water Authority, California, Water Revenue Certificates of Participation, Series 2008A, 5.000%, 5/01/38 - AGM Insured	5/18 at 100.00
3,675	San Dieguito Water District, California, Water Revenue Bonds, Series 2004, 5.000%, 10/01/23 - FGIC Insured	10/14 at 100.00
	Santa Clara Valley Water District, California, Certificates of Participation, Series 2004A:	
1,400	5.000%, 2/01/19 - FGIC Insured	2/14 at 100.00
445	5.000%, 2/01/20 - FGIC Insured	2/14 at 100.00
465	5.000%, 2/01/21 - FGIC Insured	2/14 at 100.00
2,500	West Basin Municipal Water District, California, Revenue Certificates of Participation, Series 2003A, 5.000%, 8/01/30 - NPFM Insured	8/13 at 100.00
	Yorba Linda Water District, California, Certificates of Participation, Highland Reservoir Renovation, Series 2003:	
2,010	5.000%, 10/01/28 - FGIC Insured	10/13 at 100.00
2,530	5.000%, 10/01/33 - FGIC Insured	10/13 at 100.00
39,960	Total Water and Sewer	
\$ 280,630	Total Investments (cost \$266,116,665) - 152.2%	
	Floating Rate Obligations - (10.1)%	
	Other Assets Less Liabilities - 3.0%	
	Auction Rate Preferred Shares, at Liquidation Value - (45.1)% (5)	
	Net Assets Applicable to Common Shares - 100%	

At least 80% of the Fund's net assets are invested in municipal securities that guarantee the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 - Insurance, for more information.

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

The Portfolio of Investments may reflect the ratings on certain bonds whose insurer has experienced downgrades as of the end of the reporting period. Please see the Portfolio Manager's Comments for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers during the period.

- (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) Auction Rate Preferred Shares, at Liquidation Value as a percentage of Total Investments is 29.6%.

N/R Not rated.

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

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 - Inverse Floating Rate Securities for more information.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

34 Nuveen Investments

NCU | Nuveen California Premium Income Municipal Fund
 | Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	CONSUMER STAPLES - 6.9% (4.6% OF TOTAL INVESTMENTS)	
\$ 1,500	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Alameda County Tobacco Asset Securitization Corporation, Series 2002, 5.750%, 6/01/29	6/12 at 100.00
230	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21	6/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

2,995	California Statewide Financing Authority, Tobacco Settlement Asset-Backed Bonds, Pooled Tobacco Securitization Program, Series 2002A, 5.625%, 5/01/29	5/12 at 100.00
1,350	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 100.00
<hr/>		
6,075	Total Consumer Staples	
<hr/>		
EDUCATION AND CIVIC ORGANIZATIONS - 6.4% (4.3% OF TOTAL INVESTMENTS)		
70	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35	10/15 at 100.00
	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006:	
45	5.000%, 11/01/21	11/15 at 100.00
60	5.000%, 11/01/25	11/15 at 100.00
1,112	California State Public Works Board, Lease Revenue Bonds, University of California Regents, Trust 1065, 9.306%, 3/01/33 (IF)	3/18 at 100.00
2,000	California State University, Systemwide Revenue Bonds, Series 2005C, 5.000%, 11/01/27 - NPMG Insured	11/15 at 100.00
1,500	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.125%, 5/15/17 - AMBAC Insured (UB)	5/13 at 100.00
<hr/>		
4,787	Total Education and Civic Organizations	
<hr/>		
ENERGY - 0.6% (0.4% OF TOTAL INVESTMENTS)		
500	Virgin Islands Public Finance Authority, Revenue Bonds, Refinery Project Hovensa LLC, Series 2007, 4.700%, 7/01/22 (Alternative Minimum Tax)	1/15 at 100.00
<hr/>		
HEALTH CARE - 26.9% (17.9% OF TOTAL INVESTMENTS)		
4,090	California Health Facilities Financing Authority, Hospital Revenue Bonds, Downey Community Hospital, Series 1993, 5.750%, 5/15/15	5/10 at 100.00
155	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 100.00
3,525	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46 (UB)	11/16 at 100.00
1,500	California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 102.00
685	California Municipal Financing Authority, Certificates of Participation, Community Hospitals of Central California, Series 2007, 5.250%, 2/01/46	2/17 at 100.00
377	California Statewide Communities Development Authority,	7/18 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.719%, 7/01/47 - AGM Insured (IF)	
1,000	California Statewide Community Development Authority, Insured Health Facility Revenue Bonds, Henry Mayo Newhall Memorial Hospital, Series 2007A, 5.000%, 10/01/37	10/17 at 100.00
490	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 100.00
730	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31	8/16 at 100.00
1,000	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2007A, 4.750%, 4/01/33	4/17 at 100.00
3,000	California Statewide Community Development Authority, Revenue Bonds, Methodist Hospital Project, Series 2009, 6.750%, 2/01/38	8/19 at 100.00

Nuveen Investments 35

NCU | Nuveen California Premium Income Municipal Fund (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	HEALTH CARE (continued)	
\$ 2,100	California Statewide Community Development Authority, Revenue Bonds, Sherman Oaks Health System, Series 1998A, 5.000%, 8/01/22 - AMBAC Insured	No Opt. Call
1,690	California Statewide Community Development Authority, Revenue Bonds, Sutter Health, Series 2005A, 5.000%, 11/15/43	11/15 at 100.00
760	Loma Linda, California, Hospital Revenue Bonds, Loma Linda University Medical Center, Series 2008A, 8.250%, 12/01/38	12/17 at 100.00
800	Sierra View Local Health Care District, Tulare County, California, Refunding Revenue Bonds, Series 1998, 5.400%, 7/01/22	7/10 at 100.00
1,000	The Regents of the University of California, Medical Center Pooled Revenue Bonds, Series 2007A, 4.500%, 5/15/37 - NPMG Insured	5/15 at 101.00

22,902	Total Health Care	

	HOUSING/SINGLE FAMILY - 3.6% (2.4% OF TOTAL INVESTMENTS)	
2,500	California Housing Finance Agency, California, Home Mortgage	2/18 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Revenue Bonds, Series 2008L, 5.500%, 8/01/38

130	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 100.00
160	California Housing Finance Agency, Single Family Mortgage Bonds II, Series 1997A-1, 6.000%, 8/01/20 - NPMFG Insured (Alternative Minimum Tax)	8/10 at 100.00
<hr/>		
2,790	Total Housing/Single Family	

INDUSTRIALS - 0.6% (0.4% OF TOTAL INVESTMENTS)

500	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002A, 5.000%, 1/01/22 (Alternative Minimum Tax)	1/16 at 102.00
-----	--	----------------

TAX OBLIGATION/GENERAL - 25.4% (16.9% OF TOTAL INVESTMENTS)

1,500	California, General Obligation Bonds, Series 2003, 5.000%, 2/01/31 - NPMFG Insured	2/13 at 100.00
	California, General Obligation Bonds, Various Purpose Series 2009:	
2,350	6.000%, 11/01/39	11/19 at 100.00
1,300	5.500%, 11/01/39	11/19 at 100.00
4,000	California, General Obligation Veterans Welfare Bonds, Series 1999BR, 5.300%, 12/01/29 (Alternative Minimum Tax)	6/10 at 100.00
6,000	Hartnell Community College District, California, General Obligation Bonds, Series 2006B, 5.000%, 6/01/29 - AGM Insured (UB)	6/16 at 100.00
3,000	Pomona Unified School District, Los Angeles County, California, General Obligation Refunding Bonds, Series 1997A, 6.150%, 8/01/15 - NPMFG Insured	8/11 at 103.00
15	Riverside Community College District, California, General Obligation Bonds, Series 2004A, 5.250%, 8/01/22 - NPMFG Insured	8/14 at 100.00
135	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 100.00
1,355	San Jose-Evergreen Community College District, Santa Clara County, California, General Obligation Bonds, Series 2005A, 5.000%, 9/01/25 - NPMFG Insured	9/15 at 100.00
<hr/>		
19,655	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 45.4% (30.2% OF TOTAL INVESTMENTS)

1,000	Bell Community Redevelopment Agency, California, Tax Allocation Bonds, Bell Project Area, Series 2003, 5.625%, 10/01/33 - RAAI Insured	10/13 at 100.00
	California Infrastructure Economic Development Bank, Revenue Bonds, North County Center for Self-Sufficiency Corporation, Series 2004:	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

1,695	5.000%, 12/01/22 - AMBAC Insured	12/13 at 100.00
1,865	5.000%, 12/01/24 - AMBAC Insured	12/13 at 100.00
5,920	California State Public Works Board, Lease Revenue Bonds, Department of Veterans Affairs, Southern California Veterans Home - Chula Vista Facility, Series 1999A, 5.600%, 11/01/19 - AMBAC Insured	5/10 at 101.00
1,000	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2009G-1, 5.750%, 10/01/30	10/19 at 100.00

36 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

TAX OBLIGATION/LIMITED (continued)		
\$ 2,000	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2009I-1, 6.375%, 11/01/34	11/19 at 100.00
535	California, Economic Recovery Revenue Bonds, Series 2004A, 5.000%, 7/01/15	7/14 at 100.00
165	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 100.00
500	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 101.00
	Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A:	
75	5.000%, 9/01/26	9/16 at 100.00
175	5.125%, 9/01/36	9/16 at 100.00
3,500	Livermore Redevelopment Agency, California, Tax Allocation Revenue Bonds, Livermore Redevelopment Project Area, Series 2001A, 5.000%, 8/01/26 - NCFG Insured	8/11 at 100.00
310	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 100.00
2,000	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 - FGIC Insured	1/17 at 100.00
3,230	Murrieta Redevelopment Agency, California, Tax Allocation Bonds, Series 2005, 5.000%, 8/01/35 - NCFG Insured	8/15 at 100.00
155	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - SYNCORA GTY Insured	9/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

190	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 100.00
1,500	Sacramento City Financing Authority, California, Lease Revenue Refunding Bonds, Series 1993A, 5.400%, 11/01/20 - NCFG Insured	No Opt. Call
3,000	Sacramento City Financing Authority, California, Lease Revenue Refunding Bonds, Series 1993B, 5.400%, 11/01/20	No Opt. Call
2,000	San Francisco City and County, California, Certificates of Participation, Multiple Capital Improvement Projects, Series 2009A, 5.200%, 4/01/26	4/19 at 100.00
	San Marcos Public Facilities Authority, California, Revenue Refunding Bonds, Series 1998:	
1,500	5.800%, 9/01/18	3/10 at 100.50
1,000	5.800%, 9/01/27	3/10 at 100.50
325	San Mateo Union High School District, San Mateo County, California, Certificates of Participation, Phase 1, Series 2007A, 5.000%, 12/15/30 - AMBAC Insured	12/17 at 100.00
2,050	Santa Barbara County, California, Certificates of Participation, Series 2001, 5.250%, 12/01/19 - AMBAC Insured	12/11 at 102.00

35,690	Total Tax Obligation/Limited	

TRANSPORTATION - 3.5% (2.3% OF TOTAL INVESTMENTS)		
780	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006F, 5.000%, 4/01/31 (UB)	4/16 at 100.00
220	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2008, Trust 3211, 13.541%, 4/01/39 (IF)	4/18 at 100.00
2,000	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Bonds, Series 1995A, 5.000%, 1/01/35	7/10 at 100.00

3,000	Total Transportation	

U.S. GUARANTEED - 16.0% (10.7% OF TOTAL INVESTMENTS) (4)		
2,250	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 101.00
3,000	California Infrastructure Economic Development Bank, First Lien Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2003A, 5.000%, 7/01/22 - AGM Insured (ETM)	No Opt. Call
370	California, Economic Recovery Revenue Bonds, Series 2004A, 5.000%, 7/01/15 (Pre-refunded 7/01/14)	7/14 at 100.00

Nuveen Investments 37

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

NCU | Nuveen California Premium Income Municipal Fund (continued)
 | Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	U.S. GUARANTEED (4) (continued)	
\$ 3,495	Orange County Sanitation District, California, Certificates of Participation, Series 2003, 5.250%, 2/01/21 (Pre-refunded 8/01/13) - FGIC Insured	8/13 at 100.00
2,000	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2000, 5.750%, 7/01/21 (Pre-refunded 7/01/10) - NPFG Insured	7/10 at 100.00

11,115	Total U.S. Guaranteed	

	UTILITIES - 7.9% (5.3% OF TOTAL INVESTMENTS)	
890	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.500%, 11/15/37	No Opt. Call
275	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2003A-2, 5.000%, 7/01/21 - NPFG Insured	7/13 at 100.00
295	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - SYNCORA GTY Insured	9/15 at 100.00
4,580	Sacramento Municipal Utility District, California, Electric Revenue Refunding Bonds, Series 2002Q, 5.250%, 8/15/20 - AGM Insured	8/12 at 100.00

6,040	Total Utilities	

	WATER AND SEWER - 7.0% (4.6% OF TOTAL INVESTMENTS)	
1,125	Burbank, California, Wastewater System Revenue Bonds, Series 2004A, 5.000%, 6/01/23 - AMBAC Insured	6/14 at 100.00
205	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - NPFG Insured	4/16 at 100.00
670	Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Tender Option Bond Trust 09-8B, 17.472%, 7/01/35 (IF)	7/19 at 100.00
1,500	Orange County Water District, California, Revenue Certificates of Participation, Tender Option Bond Trust 11782-1, 17.862%, 8/15/41 (IF)	8/19 at 100.00
1,795	Woodbridge Irrigation District, California, Certificates of Participation, Water Systems Project, Series 2003, 5.500%, 7/01/33	7/13 at 100.00

5,295	Total Water and Sewer	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

\$	118,349	Total Investments (cost \$117,531,503) - 150.2%

		Floating Rate Obligations - (8.5)%

		Other Assets Less Liabilities - 2.0%

		Auction Rate Preferred Shares, at Liquidation Value - (43.7)% (5)

		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 Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's 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) Auction Rate Preferred Shares, at Liquidation Value as a percentage of Total Investments is 29.1%.

N/R Not rated.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 - Inverse Floating Rate Securities for more information.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

38 Nuveen Investments

NAC | Nuveen California Dividend Advantage Municipal Fund
 | Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	CONSUMER STAPLES - 6.7% (4.5% OF TOTAL INVESTMENTS)	
\$ 990	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco	6/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	Securitization Corporation, Series 2005, 4.250%, 6/01/21	
7,500	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.750%, 6/01/47	6/17 at 100.00
24,265	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 100.00

32,755	Total Consumer Staples	

	EDUCATION AND CIVIC ORGANIZATIONS - 6.9% (4.7% OF TOTAL INVESTMENTS)	
290	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35	10/15 at 100.00
10,000	California Educational Facilities Authority, Revenue Bonds, University of Southern California, Series 2007A, 4.500%, 10/01/33 (UB)	10/17 at 100.00
	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006:	
200	5.000%, 11/01/21	11/15 at 100.00
265	5.000%, 11/01/25	11/15 at 100.00
4,685	California State Public Works Board, Lease Revenue Bonds, University of California Regents, Trust 1065, 9.306%, 3/01/33 (IF)	3/18 at 100.00
615	California Statewide Community Development Authority, Revenue Bonds, Notre Dame de Namur University, Series 2003, 6.500%, 10/01/23	10/13 at 100.00
3,000	Long Beach Bond Financing Authority, California, Lease Revenue Refunding Bonds, Long Beach Aquarium of the South Pacific, Series 2001, 5.500%, 11/01/17 - AMBAC Insured	11/11 at 100.00
3,500	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.125%, 5/15/17 - AMBAC Insured (UB)	5/13 at 100.00

22,555	Total Education and Civic Organizations	

	HEALTH CARE - 26.4% (17.8% OF TOTAL INVESTMENTS)	
2,160	California Health Facilities Financing Authority, Health Facility Revenue Bonds, Adventist Health System/West, Series 2003A, 5.000%, 3/01/15	3/13 at 100.00
660	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 100.00
10,000	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.000%, 11/15/42 - NCFG Insured	11/16 at 100.00
14,895	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46 (UB)	11/16 at 100.00
1,120	California Statewide Communities Development Authority,	3/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	Revenue Bonds, Adventist Health System West, Series 2005A, 5.000%, 3/01/35	
1,586	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.719%, 7/01/47 - AGM Insured (IF)	7/18 at 100.00
	California Statewide Communities Development Authority, Revenue Bonds, ValleyCare Health System, Series 2007A: 900 4.800%, 7/15/17 No Opt. Call 3,325 5.125%, 7/15/31 7/17 at 100.00	
19,420	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 100.00
3,095	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31	8/16 at 100.00
9,980	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, 5.000%, 3/01/41 - BHAC Insured (UB)	3/16 at 100.00
2,250	California Statewide Community Development Authority, Revenue Bonds, Methodist Hospital Project, Series 2009, 6.750%, 2/01/38	8/19 at 100.00

Nuveen Investments 39

NAC | Nuveen California Dividend Advantage Municipal Fund (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
	HEALTH CARE (continued)	
\$ 10,500	Duarte, California, Certificates of Participation, City of Hope National Medical Center, Series 1999A, 5.250%, 4/01/31	4/10 at 100.50
2,860	Loma Linda, California, Hospital Revenue Bonds, Loma Linda University Medical Center, Series 2008A, 8.250%, 12/01/38	12/17 at 100.00
675	Oak Valley Hospital District, Stanislaus Conty, California, Revenue Bonds, Series 2010, 6.500%, 11/01/29	11/20 at 100.00
2,570	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2007A, 5.000%, 7/01/38	7/17 at 100.00
3,000	Santa Clara County Financing Authority, California, Insured Revenue Bonds, El Camino Hospital, Series 2007A, 5.750%, 2/01/41 - AMBAC Insured	8/17 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

88,996	Total Health Care	

HOUSING/MULTIFAMILY - 2.3% (1.6% OF TOTAL INVESTMENTS)		
4,895	Contra Costa County, California, Multifamily Housing Revenue Bonds, Delta View Apartments Project, Series 1999C, 6.750%, 12/01/30 (Alternative Minimum Tax)	6/10 at 101.00
320	Independent Cities Lease Finance Authority, California, Mobile Home Park Revenue Bonds, San Juan Mobile Estates, Series 2006B, 5.850%, 5/15/41	5/16 at 100.00
1,725	Rohnert Park Finance Authority, California, Senior Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003A, 5.750%, 9/15/38	9/13 at 100.00
1,120	Rohnert Park Finance Authority, California, Subordinate Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003B, 6.625%, 9/15/38	9/13 at 100.00

8,060	Total Housing/Multifamily	

HOUSING/SINGLE FAMILY - 0.7% (0.5% OF TOTAL INVESTMENTS)		
1,670	California Housing Finance Agency, California, Home Mortgage Revenue Bonds, Series 2008, Trust 3137, 15.580%, 8/01/37 (Alternative Minimum Tax) (IF)	2/17 at 100.00
530	California Housing Finance Agency, California, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 100.00

2,200	Total Housing/Single Family	

INDUSTRIALS - 1.7% (1.1% OF TOTAL INVESTMENTS)		
2,000	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002A, 5.000%, 1/01/22 (Alternative Minimum Tax)	1/16 at 102.00
5,120	California Statewide Communities Development Authority, Revenue Bonds, EnerTech Regional Biosolids Project, Series 2007A, 5.500%, 12/01/33 (Alternative Minimum Tax)	No Opt. Call

7,120	Total Industrials	

LONG-TERM CARE - 2.5% (1.7% OF TOTAL INVESTMENTS)		
1,000	California Municipal Finance Authority, Revenue Bonds, Harbor Regional Center Project, Series 2009, 8.000%, 11/01/29	11/19 at 100.00
8,500	Riverside County Public Financing Authority, California, Certificates of Participation, Air Force Village West, Series 1999, 5.800%, 5/15/29	5/10 at 100.50

9,500	Total Long-Term Care	

TAX OBLIGATION/GENERAL - 12.0% (8.1% OF TOTAL INVESTMENTS)		
10,000	California, General Obligation Bonds, Various Purpose Series 2009, 6.000%, 11/01/39	11/19 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

4,435	California, General Obligation Refunding Bonds, Series 2002, 6.000%, 4/01/16 - AMBAC Insured	No Opt. Call
3,425	Coast Community College District, Orange County, California, General Obligation Bonds, Series 2006C, 0.000%, 8/01/31 - AGM Insured	8/18 at 100.00
5,150	Hacienda La Puente Unified School District Facilities Financing Authority, California, General Obligation Revenue Bonds, Series 2007, 5.000%, 8/01/26 - AGM Insured	No Opt. Call
5,210	Oak Valley Hospital District, Stanislaus County, California, General Obligation Bonds, Series 2005, 5.000%, 7/01/35 - FGIC Insured	7/14 at 101.00
575	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 100.00

40 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

TAX OBLIGATION/GENERAL (continued)		
\$ 5,000	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Series 2003E, 5.250%, 7/01/20 - AGM Insured	7/13 at 101.00
3,605	West Contra Costa Unified School District, Contra Costa County, California, General Obligation Bonds, Series 2003B, 5.000%, 8/01/21 - AGM Insured	8/11 at 101.00

37,400	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 32.7% (22.1% OF TOTAL INVESTMENTS)		
Beaumont Financing Authority, California, Local Agency Revenue Bonds, Series 2004D:		
1,000	5.500%, 9/01/24	9/14 at 102.00
615	5.800%, 9/01/35	9/14 at 102.00
1,990	Borrego Water District, California, Community Facilities District 2007-1 Montesor, Special Tax Bonds, Series 2007, 5.750%, 8/01/25	8/17 at 102.00
1,990	Brentwood Infrastructure Financing Authority, California, Infrastructure Revenue Refunding Bonds, Series 2002A, 5.125%, 9/02/24 - AGM Insured	9/12 at 100.00
Brentwood Infrastructure Financing Authority, Contra Costa County, California, Capital Improvement Revenue Bonds, Series 2001:		
1,110	5.375%, 11/01/18 - AGM Insured	11/11 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

1,165	5.375%, 11/01/19 - AGM Insured	11/11 at 100.00
1,000	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2009G-1, 5.750%, 10/01/30	10/19 at 100.00
2,000	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2009I-1, 6.375%, 11/01/34	11/19 at 100.00
2,000	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District 90-2 - Talega, Series 2003, 6.000%, 9/01/33	9/13 at 100.00
710	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 100.00
1,225	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 101.00
3,490	Fontana, California, Senior Special Tax Refunding Bonds, Heritage Village Community Facilities District 2, Series 1998A, 5.250%, 9/01/17 - NCFG Insured	3/10 at 101.00
1,125	Fontana, California, Special Tax Bonds, Sierra Community Facilities District 22, Series 2004, 6.000%, 9/01/34	9/14 at 100.00
3,980	Garden Grove, California, Certificates of Participation, Financing Project, Series 2002A, 5.500%, 3/01/22 - AMBAC Insured	3/12 at 101.00
	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A:	
25,650	5.000%, 6/01/35 - FGIC Insured	6/15 at 100.00
5,940	5.000%, 6/01/35 - FGIC Insured	6/15 at 100.00
2,850	Hesperia Community Redevelopment Agency, California, Tax Allocation Bonds, Series 2005A, 5.000%, 9/01/35 - SYNCORA GTY Insured	9/15 at 100.00
4,500	Inglewood Redevelopment Agency, California, Tax Allocation Refunding Bonds, Merged Area Redevelopment Project, Series 1998A, 5.250%, 5/01/23 - AMBAC Insured	No Opt. Call
	Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A:	
325	5.000%, 9/01/26	9/16 at 100.00
755	5.125%, 9/01/36	9/16 at 100.00
675	Lammersville School District, San Joaquin County, California, Community Facilities District 2002, Mountain House Special Tax Bonds, Series 2006, 5.125%, 9/01/35	9/16 at 100.00
2,000	Lee Lake Water District, Riverside County, California, Special Tax Bonds, Community Facilities District 1 of Sycamore Creek, Series 2003, 6.500%, 9/01/24	9/13 at 102.00
1,000	Lindsay Redevelopment Agency, California, Project 1 Tax Allocation Bonds, Series 2007, 5.000%, 8/01/37 - RAAI Insured	8/17 at 100.00
1,290	Los Angeles Community Redevelopment Agency, California, Lease	9/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Revenue Bonds, Manchester Social Services Project, Series
2005, 5.000%, 9/01/37 - AMBAC Insured

Nuveen Investments 41

NAC | Nuveen California Dividend Advantage Municipal Fund (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

TAX OBLIGATION/LIMITED (continued)		
\$ 1,530	Moreno Valley Unified School District, Riverside County, California, Certificates of Participation, Series 2005, 5.000%, 3/01/24 - AGM Insured	3/14 at 100.00
3,500	Murrieta Redevelopment Agency, California, Tax Allocation Bonds, Series 2007A, 5.000%, 8/01/37 - NPFPG Insured	8/17 at 100.00
9,200	Norco Redevelopment Agency, California, Tax Allocation Refunding Bonds, Project Area 1, Series 2001, 5.000%, 3/01/19 - NPFPG Insured	3/11 at 102.00
	North Natomas Community Facilities District 4, Sacramento, California, Special Tax Bonds, Series 2006D:	
545	5.000%, 9/01/26	9/14 at 102.00
250	5.000%, 9/01/33	9/14 at 102.00
3,290	Oakland Redevelopment Agency, California, Subordinate Lien Tax Allocation Bonds, Central District Redevelopment Project, Series 2003, 5.500%, 9/01/16 - FGIC Insured	3/13 at 100.00
5,600	Palm Springs Financing Authority, California, Lease Revenue Refunding Bonds, Convention Center Project, Series 2001A, 5.000%, 11/01/22 - NPFPG Insured	11/11 at 101.00
1,000	Palmdale Community Redevelopment Agency, California, Tax Allocation Bonds, Merged Redevelopment Project Areas, Series 2004, 5.000%, 12/01/24 - AMBAC Insured	12/14 at 100.00
1,570	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 - NPFPG Insured	12/10 at 102.00
620	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - SYNCORA GTY Insured	9/15 at 100.00
1,860	Riverside Redevelopment Agency, California, Tax Allocation Refunding Bonds, Merged Project Areas, Series 2003, 5.250%, 8/01/22 - NPFPG Insured	8/13 at 100.00
770	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

2,500	Sacramento City Financing Authority, California, Lease Revenue Refunding Bonds, Series 1993A, 5.400%, 11/01/20 - AMBAC Insured	No Opt. Call
1,150	Sacramento, California, Special Tax Bonds, North Natomas Community Facilities District 4, Series 2003C, 6.000%, 9/01/33	9/14 at 100.00
2,695	San Jose Financing Authority, California, Lease Revenue Refunding Bonds, Civic Center Project, Series 2002B, 5.250%, 6/01/19 - AMBAC Insured	6/12 at 100.00
1,000	Washington Unified School District, Yolo County, California, Certificates of Participation, Series 2007, 5.125%, 8/01/37 - AMBAC Insured	8/17 at 100.00
600	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Refunding Series 2009A, 8.625%, 9/01/39	9/14 at 105.00
2,810	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2003B, 7.000%, 9/01/38	9/13 at 103.00
2,000	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2004B, 6.000%, 9/01/39	9/13 at 102.00
1,350	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 2001-1, Series 2004A, 6.125%, 9/01/39	9/13 at 103.00

112,225	Total Tax Obligation/Limited	

TRANSPORTATION - 20.2% (13.6% OF TOTAL INVESTMENTS)		
1,430	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006F, 5.000%, 4/01/31 (UB)	4/16 at 100.00
830	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2008, Trust 3211, 13.541%, 4/01/39 (IF)	4/18 at 100.00
8,150	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 5.750%, 1/15/40	7/10 at 101.00
8,515	Los Angeles Harbors Department, California, Revenue Refunding Bonds, Series 2001B, 5.500%, 8/01/18 - AMBAC Insured (Alternative Minimum Tax)	8/11 at 100.00
120	Palm Springs Financing Authority, California, Palm Springs International Airport Revenue Bonds, Series 2006, 5.450%, 7/01/20 (Alternative Minimum Tax)	7/14 at 102.00

42 Nuveen Investments

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
TRANSPORTATION (continued)		
\$ 22,825	Port of Oakland, California, Revenue Bonds, Series 2000K, 5.750%, 11/01/29 - FGIC Insured	5/10 at 100.00
23,275	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2000, Issue 24A, 5.750%, 5/01/30 - AGM Insured (Alternative Minimum Tax)	5/10 at 101.00
65,145	Total Transportation	
U.S. GUARANTEED - 25.6% (17.3% OF TOTAL INVESTMENTS) (4)		
9,750	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 101.00
115	California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2001W, 5.250%, 12/01/22 (Pre-refunded 12/01/11) - AGM Insured	12/11 at 100.00
8,400	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 1998B, 5.250%, 10/01/14 (ETM)	4/10 at 100.50
715	California Statewide Community Development Authority, Revenue Bonds, Thomas Jefferson School of Law, Series 2005A, 4.875%, 10/01/31 (Pre-refunded 10/01/15)	10/15 at 100.00
4,370	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003A-1, 6.250%, 6/01/33 (Pre-refunded 6/01/13)	6/13 at 100.00
1,940	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2003A, 6.500%, 9/01/25 (Pre-refunded 9/01/13)	9/13 at 102.00
1,335	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2004, 6.000%, 9/01/34 (Pre-refunded 9/01/13)	9/13 at 102.00
10,845	Los Angeles Unified School District, California, General Obligation Bonds, Series 2002E, 5.000%, 7/01/19 (Pre-refunded 7/01/12) - MBIA Insured	7/12 at 100.00
	Northern California Tobacco Securitization Authority, Tobacco Settlement Asset-Backed Bonds, Series 2001A:	
2,500	5.250%, 6/01/31 (Pre-refunded 6/01/11)	6/11 at 100.00
4,500	5.375%, 6/01/41 (Pre-refunded 6/01/11)	6/11 at 100.00
5,840	Orange County Water District, California, Revenue Certificates of Participation, Series 1999A, 5.375%, 8/15/29 (ETM)	8/10 at 100.00
6,530	Poway Redevelopment Agency, California, Tax Allocation Refunding Bonds, Paguay Redevelopment Project, Series 2000, 5.750%, 6/15/33 (Pre-refunded 12/15/10) - MBIA Insured	12/10 at 102.00
4,000	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2000, 5.750%, 7/01/16 (Pre-refunded 7/01/10) - NPFGB	7/10 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Insured

2,860	Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds, San Diego County Tobacco Asset Securitization Corporation, Senior Series 2001A, 5.250%, 6/01/27 (Pre-refunded 6/01/12)	6/12 at 100.00
11,305	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2002O, 5.000%, 9/01/21 (Pre-refunded 9/01/10) - FGIC Insured	9/10 at 101.00
2,500	Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22 (Pre-refunded 6/01/12)	6/12 at 101.00

77,505	Total U.S. Guaranteed	

UTILITIES - 4.3% (2.9% OF TOTAL INVESTMENTS)		
3,630	Imperial Irrigation District, California, Certificates of Participation, Electric System Revenue Bonds, Series 2003, 5.250%, 11/01/23 - AGM Insured	11/13 at 100.00
3,775	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.000%, 11/15/35	No Opt. Call
5,500	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2005A-1, 5.000%, 7/01/31 - AGM Insured (UB)	7/15 at 100.00
1,270	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - SYNCORA GTY Insured	9/15 at 100.00

14,175	Total Utilities	

Nuveen Investments 43

NAC | Nuveen California Dividend Advantage Municipal Fund (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

WATER AND SEWER - 6.0% (4.1% OF TOTAL INVESTMENTS)		
\$ 875	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - NPMFG Insured	4/16 at 100.00
2,500	Indio Water Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 4/01/31 - AMBAC Insured	4/16 at 100.00
835	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - NPMFG Insured	6/16 at 100.00
8,250	Pico Rivera Water Authority, California, Revenue Bonds, Series	12/11 at 102.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

2001A, 6.250%, 12/01/32

	2,250	Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2006, 5.000%, 12/01/31 - FGIC Insured	6/16 at 100.00
	5,115	San Francisco City and County Public Utilities Commission, California, Water Revenue Bonds, Series 2002A, 5.000%, 11/01/18 - NPPG Insured	11/12 at 100.00

	19,825	Total Water and Sewer	

\$	497,461	Total Investments (cost \$481,010,647) - 148.0%	
=====			
		Floating Rate Obligations - (8.8)%	

		Other Assets Less Liabilities - 2.4%	

		Auction Rate Preferred Shares, at Liquidation Value - (41.6)% (5)	

		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 Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's 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) Auction Rate Preferred Shares, at Liquidation Value as a percentage of Total Investments is 28.1%.

N/R Not rated.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 - Inverse Floating Rate Securities for more information.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

44 Nuveen Investments

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

NVX | Nuveen California Dividend Advantage Municipal Fund 2
 | Portfolio of Investments

February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

CONSUMER STAPLES - 7.4% (5.1% OF TOTAL INVESTMENTS)		
\$ 615	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21	6/15 at 100.00
4,515	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Stanislaus County Tobacco Funding Corporation, Series 2002A, 5.500%, 6/01/33	6/12 at 100.00
4,000	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.750%, 6/01/47	6/17 at 100.00
13,480	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 100.00

22,610	Total Consumer Staples	

EDUCATION AND CIVIC ORGANIZATIONS - 7.9% (5.4% OF TOTAL INVESTMENTS)		
2,000	California Educational Facilities Authority, Revenue Bonds, Stanford University, Series 2001Q, 5.250%, 12/01/32	6/11 at 101.00
2,745	California Educational Facilities Authority, Revenue Bonds, University of Southern California, Tender Option Bond Trust 09-11B, 17.624%, 10/01/38 (IF)	10/18 at 100.00
	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006:	
125	5.000%, 11/01/21	11/15 at 100.00
165	5.000%, 11/01/25	11/15 at 100.00
2,250	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%, 3/01/21 - NPPG Insured (Alternative Minimum Tax)	3/10 at 100.00
2,945	California State Public Works Board, Lease Revenue Bonds, University of California Regents, Trust 1065, 9.306%, 3/01/33 (IF)	3/18 at 100.00
620	California Statewide Community Development Authority, Revenue Bonds, Notre Dame de Namur University, Series 2003, 6.500%, 10/01/23	10/13 at 100.00
3,000	Long Beach Bond Financing Authority, California, Lease Revenue Refunding Bonds, Long Beach Aquarium of the South Pacific, Series 2001, 5.250%, 11/01/30 - AMBAC Insured	11/11 at 101.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

2,680	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.000%, 5/15/33 - AMBAC Insured (UB)	5/13 at 100.00

16,530	Total Education and Civic Organizations	

HEALTH CARE - 19.8% (13.6% OF TOTAL INVESTMENTS)		
2,000	California Health Facilities Financing Authority, Revenue Bonds, Casa Colina Inc., Series 2001, 6.000%, 4/01/22	4/12 at 100.00
415	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 100.00
9,260	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.250%, 11/15/46 (UB)	11/16 at 100.00
500	California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 102.00
2,520	California Statewide Communities Development Authority, Revenue Bonds, Adventist Health System West, Series 2005A, 5.000%, 3/01/35	3/15 at 100.00
	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554:	
998	18.719%, 7/01/47 - AGM Insured (IF)	7/18 at 100.00
1,325	18.685%, 7/01/47 - AGM Insured (IF)	7/18 at 100.00
	California Statewide Communities Development Authority, Revenue Bonds, ValleyCare Health System, Series 2007A:	
900	4.800%, 7/15/17	No Opt. Call
2,225	5.125%, 7/15/31	7/17 at 100.00
2,185	California Statewide Community Development Authority, Health Facility Revenue Refunding Bonds, Memorial Health Services, Series 2003A, 6.000%, 10/01/11	No Opt. Call

Nuveen Investments 45

NVX | Nuveen California Dividend Advantage Municipal Fund 2 (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

HEALTH CARE (continued)		
\$ 2,500	California Statewide Community Development Authority, Hospital Revenue Bonds, Monterey Peninsula Hospital, Series 2003B, 5.250%, 6/01/18 - AGM Insured	6/13 at 100.00
1,755	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 100.00
425	California Statewide Community Development Authority, Revenue	8/16 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31

1,000	California Statewide Community Development Authority, Revenue Bonds, Sutter Health, Series2004D, 5.050%, 8/15/38 - AGM Insured	8/18 at 100.00
6,020	California Statewide Community Development Authority, Revenue Bonds, Sutter Health, Series 2005A, 5.000%, 11/15/43	11/15 at 100.00
2,000	Loma Linda, California, Hospital Revenue Bonds, Loma Linda University Medical Center, Series 2008A, 8.250%, 12/01/38	12/17 at 100.00
1,610	Madera County, California, Certificates of Participation, Children's Hospital Central California, Series 2010, 5.375%, 3/15/36	3/20 at 100.00
455	Oak Valley Hospital District, Stanislaus Conty, California, Revenue Bonds, Series 2010, 6.500%, 11/01/29	11/20 at 100.00
5,785	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2007A, 5.000%, 7/01/38	7/17 at 100.00

43,878 Total Health Care

HOUSING/MULTIFAMILY - 5.2% (3.6% OF TOTAL INVESTMENTS)

5,962	California Statewide Community Development Authority, Multifamily Housing Revenue Refunding Bonds, Claremont Village Apartments, Series 2001D, 5.500%, 6/01/31 (Mandatory put 6/01/16) (Alternative Minimum Tax)	6/11 at 102.00
205	Independent Cities Lease Finance Authority, California, Mobile Home Park Revenue Bonds, San Juan Mobile Estates, Series 2006B, 5.850%, 5/15/41	5/16 at 100.00
1,055	Rohnert Park Finance Authority, California, Senior Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003A, 5.750%, 9/15/38	9/13 at 100.00
700	Rohnert Park Finance Authority, California, Subordinate Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003B, 6.625%, 9/15/38	9/13 at 100.00
3,045	Yucaipa Redevelopment Agency, California, Mobile Home Park Revenue Bonds, Rancho del Sol and Grandview, Series 2001A, 6.750%, 5/15/36	5/11 at 102.00

10,967 Total Housing/Multifamily

HOUSING/SINGLE FAMILY - 1.5% (1.0% OF TOTAL INVESTMENTS)

325	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 100.00
3,290	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2007M, Trust 1021, 7.594%, 8/01/31 (Alternative Minimum Tax) (IF)	2/16 at 100.00
420	California Rural Home Mortgage Finance Authority, Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds,	6/11 at 102.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Series 2001A, 5.650%, 12/01/31 (Alternative Minimum Tax)

4,035	Total Housing/Single Family	
INDUSTRIALS - 1.6% (1.1% OF TOTAL INVESTMENTS)		
1,250	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002A, 5.000%, 1/01/22 (Alternative Minimum Tax)	1/16 at 102.00
3,175	California Statewide Communities Development Authority, Revenue Bonds, EnerTech Regional Biosolids Project, Series 2007A, 5.500%, 12/01/33 (Alternative Minimum Tax)	No Opt. Call
4,425	Total Industrials	

46 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
LONG-TERM CARE - 2.1% (1.4% OF TOTAL INVESTMENTS)		
\$ 1,550	California Health Facilities Financing Authority, Cal-Mortgage Insured Revenue Bonds, Northern California Retired Officers Community Corporation - Paradise Valley Estates, Series 2002, 5.125%, 1/01/22	1/13 at 100.00
3,750	California Statewide Communities Development Authority, Revenue Bonds, Inland Regional Center Project, Series 2007, 5.375%, 12/01/37	12/17 at 100.00
5,300	Total Long-Term Care	
TAX OBLIGATION/GENERAL - 10.7% (7.3% OF TOTAL INVESTMENTS)		
10,000	California State, General Obligation Bonds, Series 2006CD, 4.600%, 12/01/32 (Alternative Minimum Tax)	12/15 at 100.00
3,615	Colton Joint Unified School District, San Bernardino County, California, General Obligation Bonds, Series 2002A, 5.500%, 8/01/22 - FGIC Insured	8/12 at 102.00
	Contra Costa County Community College District, California, General Obligation Bonds, Series 2002:	
3,005	5.000%, 8/01/21 - FGIC Insured	8/12 at 100.00
3,300	5.000%, 8/01/22 - FGIC Insured	8/12 at 100.00
1,285	Los Angeles Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2009D, 5.000%, 7/01/27	7/19 at 100.00
2,000	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2001A, 5.500%, 7/01/20 - NFPG Insured	No Opt. Call

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

355	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 100.00

23,560	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 18.2% (12.4% OF TOTAL INVESTMENTS)		
Beaumont Financing Authority, California, Local Agency Revenue Bonds, Series 2004D:		
650	5.500%, 9/01/24	9/14 at 102.00
385	5.800%, 9/01/35	9/14 at 102.00
1,240	Borrego Water District, California, Community Facilities District 2007-1 Montesorro, Special Tax Bonds, Series 2007, 5.750%, 8/01/25	8/17 at 102.00
4,900	California State Public Works Board, Lease Revenue Bonds, Department of Corrections, Series 2003C, 5.500%, 6/01/16	12/13 at 100.00
1,245	California, Economic Recovery Revenue Bonds, Series 2004A, 5.000%, 7/01/15	7/14 at 100.00
1,200	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District 90-2 - Talega, Series 2003, 6.000%, 9/01/33	9/13 at 100.00
435	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 100.00
4,845	Encinitas Public Financing Authority, California, Lease Revenue Bonds, Acquisition Project, Series 2001A, 5.250%, 4/01/31 - NPPFG Insured	4/10 at 100.00
750	Fontana, California, Special Tax Bonds, Sierra Community Facilities District 22, Series 2004, 6.000%, 9/01/34	9/14 at 100.00
1,785	Hawthorne Community Redevelopment Agency, California, Project Area 2 Tax Allocation Bonds, Series 2006, 5.250%, 9/01/36 - SYNCORA GTY Insured	9/16 at 100.00
1,800	Hesperia Unified School District, San Bernardino County, California, Certificates of Participation, Capital Improvement, Series 2007, 5.000%, 2/01/41 - AMBAC Insured	2/17 at 100.00
Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A:		
205	5.000%, 9/01/26	9/16 at 100.00
470	5.125%, 9/01/36	9/16 at 100.00
2,000	Lake Elsinore Public Finance Authority, California, Local Agency Revenue Refunding Bonds, Series 2003H, 6.000%, 10/01/20	10/13 at 102.00
415	Lammersville School District, San Joaquin County, California, Community Facilities District 2002, Mountain House Special Tax Bonds, Series 2006, 5.125%, 9/01/35	9/16 at 100.00

Nuveen Investments 47

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

NVX | Nuveen California Dividend Advantage Municipal Fund 2 (continued)
 | Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
TAX OBLIGATION/LIMITED (continued)		
\$ 1,265	Lee Lake Water District, Riverside County, California, Special Tax Bonds, Community Facilities District 1 of Sycamore Creek, Series 2003, 6.500%, 9/01/24	9/13 at 102.00
800	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 100.00
495	North Natomas Community Facilities District 4, Sacramento, California, Special Tax Bonds, Series 2006D, 5.000%, 9/01/33	9/14 at 102.00
2,000	Orange County, California, Special Tax Bonds, Community Facilities District 02-1 of Ladera Ranch, Series 2003A, 5.550%, 8/15/33	8/11 at 101.00
385	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - SYNCORA GTY Insured	9/15 at 100.00
475	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 100.00
700	Sacramento, California, Special Tax Bonds, North Natomas Community Facilities District 4, Series 2003C, 6.000%, 9/01/33	9/14 at 100.00
	San Buenaventura Redevelopment Agency, California, Merged Project Areas Tax Allocation Bonds, Series 2008:	
1,000	7.750%, 8/01/28	8/16 at 102.00
1,325	8.000%, 8/01/38	8/16 at 102.00
1,530	San Marcos Public Facilities Authority, California, Tax Allocation Bonds, Project Areas 2 and 3, Series 2005C, 5.000%, 8/01/35 - AMBAC Insured	8/15 at 100.00
825	San Mateo Union High School District, San Mateo County, California, Certificates of Participation, Phase 1, Series 2007A, 5.000%, 12/15/30 - AMBAC Insured	12/17 at 100.00
415	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Refunding Series 2009A, 8.625%, 9/01/39	9/14 at 105.00
1,930	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2003B, 6.750%, 9/01/30	9/13 at 103.00
500	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2004B, 6.000%, 9/01/39	9/13 at 102.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

850	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 2001-1, Series 2004A, 6.125%, 9/01/39	9/13 at 103.00
3,715	Western Placer Unified School District, Placer County, California, Certificates of Participation, Series 2008, 5.000%, 8/01/47 - AGC Insured	8/18 at 100.00

40,535	Total Tax Obligation/Limited	

TRANSPORTATION - 11.4% (7.8% OF TOTAL INVESTMENTS)		
1,930	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006F, 5.000%, 4/01/31 (UB)	4/16 at 100.00
1,430	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2008, Trust 3211, 13.541%, 4/01/39 (IF)	4/18 at 100.00
7,000	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 5.875%, 1/15/27	1/14 at 101.00
5,585	Port of Oakland, California, Revenue Bonds, Series 2002N, 5.000%, 11/01/16 - NPMG Insured (Alternative Minimum Tax) San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29A:	11/12 at 100.00
2,430	5.250%, 5/01/18 - FGIC Insured (Alternative Minimum Tax)	5/13 at 100.00
2,555	5.250%, 5/01/19 - FGIC Insured (Alternative Minimum Tax)	5/13 at 100.00
1,000	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29B, 5.125%, 5/01/17 - FGIC Insured	5/13 at 100.00
2,000	San Francisco Airports Commission, California, Revenue Refunding Bonds, San Francisco International Airport, Second Series 2002, Issue 28A, 5.250%, 5/01/17 - NPMG Insured (Alternative Minimum Tax)	5/12 at 100.00

23,930	Total Transportation	

48 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

U.S. GUARANTEED - 40.3% (27.6% OF TOTAL INVESTMENTS) (4)		
\$ 9,000	Anitoch Area Public Facilities Financing Agency, California, Special Tax Bonds, Community Facilities District 1989-1, Series 2001, 5.250%, 8/01/25 (Pre-refunded 8/01/11)	8/11 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

- MBIA Insured

6,000	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 101.00
450	California Statewide Community Development Authority, Revenue Bonds, Thomas Jefferson School of Law, Series 2005A, 4.875%, 10/01/31 (Pre-refunded 10/01/15)	10/15 at 100.00
860	California, Economic Recovery Revenue Bonds, Series 2004A, 5.000%, 7/01/15 (Pre-refunded 7/01/14)	7/14 at 100.00
4,000	Daly City Housing Development Finance Agency, California, Mobile Home Park Revenue Bonds, Franciscan Mobile Home Park Project, Series 2002A, 5.850%, 12/15/32 (Pre-refunded 12/15/13)	12/13 at 102.00
4,900	East Bay Municipal Utility District, Alameda and Contra Costa Counties, California, Water System Subordinated Revenue Bonds, Series 2001, 5.000%, 6/01/26 (Pre-refunded 6/01/11) - NPMFG Insured	6/11 at 100.00
2,690	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003A-1, 6.250%, 6/01/33 (Pre-refunded 6/01/13)	6/13 at 100.00
1,170	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2003A, 6.500%, 9/01/25 (Pre-refunded 9/01/13)	9/13 at 102.00
885	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2004, 6.000%, 9/01/34 (Pre-refunded 9/01/13)	9/13 at 102.00
1,530	Los Angeles Unified School District, California, General Obligation Bonds, Series 2000D, 5.375%, 7/01/25 (Pre-refunded 7/01/10) - FGIC Insured	7/10 at 100.00
9,510	Los Angeles Unified School District, California, General Obligation Bonds, Series 2002E, 5.000%, 7/01/19 (Pre-refunded 7/01/12) - MBIA Insured	7/12 at 100.00
3,000	Northern California Tobacco Securitization Authority, Tobacco Settlement Asset-Backed Bonds, Series 2001A, 5.375%, 6/01/41 (Pre-refunded 6/01/11)	6/11 at 100.00
2,000	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E, 6.000%, 8/01/26 (ETM)	No Opt. Call
6,000	Riverside County Redevelopment Agency, California, Tax Allocation Bonds, Jurupa Valley Project Area, Series 2001, 5.250%, 10/01/35 (Pre-refunded 10/01/11) - AMBAC Insured	10/11 at 102.00
12,090	Santa Clara Valley Transportation Authority, California, Sales Tax Revenue Bonds, Series 2001A, 5.000%, 6/01/25 (Pre-refunded 6/01/11) - MBIA Insured	6/11 at 100.00
4,050	Santa Rosa High School District, Sonoma County, California, General Obligation Bonds, Series 2001, 5.300%, 5/01/26 (Pre-refunded 5/01/11) - FGIC Insured	5/11 at 101.00
6,200	Southwestern Community College District, San Diego County, California, General Obligation Bonds, Series 2001, 5.375%,	8/11 at 101.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

8/01/25 (Pre-refunded 8/01/11) - AMBAC Insured

2,800	Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds, San Diego County Tobacco Asset Securitization Corporation, Senior Series 2001A, 5.500%, 6/01/36 (Pre-refunded 6/01/12)	6/12 at 100.00
1,500	Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22 (Pre-refunded 6/01/12)	6/12 at 101.00

78,635	Total U.S. Guaranteed	

UTILITIES - 9.2% (6.3% OF TOTAL INVESTMENTS)		
5,000	Anaheim Public Finance Authority, California, Second Lien Electric Distribution Revenue Bonds, Series 2004, 5.250%, 10/01/21 - NPPG Insured	10/14 at 100.00
2,355	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.000%, 11/15/35	No Opt. Call
1,000	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2003A-2, 5.000%, 7/01/23 - NPPG Insured	7/13 at 100.00
500	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2005A-1, 5.000%, 7/01/31 - AGM Insured (UB)	7/15 at 100.00
	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005:	
790	5.125%, 9/01/31 - SYNCORA GTY Insured	9/15 at 100.00
1,500	5.250%, 9/01/36 - SYNCORA GTY Insured	9/15 at 100.00

Nuveen Investments 49

NVX | Nuveen California Dividend Advantage Municipal Fund 2 (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

UTILITIES (continued)		
\$ 2,000	Santa Clara, California, Subordinate Electric Revenue Bonds, Series 2003A, 5.250%, 7/01/20 - NPPG Insured	7/13 at 100.00
2,500	Southern California Public Power Authority, California, Milford Wind Corridor Phase I Revenue Bonds, Series 2010-1, 5.000%, 7/01/28	No Opt. Call
4,000	Southern California Public Power Authority, Natural Gas Project 1 Revenue Bonds, Series 2007A, 5.000%, 11/01/33	No Opt. Call

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

19,645	Total Utilities	

	WATER AND SEWER - 10.8% (7.4% OF TOTAL INVESTMENTS)	
1,400	Castaic Lake Water Agency, California, Certificates of Participation, Series 2006C, 5.000%, 8/01/36 - NPFPG Insured	8/16 at 100.00
545	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - NPFPG Insured	4/16 at 100.00
1,160	Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Tender Option Bond Trust 09-8B, 17.472%, 7/01/35 (IF)	7/19 at 100.00
1,500	Orange County Water District, California, Revenue Certificates of Participation, Tender Option Bond Trust 11782-1, 17.862%, 8/15/41 (IF)	8/19 at 100.00
750	Sacramento County Sanitation District Financing Authority, California, Revenue Bonds, Series 2006, 5.000%, 12/01/31 - FGIC Insured	6/16 at 100.00
1,700	San Buenaventura, California, Wastewater Revenue Certificates of Participation, Series 2004, 5.000%, 3/01/24 - NPFPG Insured	3/14 at 100.00
4,785	San Diego Public Facilities Financing Authority, California, Subordinate Lien Water Revenue Bonds, Series 2002, 5.000%, 8/01/21 - NPFPG Insured	8/12 at 100.00
10,000	San Francisco City and County Public Utilities Commission, California, Clean Water Revenue Refunding Bonds, Series 2003A, 5.250%, 10/01/20 - NPFPG Insured	4/13 at 100.00

21,840	Total Water and Sewer	

\$ 315,890	Total Investments (cost \$308,530,282) - 146.1%	
=====		
	Floating Rate Obligations - (4.2)%	

	Other Assets Less Liabilities - 2.0%	

	Auction Rate Preferred Shares, at Liquidation Value - (43.9)% (5)	

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

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

(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) Auction Rate Preferred Shares, at Liquidation Value as a percentage of Total Investments is 30.0%

N/R Not rated.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 - Inverse Floating Rate Securities for more information.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

50 Nuveen Investments

NZH | Nuveen California Dividend Advantage Municipal Fund 3
| Portfolio of Investments

February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
CONSUMER STAPLES - 8.0% (5.3% OF TOTAL INVESTMENTS)		
\$ 995	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Sonoma County Tobacco Securitization Corporation, Series 2005, 4.250%, 6/01/21	6/15 at 100.00
7,500	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.750%, 6/01/47	6/17 at 100.00
29,660	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 100.00
38,155	Total Consumer Staples	
EDUCATION AND CIVIC ORGANIZATIONS - 4.2% (2.8% OF TOTAL INVESTMENTS)		
290	California Educational Facilities Authority, Revenue Bonds, University of Redlands, Series 2005A, 5.000%, 10/01/35	10/15 at 100.00
200	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006: 5.000%, 11/01/21	11/15 at 100.00
270	5.000%, 11/01/25	11/15 at 100.00
1,500	California Educational Facilities Authority, Student Loan Revenue Bonds, Cal Loan Program, Series 2001A, 5.400%,	3/10 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

3/01/21 - NPMFG Insured (Alternative Minimum Tax)

6,000	California State University, Systemwide Revenue Bonds, Series 2005C, 5.000%, 11/01/27 - NPMFG Insured	11/15 at 100.00
615	California Statewide Community Development Authority, Revenue Bonds, Notre Dame de Namur University, Series 2003, 6.500%, 10/01/23	10/13 at 100.00
4,000	University of California, Revenue Bonds, Multi-Purpose Projects, Series 2003A, 5.000%, 5/15/23 - AMBAC Insured (UB)	5/13 at 100.00

12,875	Total Education and Civic Organizations	

HEALTH CARE - 27.7% (18.4% OF TOTAL INVESTMENTS)

California Health Facilities Financing Authority, Revenue Bonds, Casa Colina Inc., Series 2001:		
4,000	6.000%, 4/01/22	4/12 at 100.00
2,000	6.125%, 4/01/32	4/12 at 100.00
670	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 4/01/37	4/16 at 100.00
2,000	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.000%, 11/15/42 - NPMFG Insured	1 1/16 at 100.00
5,125	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Tender Option Bond Trust 3175, 14.217%, 11/15/46 (IF)	1 1/16 at 100.00
9,000	California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 102.00
2,520	California Statewide Communities Development Authority, Revenue Bonds, Adventist Health System West, Series 2005A, 5.000%, 3/01/35	3/15 at 100.00
1,650	California Statewide Communities Development Authority, Revenue Bonds, Adventist Health System West, Series 2007B, 5.000%, 3/01/37 - AGC Insured	3/18 at 100.00
1,594	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.719%, 7/01/47 - AGM Insured (IF)	7/18 at 100.00
California Statewide Communities Development Authority, Revenue Bonds, ValleyCare Health System, Series 2007A:		
900	4.800%, 7/15/17	No Opt. Call
3,435	5.125%, 7/15/31	7/17 at 100.00
6,525	California Statewide Community Development Authority, Health Facility Revenue Refunding Bonds, Memorial Health Services, Series 2003A, 6.000%, 10/01/12	No Opt. Call
6,450	California Statewide Community Development Authority, Hospital Revenue Bonds, Monterey Peninsula Hospital, Series 2003B, 5.250%, 6/01/18 - AGM Insured	6/13 at 100.00

NZH | Nuveen California Dividend Advantage Municipal Fund 3 (continued)
 | Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
HEALTH CARE (continued)		
\$ 4,500	California Statewide Community Development Authority, Insured Health Facility Revenue Bonds, Catholic Healthcare West, Series 2008K, 5.500%, 7/01/41 - AGC Insured	7/17 at 100.00
7,665	California Statewide Community Development Authority, Insured Mortgage Hospital Revenue Bonds, Mission Community Hospital, Series 2001, 5.375%, 11/01/21	5/10 at 102.00
12,425	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 100.00
645	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2001C, 5.250%, 8/01/31	8/16 at 100.00
6,720	California Statewide Community Development Authority, Revenue Bonds, Sutter Health, Tender Option Bond Trust 3102, 15.732%, 11/15/46 (IF)	11/16 at 100.00
2,950	Loma Linda, California, Hospital Revenue Bonds, Loma Linda University Medical Center, Series 2008A, 8.250%, 12/01/38	12/17 at 100.00
695	Oak Valley Hospital District, Stanislaus Conty, California, Revenue Bonds, Series 2010, 6.500%, 11/01/29	11/20 at 100.00
	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2007A:	
5,790	5.000%, 7/01/38	7/17 at 100.00
2,500	5.000%, 7/01/47	7/17 at 100.00
89,759	Total Health Care	
HOUSING/MULTIFAMILY - 3.4% (2.3% OF TOTAL INVESTMENTS)		
325	Independent Cities Lease Finance Authority, California, Mobile Home Park Revenue Bonds, San Juan Mobile Estates, Series 2006B, 5.850%, 5/15/41	5/16 at 100.00
1,735	Rohnert Park Finance Authority, California, Senior Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003A, 5.750%, 9/15/38	9/13 at 100.00
1,125	Rohnert Park Finance Authority, California, Subordinate Lien Revenue Bonds, Rancho Feliz Mobile Home Park, Series 2003B, 6.625%, 9/15/38	9/13 at 100.00
3,610	San Bernardino County Housing Authority, California, GNMA Collateralized Multifamily Mortgage Revenue Bonds, Pacific	11/11 at 105.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Palms Mobile Home Park, Series 2001A, 6.700%, 12/20/41

San Jose, California, Multifamily Housing Revenue Bonds, GNMA
Mortgage-Backed Securities Program, Lenzen Housing, Series 2001B:

1,250	5.350%, 2/20/26 (Alternative Minimum Tax)	8/11 at 102.00
2,880	5.450%, 2/20/43 (Alternative Minimum Tax)	8/11 at 102.00

10,925 Total Housing/Multifamily

HOUSING/SINGLE FAMILY - 4.4% (2.9% OF TOTAL INVESTMENTS)

2,655	California Housing Finance Agency, California, Home Mortgage Revenue Bonds, Series 2008, Trust 3137, 15.580%, 8/01/37 (Alternative Minimum Tax) (IF)	2/17 at 100.00
-------	--	----------------

540	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 100.00
-----	--	----------------

14,505	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2007M, Trust 1021, 7.594%, 8/01/31 (Alternative Minimum Tax) (IF)	2/16 at 100.00
--------	--	----------------

17,700 Total Housing/Single Family

INDUSTRIALS - 1.7% (1.1% OF TOTAL INVESTMENTS)

2,000	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Waste Management Inc., Series 2002A, 5.000%, 1/01/22 (Alternative Minimum Tax)	1/16 at 102.00
-------	--	----------------

5,205	California Statewide Communities Development Authority, Revenue Bonds, EnerTech Regional Biosolids Project, Series 2007A, 5.500%, 12/01/33 (Alternative Minimum Tax)	No Opt. Call
-------	--	--------------

7,205 Total Industrials

52 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
---------------------------	-----------------	---------------------------------

LONG-TERM CARE - 1.9% (1.3% OF TOTAL INVESTMENTS)

\$ 2,450	California Health Facilities Financing Authority, Cal-Mortgage Insured Revenue Bonds, Northern California Retired Officers Community Corporation - Paradise Valley Estates, Series 2002, 5.125%, 1/01/22	1/13 at 100.00
----------	--	----------------

	California Health Facilities Financing Authority, Insured Senior Living Revenue Bonds, Aldersly Project, Series 2002A:	
1,500	5.125%, 3/01/22	3/12 at 101.00
1,315	5.250%, 3/01/32	3/12 at 101.00

1,000	California Municipal Finance Authority, Revenue Bonds, Harbor Regional Center Project, Series 2009, 8.000%, 11/01/29	11/19 at 100.00
-------	--	-----------------

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

6,265	Total Long-Term Care	

TAX OBLIGATION/GENERAL - 20.0% (13.3% OF TOTAL INVESTMENTS)		
9,335	California, General Obligation Bonds, Series 2002, 6.000%, 2/01/16 - AGM Insured	No Opt. Call
	California, General Obligation Bonds, Various Purpose Series 2009:	
3,040	6.000%, 11/01/39	11/19 at 100.00
3,500	5.500%, 11/01/39	11/19 at 100.00
14,300	California, General Obligation Veterans Welfare Bonds, Series 2001BZ, 5.350%, 12/01/21 - NPFGB Insured (Alternative Minimum Tax)	6/10 at 100.00
1,960	California, Various Purpose General Obligation Bonds, Series 2007, 5.000%, 6/01/37	6/17 at 100.00
3,000	Contra Costa County Community College District, California, General Obligation Bonds, Series 2002, 5.000%, 8/01/23 - FGIC Insured	8/12 at 100.00
2,500	Fullerton Joint Union High School District, Orange County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/23 - AGM Insured	8/12 at 100.00
2,260	Jurupa Unified School District, Riverside County, California, General Obligation Bonds, Series 2002, 5.125%, 8/01/22 - FGIC Insured	8/11 at 101.00
870	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2001, 5.000%, 7/01/24 - AGM Insured	7/11 at 100.00
575	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 100.00
10,810	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2001C, 5.000%, 7/01/26 - AGM Insured	7/11 at 102.00
4,000	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2002D, 5.250%, 7/01/21 - FGIC Insured	7/12 at 101.00
2,715	San Jose-Evergreen Community College District, Santa Clara County, California, General Obligation Bonds, Series 2005A, 5.000%, 9/01/25 - NPFGB Insured	9/15 at 100.00
1,630	West Contra Costa Unified School District, Contra Costa County, California, General Obligation Bonds, Series 2003C, 5.000%, 8/01/22 - FGIC Insured	8/11 at 101.00
60,495	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 37.9% (25.2% OF TOTAL INVESTMENTS)		
2,040	Borrego Water District, California, Community Facilities District 2007-1 Montesorro, Special Tax Bonds, Series 2007, 5.750%, 8/01/25	8/17 at 102.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

7,135	Brentwood Infrastructure Financing Authority, Contra Costa County, California, Capital Improvement Revenue Bonds, Series 2001, 5.000%, 11/01/25 - AGM Insured	11/11 at 100.00
8,210	California State Public Works Board, Lease Revenue Bonds, Department of Corrections, Series 2003C, 5.500%, 6/01/16	12/13 at 100.00
4,000	California State Public Works Board, Lease Revenue Bonds, Department of General Services, Series 2002B, 5.000%, 3/01/27 - AMBAC Insured	3/12 at 100.00
4,510	California State Public Works Board, Lease Revenue Bonds, Department of Mental Health, Hospital Addition, Series 2001A, 5.000%, 12/01/26 - AMBAC Insured	12/11 at 102.00
1,000	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2009G-1, 5.750%, 10/01/30	10/19 at 100.00

Nuveen Investments 53

NZH | Nuveen California Dividend Advantage Municipal Fund 3 (continued)
 | Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

TAX OBLIGATION/LIMITED (continued)		
	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District 90-2 - Talega, Series 2003:	
\$ 1,750	5.875%, 9/01/23	9/13 at 100.00
550	6.000%, 9/01/33	9/13 at 100.00
715	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 100.00
2,160	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 101.00
1,125	Fontana, California, Special Tax Bonds, Sierra Community Facilities District 22, Series 2004, 6.000%, 9/01/34	9/14 at 100.00
1,000	Fullerton Community Facilities District 1, California, Special Tax Bonds, Amerige Heights, Series 2002, 6.100%, 9/01/22	9/12 at 100.00
	Irvine, California, Unified School District, Community Facilities District Special Tax Bonds, Series 2006A:	
330	5.000%, 9/01/26	9/16 at 100.00
760	5.125%, 9/01/36	9/16 at 100.00
3,000	Lake Elsinore Public Finance Authority, California, Local	10/13 at 102.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Agency Revenue Refunding Bonds, Series 2003H, 6.000%,
10/01/20

685	Lammersville School District, San Joaquin County, California, Community Facilities District 2002, Mountain House Special Tax Bonds, Series 2006, 5.125%, 9/01/35	9/16 at 100.00
5,250	Lammersville School District, San Joaquin County, California, Special Tax Bonds, Community Facilities District of Mountain House, Series 2002, 6.300%, 9/01/24	9/12 at 101.00
2,000	Lee Lake Water District, Riverside County, California, Special Tax Bonds, Community Facilities District 1 of Sycamore Creek, Series 2003, 6.500%, 9/01/24	9/13 at 102.00
1,000	Lindsay Redevelopment Agency, California, Project 1 Tax Allocation Bonds, Series 2007, 5.000%, 8/01/37 - RAAI Insured	8/17 at 100.00
5,425	Lodi, California, Certificates of Participation, Public Improvement Financing Project, Series 2002, 5.000%, 10/01/26 - NCFG Insured	10/12 at 100.00
1,310	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 100.00
1,675	Moreno Valley Unified School District, Riverside County, California, Certificates of Participation, Series 2005, 5.000%, 3/01/26 - AGM Insured	3/14 at 100.00
	North Natomas Community Facilities District 4, Sacramento, California, Special Tax Bonds, Series 2006D:	
545	5.000%, 9/01/26	9/14 at 102.00
250	5.000%, 9/01/33	9/14 at 102.00
3,000	Oakland Redevelopment Agency, California, Subordinate Lien Tax Allocation Bonds, Central District Redevelopment Project, Series 2003, 5.500%, 9/01/19 - FGIC Insured	3/13 at 100.00
4,520	Ontario Redevelopment Financing Authority, California, Lease Revenue Bonds, Capital Projects, Series 2001, 5.000%, 8/01/24 - AMBAC Insured	8/11 at 101.00
2,000	Orange County, California, Special Tax Bonds, Community Facilities District 02-1 of Ladera Ranch, Series 2003A, 5.550%, 8/15/33	8/11 at 101.00
11,165	Palm Desert Financing Authority, California, Tax Allocation Revenue Refunding Bonds, Project Area 1, Series 2002, 5.100%, 4/01/30 - NCFG Insured	4/12 at 102.00
3,250	Pomona Public Financing Authority, California, Revenue Refunding Bonds, Merged Redevelopment Projects, Series 2001AD, 5.000%, 2/01/27 - NCFG Insured	2/11 at 100.00
6,000	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/39 - FGIC Insured	No Opt. Call
625	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - SYNCORA GTY Insured	9/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

54 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

TAX OBLIGATION/LIMITED (continued)		
\$ 780	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 100.00
1,145	Sacramento, California, Special Tax Bonds, North Natomas Community Facilities District 4, Series 2003C, 6.000%, 9/01/33	9/14 at 100.00
14,505	San Diego Redevelopment Agency, California, Subordinate Lien Tax Allocation Bonds, Centre City Project, Series 2001, 5.000%, 9/01/26 - AGM Insured (UB)	9/11 at 101.00
2,300	San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Series 2001, 5.000%, 7/01/26 - AMBAC Insured	7/11 at 100.00
1,345	San Mateo Union High School District, San Mateo County, California, Certificates of Participation, Phase 1, Series 2007A, 5.000%, 12/15/30 - AMBAC Insured	12/17 at 100.00
8,710	South Orange County Public Financing Authority, California, Special Tax Revenue Bonds, Ladera Ranch, Series 2005A, 5.000%, 8/15/32 - AMBAC Insured	8/15 at 100.00
600	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Refunding Series 2009A, 8.625%, 9/01/39	9/14 at 105.00
2,810	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2003B, 7.000%, 9/01/38	9/13 at 103.00
2,000	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 01-1, Series 2004B, 6.000%, 9/01/39	9/13 at 102.00
1,375	West Patterson Financing Authority, California, Special Tax Bonds, Community Facilities District 2001-1, Series 2004A, 6.125%, 9/01/39	9/13 at 103.00
2,500	Yucaipa-Calimesa Joint Unified School District, San Bernardino County, California, General Obligation Refunding Bonds, Series 2001A, 5.000%, 10/01/26 - NCFG Insured	10/11 at 100.00

125,055	Total Tax Obligation/Limited	

TRANSPORTATION - 7.2% (4.8% OF TOTAL INVESTMENTS)		
1,690	Bay Area Toll Authority, California, Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2006F, 5.000%, 4/01/31	4/16 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

(UB)

11,750	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 5.875%, 1/15/28	1/14 at 101.00
	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29B:	
4,110	5.125%, 5/01/17 - FGIC Insured	5/13 at 100.00
5,140	5.125%, 5/01/19 - FGIC Insured	5/13 at 100.00

22,690	Total Transportation	

U.S. GUARANTEED - 22.2% (14.8% OF TOTAL INVESTMENTS) (4)		
4,000	Beaumont Financing Authority, California, Local Agency Revenue Bonds, Series 2002A, 6.750%, 9/01/25 (Pre-refunded 9/01/12)	9/12 at 102.00
10,140	California County Tobacco Securitization Agency, Tobacco Settlement Asset-Backed Bonds, Merced County Tobacco Funding Corporation, Series 2002A, 5.500%, 6/01/33 (Pre-refunded 6/01/12)	6/12 at 100.00
	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A:	
3,500	5.375%, 5/01/17 (Pre-refunded 5/01/12) - SYNCORA GTY Insured	5/12 at 101.00
9,000	5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 101.00
720	California Statewide Community Development Authority, Revenue Bonds, Thomas Jefferson School of Law, Series 2005A, 4.875%, 10/01/31 (Pre-refunded 10/01/15)	10/15 at 100.00
2,000	Daly City Housing Development Finance Agency, California, Mobile Home Park Revenue Bonds, Franciscan Mobile Home Park Project, Series 2002A, 5.800%, 12/15/25 (Pre-refunded 12/15/13)	12/13 at 102.00
5,130	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003A-1, 6.250%, 6/01/33 (Pre-refunded 6/01/13)	6/13 at 100.00
1,940	Lincoln, California, Special Tax Bonds, Lincoln Crossing Community Facilities District 03-1, Series 2003A, 6.500%, 9/01/25 (Pre-refunded 9/01/13)	9/13 at 102.00
Nuveen Investments 55		

NZH | Nuveen California Dividend Advantage Municipal Fund 3 (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	U.S. GUARANTEED (4) (continued)	
\$ 1,335	Lincoln, California, Special Tax Bonds, Lincoln Crossing	9/13 at 102.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	Community Facilities District 03-1, Series 2004, 6.000%, 9/01/34 (Pre-refunded 9/01/13)	
1,525	Lucia Mar Unified School District, San Luis Obispo County, California, General Obligation Bonds, Series 2004A, 5.250%, 8/01/22 (Pre-refunded 8/01/14) - FGIC Insured	8/14 at 100.00
5,500	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2002D, 5.375%, 7/01/36 (Pre-refunded 7/01/12)	7/12 at 100.00
4,725	San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Series 2001, 5.000%, 7/01/26 (Pre-refunded 7/01/11) - AMBAC Insured	7/11 at 100.00
7,595	San Francisco State University Foundation Inc., California, Auxiliary Organization Student Housing Revenue Bonds, Series 2001, 5.000%, 9/01/26 (Pre-refunded 9/01/11) - MBIA Insured	9/11 at 101.00
4,200	Tobacco Securitization Authority of Southern California, Tobacco Settlement Asset-Backed Bonds, San Diego County Tobacco Asset Securitization Corporation, Senior Series 2001A, 5.500%, 6/01/36 (Pre-refunded 6/01/12)	6/12 at 100.00
2,500	Whittier, California, Health Facility Revenue Bonds, Presbyterian Intercommunity Hospital, Series 2002, 5.600%, 6/01/22 (Pre-refunded 6/01/12)	6/12 at 101.00
63,810	Total U.S. Guaranteed	

	UTILITIES - 3.5% (2.4% OF TOTAL INVESTMENTS)	
3,815	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.000%, 11/15/35	No Opt. Call
1,285	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - SYNCORA GTY Insured	9/15 at 100.00
5,000	Merced Irrigation District, California, Revenue Certificates of Participation, Electric System Project, Series 2003, 5.700%, 9/01/36	9/13 at 102.00
2,250	Salinas Valley Solid Waste Authority, California, Revenue Bonds, Series 2002, 5.125%, 8/01/22 - AMBAC Insured (Alternative Minimum Tax)	8/12 at 100.00
12,350	Total Utilities	

	WATER AND SEWER - 8.1% (5.4% OF TOTAL INVESTMENTS)	
1,070	Burbank, California, Wastewater System Revenue Bonds, Series 2004A, 5.000%, 6/01/22 - AMBAC Insured	6/14 at 100.00
7,000	Carmichael Water District, Sacramento County, California, Water Revenue Certificates of Participation, Series 1999, 5.125%, 9/01/29 - NPFPG Insured	3/10 at 102.00
1,125	Fortuna Public Finance Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 10/01/36 - AGM Insured	10/16 at 100.00
890	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - NPFPG Insured	4/16 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

850	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - NCFG Insured	6/16 at 100.00
1,000	Pico Rivera Water Authority, California, Revenue Bonds, Series 2001A, 6.250%, 12/01/32	12/11 at 102.00
1,000	San Buenaventura, California, Wastewater Revenue Certificates of Participation, Series 2004, 5.000%, 3/01/24 - NCFG Insured	3/14 at 100.00

56 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
WATER AND SEWER (continued)		
	San Diego Public Facilities Financing Authority, California, Subordinate Lien Water Revenue Bonds, Series 2002:	
\$ 2,500	5.000%, 8/01/23 - NCFG Insured	8/12 at 100.00
6,260	5.000%, 8/01/24 - NCFG Insured	8/12 at 100.00
3,315	San Francisco City and County Public Utilities Commission, California, Clean Water Revenue Refunding Bonds, Series 2003A, 5.250%, 10/01/18 - NCFG Insured	4/13 at 100.00

25,010	Total Water and Sewer	

\$ 492,294	Total Investments (cost \$484,402,035) - 150.2%	
=====		
	Floating Rate Obligations - (3.5)%	
	MuniFund Term Preferred Shares, at Liquidation Value - (27.1)% (5)	
	Other Assets Less Liabilities - 2.3%	
	Auction Rate Preferred Shares, at Liquidation Value - (21.9)% (5)	
	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 Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

(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) MuniFund Term Preferred Shares and Auction Rate Preferred Shares, at Liquidation Value as a percentage of Total Investments are 18.1% and 14.6%, respectively.

N/R Not rated.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 - Inverse Floating Rate Securities for more information.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 57

NKL | Nuveen Insured California Dividend Advantage Municipal Fund
| Portfolio of Investments

February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
CONSUMER STAPLES - 4.0% (2.7% OF TOTAL INVESTMENTS)		
\$ 14,155	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 100.00
EDUCATION AND CIVIC ORGANIZATIONS - 4.9% (3.2% OF TOTAL INVESTMENTS)		
1,675	California Educational Facilities Authority, Revenue Bonds, University of San Diego, Series 2002A, 5.250%, 10/01/30	10/12 at 100.00
9,000	California State University, Systemwide Revenue Bonds, Series 2002A, 5.125%, 11/01/26 - AMBAC Insured	11/12 at 100.00
10,675	Total Education and Civic Organizations	
HEALTH CARE - 6.4% (4.3% OF TOTAL INVESTMENTS)		
5,000	ABAG Finance Authority for Non-Profit Corporations, California, Cal-Mortgage Insured Revenue Bonds, Sansum-Santa Barbara Medical Foundation Clinic, Series 2002A, 5.600%, 4/01/26	4/12 at 100.00
2,815	California Health Facilities Financing Authority, Revenue Bonds, Lucile Salter Packard Children's Hospital, Series 2003C, 5.000%, 8/15/20 - AMBAC Insured	8/13 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

1,748	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.719%, 7/01/47 - AGM Insured (IF)	7/18 at 100.00
5,000	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 100.00

14,563	Total Health Care	

HOUSING/MULTIFAMILY - 1.3% (0.9% OF TOTAL INVESTMENTS)		
1,000	California Statewide Community Development Authority, Student Housing Revenue Bonds, EAH - Irvine East Campus Apartments, LLC Project, Series 2002A, 5.500%, 8/01/22 - ACA Insured	8/12 at 100.00
1,905	Los Angeles, California, GNMA Mortgage-Backed Securities Program Multifamily Housing Revenue Bonds, Park Plaza West Senior Apartments, Series 2001B, 5.300%, 1/20/21 (Alternative Minimum Tax)	7/11 at 102.00

2,905	Total Housing/Multifamily	

HOUSING/SINGLE FAMILY - 0.2% (0.1% OF TOTAL INVESTMENTS)		
350	California Housing Finance Agency, Home Mortgage Revenue Bonds, Series 2006H, 5.750%, 8/01/30 - FGIC Insured (Alternative Minimum Tax)	2/16 at 100.00

INDUSTRIALS - 1.1% (0.7% OF TOTAL INVESTMENTS)		
2,435	California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, Republic Services Inc., Series 2002C, 5.250%, 6/01/23 (Mandatory put 12/01/17) (Alternative Minimum Tax)	No Opt. Call

LONG-TERM CARE - 1.3% (0.9% OF TOTAL INVESTMENTS)		
3,000	ABAG Finance Authority for Non-Profit Corporations, California, Insured Senior Living Revenue Bonds, Odd Fellows Home of California, Series 2003A, 5.200%, 11/15/22	11/12 at 100.00

TAX OBLIGATION/GENERAL - 27.7% (18.5% OF TOTAL INVESTMENTS)		
5,920	Cajon Valley Union School District, San Diego County, California, General Obligation Bonds, Series 2002B, 5.125%, 8/01/32 - NCFG Insured	8/10 at 102.00
900	California, General Obligation Bonds, Series 2003, 5.000%, 2/01/21	8/13 at 100.00
8,250	California, General Obligation Refunding Bonds, Series 2002, 5.000%, 2/01/22 - NCFG Insured	2/12 at 100.00
3,375	Coast Community College District, Orange County, California, General Obligation Bonds, Series 2006C, 0.000%, 8/01/31 - AGM Insured	8/18 at 100.00
230	El Monte Union High School District, Los Angeles County, California, General Obligation Bonds, Series 2003A, 5.000%, 6/01/28 - AGM Insured	6/13 at 100.00
2,730	Fontana Unified School District, San Bernardino County,	8/18 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

California, General Obligation Bonds, Trust 2668, 9.329%,
8/01/28 - AGM Insured (IF)

58 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

TAX OBLIGATION/GENERAL (continued)		
\$ 10,000	Fremont Unified School District, Alameda County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/25 - FGIC Insured	8/12 at 101.00
1,000	Los Rios Community College District, Sacramento, El Dorado and Yolo Counties, California, General Obligation Bonds, Series 2006C, 5.000%, 8/01/25 - AGM Insured (UB)	8/14 at 102.00
1,500	Madera Unified School District, Madera County, California, General Obligation Bonds, Series 2002, 5.000%, 8/01/28 - AGM Insured	8/12 at 100.00
2,000	Murrieta Valley Unified School District, Riverside County, California, General Obligation Bonds, Series 2007, 4.500%, 9/01/30 - AGM Insured	9/17 at 100.00
2,500	Oakland Unified School District, Alameda County, California, General Obligation Bonds, Series 2002, 5.250%, 8/01/21 - FGIC Insured	8/12 at 100.00
375	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 100.00
3,250	San Diego Unified School District, San Diego County, California, General Obligation Bonds, Election of 1998, Series 2001C, 5.000%, 7/01/22 - AGM Insured	7/11 at 102.00
1,500	San Juan Capistrano, California, General Obligation Bonds, Open Space Program, Tender Option Bond Trust 3646, 17.931%, 8/01/40 (IF)	8/19 at 100.00
3,500	San Mateo County Community College District, California, General Obligation Bonds, Series 2002A, 5.000%, 9/01/26 - FGIC Insured	9/12 at 100.00
10,000	Vista Unified School District, San Diego County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/23 - AGM Insured	8/12 at 100.00
3,905	West Kern Community College District, California, General Obligation Bonds, Election 2004, Series 2007C, 5.000%, 10/01/32 - SYNCORA GTY Insured	11/17 at 100.00

60,935	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 47.2% (31.6% OF TOTAL INVESTMENTS)		

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

1,450	Baldwin Park Public Financing Authority, California, Sales Tax and Tax Allocation Bonds, Puente Merced Redevelopment Project, Series 2003, 5.250%, 8/01/21	8/13 at 102.00
6,895	Brea and Olinda Unified School District, Orange County, California, Certificates of Participation Refunding, Series 2002A, 5.125%, 8/01/26 - AGM Insured	8/11 at 101.00
2,200	California Infrastructure Economic Development Bank, Los Angeles County, Revenue Bonds, Department of Public Social Services, Series 2003, 5.000%, 9/01/28 - AMBAC Insured	9/13 at 101.00
3,100	California State Public Works Board, Lease Revenue Bonds, Department of Health Services, Richmond Lab, Series 2005B, 5.000%, 11/01/30 - SYNCORA GTY Insured	11/15 at 100.00
465	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 100.00
1,400	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 101.00
7,035	Corona-Norco Unified School District, Riverside County, California, Special Tax Bonds, Community Facilities District 98-1, Series 2003, 5.000%, 9/01/28 - NPPFG Insured	9/13 at 100.00
3,145	Culver City Redevelopment Agency, California, Tax Allocation Revenue Bonds, Redevelopment Project, Series 2002A, 5.125%, 11/01/25 - NPPFG Insured	5/11 at 101.00
8,170	El Monte, California, Senior Lien Certificates of Participation, Department of Public Services Facility Phase II, Series 2001, 5.000%, 1/01/21 - AMBAC Insured	1/11 at 100.00
4,000	Folsom Public Financing Authority, California, Special Tax Revenue Bonds, Series 2004A, 5.000%, 9/01/21 - AMBAC Insured	9/12 at 102.00
7,700	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Revenue Bonds, Drivers Trust 2091, 9.613%, 6/01/45 - AGC Insured (IF)	6/15 at 100.00
8,780	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A, 5.000%, 6/01/45 - AMBAC Insured	6/15 at 100.00
1,300	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 - SYNCORA GTY Insured	9/17 at 100.00

Nuveen Investments 59

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)
TAX OBLIGATION/LIMITED (continued)		
\$ 2,115	Inglewood Redevelopment Agency, California, Tax Allocation Refunding Bonds, Merged Area Redevelopment Project, Series 1998A, 5.250%, 5/01/23 - AMBAC Insured	No Opt. Call
3,500	La Quinta Redevelopment Agency, California, Tax Allocation Bonds, Redevelopment Project Area 1, Series 2001, 5.100%, 9/01/31 - AMBAC Insured	9/11 at 102.00
3,400	La Quinta Redevelopment Agency, California, Tax Allocation Bonds, Redevelopment Project Area 1, Series 2002, 5.000%, 9/01/22 - AMBAC Insured	9/12 at 102.00
845	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 100.00
1,460	Los Angeles, California, Certificates of Participation, Municipal Improvement Corporation, Series 2003AW, 5.000%, 6/01/33 - AMBAC Insured	6/13 at 100.00
7,000	Los Angeles, California, Certificates of Participation, Series 2002, 5.200%, 4/01/27 - AMBAC Insured	4/12 at 100.00
8,470	Ontario Redevelopment Financing Authority, California, Lease Revenue Bonds, Capital Projects, Series 2001, 5.200%, 8/01/29 - AMBAC Insured	8/11 at 101.00
5,000	Palm Desert Financing Authority, California, Tax Allocation Revenue Refunding Bonds, Project Area 1, Series 2002, 5.000%, 4/01/25 - NPPFG Insured	4/12 at 102.00
3,000	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2007N, 5.250%, 7/01/39 - FGIC Insured	No Opt. Call
405	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - SYNCORA GTY Insured	9/15 at 100.00
4,475	Riverside County, California, Asset Leasing Corporate Leasehold Revenue Bonds, Riverside County Hospital Project, Series 1997B, 5.000%, 6/01/19 - NPPFG Insured	6/12 at 101.00
505	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 100.00
3,175	San Buenaventura, California, Certificates of Participation, Series 2001C, 5.250%, 2/01/31 - AMBAC Insured	2/11 at 101.00
3,730	San Diego Redevelopment Agency, California, Subordinate Lien Tax Increment and Parking Revenue Bonds, Centre City Project, Series 2003B, 5.250%, 9/01/26	9/10 at 100.50
4,000	San Jose Financing Authority, California, Lease Revenue Refunding Bonds, Convention Center Project, Series 2001F, 5.000%, 9/01/19 - NPPFG Insured	9/11 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

1,000	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 8/01/28 - NPPG Insured	8/15 at 100.00
2,160	Temecula Redevelopment Agency, California, Tax Allocation Revenue Bonds, Redevelopment Project 1, Series 2002, 5.125%, 8/01/27 - NPPG Insured	8/10 at 100.00

109,880	Total Tax Obligation/Limited	

TRANSPORTATION - 5.3% (3.6% OF TOTAL INVESTMENTS)		
7,500	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Refunding Bonds, Series 1999, 5.875%, 1/15/29	1/14 at 101.00
	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2003, Issue 29A:	
2,185	5.250%, 5/01/16 - FGIC Insured (Alternative Minimum Tax)	5/13 at 100.00
2,300	5.250%, 5/01/17 - FGIC Insured (Alternative Minimum Tax)	5/13 at 100.00

11,985	Total Transportation	

U.S. GUARANTEED - 20.9% (14.0% OF TOTAL INVESTMENTS) (4)		
6,000	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 5.125%, 5/01/18 (Pre-refunded 5/01/12)	5/12 at 101.00
35	California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2002X, 5.150%, 12/01/23 (Pre-refunded 12/01/12) - FGIC Insured	12/12 at 100.00
2,250	California Infrastructure Economic Development Bank, First Lien Revenue Bonds, San Francisco Bay Area Toll Bridge, Series 2003A, 5.000%, 7/01/36 (Pre-refunded 1/01/28) - AMBAC Insured	1/28 at 100.00

60 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

U.S. GUARANTEED (4) (continued)		
\$ 8,900	Eastern Municipal Water District, California, Water and Sewerage System Revenue Certificates of Participation, Series 2001B, 5.000%, 7/01/30 (Pre-refunded 7/01/11) - FGIC Insured	7/11 at 100.00
	Fresno Unified School District, Fresno County, California, General Obligation Bonds, Series 2002B:	
1,135	5.125%, 8/01/23 - FGIC Insured (ETM)	8/10 at 102.00
1,190	5.125%, 8/01/24 - FGIC Insured (ETM)	8/10 at 102.00
1,245	5.125%, 8/01/25 - FGIC Insured (ETM)	8/10 at 102.00
1,255	5.125%, 8/01/26 - FGIC Insured (ETM)	8/10 at 102.00
2,070	Fresno Unified School District, Fresno County, California,	8/10 at 102.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

General Obligation Bonds, Series 2002G, 5.125%, 8/01/26 - AGM Insured (ETM)

4,500	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2003A-2, 7.900%, 6/01/42 (Pre-refunded 6/01/13)	6/13 at 100.00
5,000	Los Angeles Unified School District, California, General Obligation Bonds, Series 2002E, 5.125%, 1/01/27 (Pre-refunded 7/01/12) - MBIA Insured	7/12 at 100.00
3,380	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2004, 5.875%, 7/01/26 (Pre-refunded 7/01/14)	7/14 at 100.00
2,980	Santa Clarita Community College District, Los Angeles County, California, General Obligation Bonds, Series 2002, 5.125%, 8/01/26 (Pre-refunded 8/01/11) - FGIC Insured	8/11 at 101.00
2,460	Vacaville Unified School District, Solano County, California, General Obligation Bonds, Series 2002, 5.000%, 8/01/26 (Pre-refunded 8/01/11) - AGM Insured	8/11 at 101.00

42,400 Total U.S. Guaranteed

UTILITIES - 14.7% (9.9% OF TOTAL INVESTMENTS)

9,000	Anaheim Public Finance Authority, California, Revenue Bonds, Electric System Distribution Facilities, Series 2002A, 5.000%, 10/01/27 - AGM Insured	10/12 at 100.00
10,000	California Pollution Control Financing Authority, Remarketed Revenue Bonds, Pacific Gas and Electric Company, Series 1996A, 5.350%, 12/01/16 - NPFPG Insured (Alternative Minimum Tax)	4/11 at 102.00
2,490	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.000%, 11/15/35	No Opt. Call
830	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - SYNCORA GTY Insured	9/15 at 100.00
1,775	Northern California Power Agency, Revenue Refunding Bonds, Hydroelectric Project 1, Series 1998A, 5.200%, 7/01/32 - NPFPG Insured	7/10 at 100.00
3,000	Sacramento Municipal Utility District, California, Electric Revenue Bonds, Series 2001N, 5.000%, 8/15/28 - NPFPG Insured	8/11 at 100.00
5,630	Southern California Public Power Authority, Subordinate Revenue Refunding Bonds, Transmission Project, Series 2002A, 4.750%, 7/01/19 - AGM Insured	7/12 at 100.00

32,725 Total Utilities

WATER AND SEWER - 14.4% (9.6% OF TOTAL INVESTMENTS)

2,965	California Department of Water Resources, Water System Revenue Bonds, Central Valley Project, Series 2002X, 5.150%, 12/01/23 - FGIC Insured	12/12 at 100.00
750	Fortuna Public Finance Authority, California, Water Revenue	10/16 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Bonds, Series 2006, 5.000%, 10/01/36 - AGM Insured

570	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - NPFPG Insured	4/16 at 100.00
4,500	Los Angeles County Sanitation Districts Financing Authority, California, Senior Revenue Bonds, Capital Projects, Series 2003A, 5.000%, 10/01/23 - AGM Insured	10/13 at 100.00
2,085	Manteca Financing Authority, California, Sewerage Revenue Bonds, Series 2003B, 5.000%, 12/01/33 - NPFPG Insured	12/13 at 100.00
500	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - NPFPG Insured	6/16 at 100.00

Nuveen Investments 61

NKL | Nuveen Insured California Dividend Advantage Municipal Fund (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	WATER AND SEWER (continued)	
\$ 9,185	Orange County Sanitation District, California, Certificates of Participation, Series 2003, 5.000%, 2/01/33 - FGIC Insured (UB)	8/13 at 100.00
8,000	San Diego County Water Authority, California, Water Revenue Certificates of Participation, Series 2008A, 5.000%, 5/01/38 - AGM Insured	5/18 at 100.00
	Semitropic Water Storage District, Kern County, California, Water Banking Revenue Bonds, Series 2004A:	
1,315	5.500%, 12/01/20 - SYNCORA GTY Insured	12/14 at 100.00
1,415	5.500%, 12/01/21 - SYNCORA GTY Insured	12/14 at 100.00

31,285	Total Water and Sewer	

\$ 337,293	Total Investments (cost \$329,464,833) - 149.4%	
=====		
	Floating Rate Obligations - (3.3)%	

	Other Assets Less Liabilities - 2.2%	

	Auction Rate Preferred Shares, at Liquidation Value - (48.3)% (5)	

	Net Assets Applicable to Common Shares - 100%	
=====		

At least 80% of the Fund's net assets are invested in municipal securities that guarantee the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 - Insurance, for more information.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

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

The Portfolio of Investments may reflect the ratings on certain bonds whose insurer has experienced downgrades as of the end of the reporting period. Please see the Portfolio Manager's Comments for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers during the period.

- (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) Auction Rate Preferred Shares, at Liquidation Value as a percentage of Total Investments is 32.3%.

N/R Not rated.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 - Inverse Floating Rate Securities for more information.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

62 Nuveen Investments

NKX | Nuveen Insured California Tax-Free Advantage Municipal Fund
 | Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	CONSUMER STAPLES - 4.7% (3.2% OF TOTAL INVESTMENTS)	
\$ 6,070	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, 0.000%, 6/01/37	6/22 at 100.00

	HEALTH CARE - 21.0% (14.6% OF TOTAL INVESTMENTS)	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

1,800	California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 102.00
662	California Statewide Communities Development Authority, Revenue Bonds, Saint Joseph Health System, Trust 2554, 18.719%, 7/01/47 - AGM Insured (IF)	7/18 at 100.00
4,000	California Statewide Community Development Authority, Insured Health Facility Revenue Bonds, Catholic Healthcare West, Series 2008K, 5.500%, 7/01/41 - AGC Insured	7/17 at 100.00
1,815	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, Series 2006, 5.000%, 3/01/41	3/16 at 100.00
5,020	California Statewide Community Development Authority, Revenue Bonds, Kaiser Permanente System, 5.000%, 3/01/41 - BHAC Insured (UB)	3/16 at 100.00
4,060	California Statewide Community Development Authority, Revenue Bonds, Sherman Oaks Health System, Series 1998A, 5.000%, 8/01/22 - AMBAC Insured	No Opt. Call
<hr/>		
17,357	Total Health Care	
<hr/>		
HOUSING/MULTIFAMILY - 1.4% (1.0% OF TOTAL INVESTMENTS)		
1,165	Poway, California, Housing Revenue Bonds, Revenue Bonds, Poinsettia Mobile Home Park, Series 2003, 5.000%, 5/01/23	5/13 at 102.00
<hr/>		
LONG-TERM CARE - 3.6% (2.5% OF TOTAL INVESTMENTS)		
1,000	ABAG Finance Authority for Non-Profit Corporations, California, Insured Senior Living Revenue Bonds, Odd Fellows Home of California, Series 2003A, 5.200%, 11/15/22	11/12 at 100.00
2,000	California Health Facilities Financing Authority, Cal-Mortgage Insured Revenue Bonds, Northern California Retired Officers Community Corporation - Paradise Valley Estates, Series 2002, 5.250%, 1/01/26	1/13 at 100.00
<hr/>		
3,000	Total Long-Term Care	
<hr/>		
TAX OBLIGATION/GENERAL - 18.0% (12.5% OF TOTAL INVESTMENTS)		
2,000	Butte-Glenn Community College District, Butte and Glenn Counties, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/26 - NPMG Insured	8/12 at 101.00
1,030	Fontana Unified School District, San Bernardino County, California, General Obligation Bonds, Trust 2668, 9.329%, 8/01/28 - AGM Insured (IF)	8/18 at 100.00
450	Fremont Unified School District, Alameda County, California, General Obligation Bonds, Series 2002A, 5.000%, 8/01/25 - FGIC Insured	8/12 at 101.00
2,000	Los Angeles, California, General Obligation Bonds, Series 2002A, 5.000%, 9/01/22 - NPMG Insured	9/12 at 100.00
1,000	Murrieta Valley Unified School District, Riverside County,	9/13 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

California, General Obligation Bonds, Series 2003A, 5.000%,
9/01/26 - FGIC Insured

1,000	Murrieta Valley Unified School District, Riverside County, California, General Obligation Bonds, Series 2007, 4.500%, 9/01/30 - AGM Insured	9/17 at 100.00
140	Roseville Joint Union High School District, Placer County, California, General Obligation Bonds, Series 2006B, 5.000%, 8/01/27 - FGIC Insured	8/15 at 100.00
3,000	San Diego Unified School District, California, General Obligation Bonds, Election of 1998, Series 2000B, 5.125%, 7/01/22 - NPPG Insured	7/10 at 100.00
3,855	San Rafael City High School District, Marin County, California, General Obligation Bonds, Series 2003A, 5.000%, 8/01/28 - AGM Insured	8/12 at 100.00

14,475	Total Tax Obligation/General	

Nuveen Investments 63

NKX | Nuveen Insured California Tax-Free Advantage Municipal Fund (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

TAX OBLIGATION/LIMITED - 45.6% (31.6% OF TOTAL INVESTMENTS)		
\$ 550	Baldwin Park Public Financing Authority, California, Sales Tax and Tax Allocation Bonds, Puente Merced Redevelopment Project, Series 2003, 5.250%, 8/01/21	8/13 at 102.00
1,165	Burbank Public Financing Authority, California, Revenue Refunding Bonds, Golden State Redevelopment Project, Series 2003A, 5.250%, 12/01/22 - AMBAC Insured	12/13 at 100.00
4,000	California State Public Works Board, Lease Revenue Bonds, Department of General Services, Capital East End Project, Series 2002A, 5.000%, 12/01/27 - AMBAC Insured	12/12 at 100.00
170	Capistrano Unified School District, Orange County, California, Special Tax Bonds, Community Facilities District, Series 2005, 5.000%, 9/01/24 - FGIC Insured	9/15 at 100.00
525	Chino Redevelopment Agency, California, Merged Chino Redevelopment Project Area Tax Allocation Bonds, Series 2006, 5.000%, 9/01/38 - AMBAC Insured	9/16 at 101.00
1,610	Folsom Public Financing Authority, California, Special Tax Revenue Bonds, Series 2004A, 5.000%, 9/01/21 - AMBAC Insured	9/12 at 102.00
2,905	Golden State Tobacco Securitization Corporation, California,	6/15 at 100.00

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Enhanced Tobacco Settlement Revenue Bonds, Drivers Trust
2091, 9.613%, 6/01/45 (IF)

3,285	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2005A, 5.000%, 6/01/45 - AMBAC Insured	6/15 at 100.00
1,000	Hesperia Public Financing Authority, California, Redevelopment and Housing Projects Tax Allocation Bonds, Series 2007A, 5.000%, 9/01/37 - SYNCORA GTY Insured	9/17 at 100.00
5,540	Irvine Public Facilities and Infrastructure Authority, California, Assessment Revenue Bonds, Series 2003C, 5.000%, 9/02/21 - AMBAC Insured	9/13 at 100.00
315	Los Angeles Community Redevelopment Agency, California, Lease Revenue Bonds, Manchester Social Services Project, Series 2005, 5.000%, 9/01/37 - AMBAC Insured	9/15 at 100.00
1,770	Los Angeles Unified School District, California, Certificates of Participation, Administration Building Project II, Series 2002C, 5.000%, 10/01/27 - AMBAC Insured	10/12 at 100.00
2,000	Los Angeles, California, Certificates of Participation, Municipal Improvement Corporation, Series 2003AW, 5.000%, 6/01/33 - AMBAC Insured	6/13 at 100.00
1,500	Los Angeles, California, Municipal Improvement Corporation, Lease Revenue Bonds, Police Headquarters, Series 2006A, 4.750%, 1/01/31 - FGIC Insured	1/17 at 100.00
1,500	Los Osos, California, Improvement Bonds, Community Services Wastewater Assessment District 1, Series 2002, 5.000%, 9/02/33 - NPPFG Insured	9/10 at 103.00
150	Rialto Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 9/01/35 - SYNCORA GTY Insured	9/15 at 100.00
190	Roseville, California, Certificates of Participation, Public Facilities, Series 2003A, 5.000%, 8/01/25 - AMBAC Insured	8/13 at 100.00
	San Buenaventura, California, Certificates of Participation, Golf Course Financing Project, Series 2002D:	
3,000	5.000%, 2/01/27 - AMBAC Insured	2/12 at 100.00
3,300	5.000%, 2/01/32 - AMBAC Insured	2/12 at 100.00
1,200	San Diego Redevelopment Agency, California, Subordinate Lien Tax Increment and Parking Revenue Bonds, Centre City Project, Series 2003B, 5.250%, 9/01/26	9/10 at 100.50
2,770	San Jose Financing Authority, California, Lease Revenue Refunding Bonds, Civic Center Project, Series 2002B, 5.000%, 6/01/32 - AMBAC Insured	6/12 at 100.00
1,000	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Project Area, Series 2005A, 5.000%, 8/01/28 - NPPFG Insured	8/15 at 100.00

39,445 Total Tax Obligation/Limited

TRANSPORTATION - 10.0% (6.9% OF TOTAL INVESTMENTS)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

5,480	Bay Area Governments Association, California, BART SFO Extension, Airport Premium Fare Revenue Bonds, Series 2002A, 5.000%, 8/01/26 - AMBAC Insured	8/12 at 100.00
2,000	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Bonds, Series 1995A, 5.000%, 1/01/35	7/10 at 100.00
1,300	San Francisco Airports Commission, California, Revenue Bonds, San Francisco International Airport, Second Series 2000, Issue 26B, 5.000%, 5/01/25 - FGIC Insured	5/10 at 101.00

8,780	Total Transportation	

64 Nuveen Investments

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CALL PROVISIONS (2)

	U.S. GUARANTEED - 19.4% (13.5% OF TOTAL INVESTMENTS) (4)	
\$ 1,000	Berryessa Union School District, Santa Clara County, California, General Obligation Bonds, Series 2003C, 5.000%, 8/01/21 (Pre-refunded 8/01/12) - AGM Insured	8/12 at 100.00
1,290	California State, General Obligation Bonds, Series 2002: 5.000%, 4/01/27 (Pre-refunded 4/01/12) - AMBAC Insured	4/12 at 100.00
2,945	5.250%, 4/01/30 (Pre-refunded 4/01/12) - SYNCORA GTY Insured	4/12 at 100.00
500	California, General Obligation Bonds, Series 2004, 5.250%, 4/01/34 (Pre-refunded 4/01/14)	4/14 at 100.00
1,625	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2003A-2, 7.900%, 6/01/42 (Pre-refunded 6/01/13)	6/13 at 100.00
2,030	Hacienda La Puente Unified School District, Los Angeles County, California, General Obligation Bonds, Series 2003B, 5.000%, 8/01/27 (Pre-refunded 8/01/13) - AGM Insured	8/13 at 100.00
1,260	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2004, 5.875%, 7/01/26 (Pre-refunded 7/01/14)	7/14 at 100.00
1,220	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2002, 5.000%, 8/01/32 (Pre-refunded 8/01/10) - MBIA Insured	8/10 at 101.00
2,390	Solano County, California, Certificates of Participation, Series 2002, 5.250%, 11/01/24 (Pre-refunded 11/01/12) - MBIA Insured	11/12 at 100.00

14,260	Total U.S. Guaranteed	

	UTILITIES - 3.1% (2.1% OF TOTAL INVESTMENTS)	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

1,000	Anaheim Public Finance Authority, California, Second Lien Electric Distribution Revenue Bonds, Series 2004, 5.250%, 10/01/21 - NPPG Insured	10/14 at 100.00
945	Long Beach Bond Finance Authority, California, Natural Gas Purchase Revenue Bonds, Series 2007A, 5.500%, 11/15/37	No Opt. Call
275	Los Angeles Department of Water and Power, California, Power System Revenue Bonds, Series 2003A-2, 5.000%, 7/01/21 - NPPG Insured	7/13 at 100.00
310	Merced Irrigation District, California, Electric System Revenue Bonds, Series 2005, 5.125%, 9/01/31 - SYNCORA GTY Insured	9/15 at 100.00

2,530	Total Utilities	

	WATER AND SEWER - 13.8% (9.6% OF TOTAL INVESTMENTS)	
1,000	Castaic Lake Water Agency, California, Certificates of Participation, Series 2006C, 5.000%, 8/01/36 - NPPG Insured	8/16 at 100.00
750	Fortuna Public Finance Authority, California, Water Revenue Bonds, Series 2006, 5.000%, 10/01/36 - AGM Insured	10/16 at 100.00
215	Healdsburg Public Financing Authority, California, Wastewater Revenue Bonds, Series 2006, 5.000%, 4/01/36 - NPPG Insured	4/16 at 100.00
770	Manteca Financing Authority, California, Sewerage Revenue Bonds, Series 2003B, 5.000%, 12/01/33 - NPPG Insured	12/13 at 100.00
170	Marina Coast Water District, California, Enterprise Certificate of Participation, Series 2006, 5.000%, 6/01/31 - NPPG Insured	6/16 at 100.00
	San Diego Public Facilities Financing Authority, California, Subordinate Lien Water Revenue Bonds, Series 2002:	
3,000	5.000%, 8/01/22 - NPPG Insured	8/12 at 100.00
2,500	5.000%, 8/01/23 - NPPG Insured	8/12 at 100.00
1,180	South Feather Water and Power Agency, California, Water Revenue Certificates of Participation, Solar Photovoltaic Project, Series 2003, 5.375%, 4/01/24	4/13 at 100.00
1,600	Sunnyvale Financing Authority, California, Water and Wastewater Revenue Bonds, Series 2001, 5.000%, 10/01/26 - AMBAC Insured	10/11 at 100.00

11,185	Total Water and Sewer	

\$	118,267	Total Long-Term Investments (cost \$116,327,682) - 140.6%
=====		

Nuveen Investments 65

NKX | Nuveen Insured California Tax-Free Advantage Municipal Fund (continued)
| Portfolio of Investments February 28, 2010

PRINCIPAL

OPTIONAL CALL

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

AMOUNT (000)	DESCRIPTION (1)	PROVISIONS (2)
	SHORT-TERM INVESTMENTS - 3.6% (2.5% OF TOTAL INVESTMENTS)	
	HEALTH CARE - 3.6% (2.5% OF TOTAL INVESTMENTS)	
\$ 3,000	California Statewide Communities Development Authority, Revenue Bonds, Adventist Health System West, Variable Rate Demand Obligations, Series 2007A, 0.150%, 3/01/37 (5)	5/10 at 100.00
=====		
	Total Short-Term Investments (cost \$3,000,000)	
	Total Investments (cost \$119,327,682) - 144.2%	
	Floating Rate Obligations - (4.1)%	
	Variable Rate Demand Preferred Shares, at Liquidation Value - (43.0)% (6)	
	Other Assets Less Liabilities - 2.9%	
	Net Assets Applicable to Common Shares - 100%	
=====		

At least 80% of the Fund's net assets are invested in municipal securities that guarantee the timely payment of principal and interest. See Notes to Financial Statements, Footnote 1 - Insurance, for more information.

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

The Portfolio of Investments may reflect the ratings on certain bonds whose insurer has experienced downgrades as of the end of the reporting period. Please see the Portfolio Manager's Comments for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers during the period.

- (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) Investment has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term investment. The rate disclosed is that in effect at the end of the reporting period. This rate changes periodically based on market conditions or a specified market index.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

(6) Variable Rate Demand Preferred Shares, at Liquidation Value as a percentage of Total Investments is 29.8%.

N/R Not rated.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 - Inverse Floating Rate Securities for more information.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

66 Nuveen Investments

| Statement of
| Assets & Liabilities

February 28, 2010

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA
<hr/>			
ASSETS			
Investments, at value (cost \$133,461,573, \$266,116,665, \$117,531,503 and \$481,010,647, respectively)	\$ 137,598,303	\$ 269,638,479	\$
Cash	--	--	
Receivables:			
Interest	2,368,935	3,604,578	
Investments sold	9,384,525	10,680,525	
Deferred offering costs	--	--	
Other assets	15,238	61,353	
<hr/>			
Total assets	149,367,001	283,984,935	
<hr/>			
LIABILITIES			
Cash overdraft	2,736,416	6,864,407	
Floating rate obligations	--	17,880,000	
Payables:			
Investments purchased	6,185,626	1,185,262	
Auction Rate Preferred share dividends	2,160	2,963	
Common share dividends	373,140	808,180	
Interest	--	--	
Offering costs	--	--	
MuniFund Term Preferred shares, at liquidation value	--	--	
Variable Rate Demand Preferred shares, at liquidation value	--	--	
Accrued expenses:			
Management fees	68,192	131,022	
Other	57,908	118,886	
<hr/>			
Total liabilities	9,423,442	26,990,720	
<hr/>			
Auction Rate Preferred shares, at liquidation			

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

value		45,000,000		79,825,000	
Net assets applicable to Common shares	\$	94,943,559	\$	177,169,215	\$
Common shares outstanding		6,442,132		12,662,870	
Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	\$	14.74	\$	13.99	\$
NET ASSETS APPLICABLE TO COMMON SHARES CONSIST OF:					
Common shares, \$.01 par value per share	\$	64,421	\$	126,629	\$
Paid-in surplus		89,211,429		175,755,244	
Undistributed (Over-distribution of) net investment income		1,341,479		2,990,818	
Accumulated net realized gain (loss)		189,500		(5,225,290)	
Net unrealized appreciation (depreciation)		4,136,730		3,521,814	
Net assets applicable to Common shares	\$	94,943,559	\$	177,169,215	\$
Authorized shares:					
Common		200,000,000		200,000,000	
Auction Rate Preferred		1,000,000		1,000,000	
MuniFund Term Preferred		--		--	
Variable Rate Demand Preferred		--		--	

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 67

| Statement of
| Assets & Liabilities (continued)

February 28, 2010

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSU DIVI
ASSETS			
Investments, at value (cost \$308,530,282, \$484,402,035, \$329,464,833 and \$119,327,682, respectively)	\$ 312,201,729	\$ 477,390,809	\$
Cash	--	--	--
Receivables:			
Interest	4,610,110	7,551,894	
Investments sold	1,504,725	1,003,150	
Deferred offering costs	--	1,596,445	
Other assets	64,700	137,908	
Total assets	318,381,264	487,680,206	
LIABILITIES			
Cash overdraft	626,791	358,724	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Floating rate obligations	8,905,000	11,100,000
Payables:		
Investments purchased	--	--
Auction Rate Preferred share dividends	6,306	7,440
Common share dividends	1,130,393	1,740,020
Interest	--	159,180
Offering costs	--	345,000
MuniFund Term Preferred shares, at liquidation value	--	86,250,000
Variable Rate Demand Preferred shares, at liquidation value	--	--
Accrued expenses:		
Management fees	130,638	176,916
Other	120,316	182,782

Total liabilities	10,919,444	100,320,062
-------------------	------------	-------------

Auction Rate Preferred shares, at liquidation value	93,775,000	69,500,000
---	------------	------------

Net assets applicable to Common shares	\$ 213,686,820	\$ 317,860,144	\$
--	----------------	----------------	----

Common shares outstanding	14,746,722	24,119,434
---------------------------	------------	------------

Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	\$ 14.49	\$ 13.18	\$
---	----------	----------	----

NET ASSETS APPLICABLE TO COMMON SHARES
CONSIST OF:

Common shares, \$.01 par value per share	\$ 147,467	\$ 241,194	\$
Paid-in surplus	209,634,495	342,638,123	
Undistributed (Over-distribution of) net investment income	3,224,000	4,465,685	
Accumulated net realized gain (loss)	(2,990,589)	(22,473,632)	
Net unrealized appreciation (depreciation)	3,671,447	(7,011,226)	

Net assets applicable to Common shares	\$ 213,686,820	\$ 317,860,144	\$
--	----------------	----------------	----

Authorized shares:

Common	Unlimited	Unlimited
Auction Rate Preferred	Unlimited	Unlimited
MuniFund Term Preferred	--	Unlimited
Variable Rate Demand Preferred	--	--

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

68 Nuveen Investments

| Statement of
| Operations

Year Ended February 28, 2010

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIF
INVESTMENT INCOME	\$ 7,300,881	\$ 14,560,642	\$
EXPENSES			
Management fees	885,199	1,667,023	
Auction fees	75,390	133,735	
Dividend disbursing agent fees	10,000	20,000	
Shareholders' servicing agent fees and expenses	7,082	11,422	
Interest expense and amortization of offering costs	--	144,588	
Liquidity fees	--	--	
Custodian's fees and expenses	28,112	54,219	
Directors'/Trustees' fees and expenses	4,496	8,213	
Professional fees	23,943	33,576	
Shareholders' reports - printing and mailing expenses	26,723	43,797	
Stock exchange listing fees	9,216	9,219	
Investor relations expense	8,966	16,229	
Other expenses	20,694	26,452	
Total expenses before custodian fee credit and expense reimbursement	1,099,821	2,168,473	
Custodian fee credit	(964)	(1,163)	
Expense reimbursement	--	--	
Net expenses	1,098,857	2,167,310	
Net investment income	6,202,024	12,393,332	
REALIZED AND UNREALIZED GAIN (LOSS)			
Net realized gain (loss) from:			
Investments	208,253	905,377	
Forward swaps	--	2,508,000	
Change in net unrealized appreciation (depreciation) of:			
Investments	3,266,189	10,832,050	
Forward swaps	--	(1,751,141)	
Net realized and unrealized gain (loss)	3,474,442	12,494,286	
DISTRIBUTIONS TO AUCTION RATE PREFERRED SHAREHOLDERS			
From net investment income	(160,577)	(280,372)	
From accumulated net realized gains	(125,550)	(219,424)	
Decrease in net assets applicable to Common shares from distributions to Auction Rate Preferred shareholders	(286,127)	(499,796)	
Net increase (decrease) in net assets applicable to Common shares from operations	\$ 9,390,339	\$ 24,387,822	\$

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 69

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

| Statement of
| Operations (continued)

Year Ended February 28, 2010

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSU DIVI
INVESTMENT INCOME	\$ 17,876,581	\$ 27,087,821	\$
EXPENSES			
Management fees	1,979,628	2,977,613	
Auction fees	171,461	242,944	
Dividend disbursing agent fees	20,000	20,000	
Shareholders' servicing agent fees and expenses	1,598	2,775	
Interest expense and amortization of offering costs	67,041	570,141	
Liquidity fees	--	--	
Custodian's fees and expenses	58,086	81,224	
Directors'/Trustees' fees and expenses	9,947	14,991	
Professional fees	36,622	49,034	
Shareholders' reports - printing and mailing expenses	45,641	63,873	
Stock exchange listing fees	2,090	3,408	
Investor relations expense	17,857	24,851	
Other expenses	27,228	31,955	
Total expenses before custodian fee credit and expense reimbursement	2,437,199	4,082,809	
Custodian fee credit	(296)	(176)	
Expense reimbursement	(321,801)	(607,752)	
Net expenses	2,115,102	3,474,881	
Net investment income	15,761,479	23,612,940	
REALIZED AND UNREALIZED GAIN (LOSS)			
Net realized gain (loss) from:			
Investments	(224,116)	(1,481,783)	
Forward swaps	--	(1,938,000)	
Change in net unrealized appreciation (depreciation) of:			
Investments	21,083,029	37,608,511	
Forward swaps	--	2,841,843	
Net realized and unrealized gain (loss)	20,858,913	37,030,571	
DISTRIBUTIONS TO AUCTION RATE PREFERRED SHAREHOLDERS			
From net investment income	(520,453)	(747,503)	
From accumulated net realized gains	--	--	
Decrease in net assets applicable to Common shares from distributions to Auction Rate Preferred shareholders	(520,453)	(747,503)	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Net increase (decrease) in net assets applicable
to Common shares from operations \$ 36,099,939 \$ 59,896,008 \$

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

70 Nuveen Investments

| Statement of
| Changes in Net Assets

	INSURED CALIFORNIA PREMIUM INCOME (NPC)			INSURED CA
	YEAR ENDED 2/28/10	SIX MONTHS ENDED 2/28/09	YEAR ENDED 8/31/08	YEAR ENDE 2/28/1
OPERATIONS				
Net investment income	\$ 6,202,024	\$ 3,021,939	\$ 6,128,739	\$ 12,393,33
Net realized gain (loss) from:				
Investments	208,253	78,582	328,360	905,37
Forward swaps	--	--	863,429	2,508,00
Futures contracts	--	--	--	--
Change in net unrealized appreciation (depreciation) of:				
Investments	3,266,189	(4,835,228)	(1,420,724)	10,832,05
Forward swaps	--	--	(364,728)	(1,751,14
Distributions to Auction Rate Preferred shareholders:				
From net investment income	(160,577)	(684,653)	(1,447,316)	(280,37
From accumulated net realized gains	(125,550)	(157,410)	(25,344)	(219,42
Net increase (decrease) in net assets applicable to Common shares from operations	9,390,339	(2,576,770)	4,062,416	24,387,82
DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(4,841,052)	(2,344,919)	(4,689,975)	(9,927,69
From accumulated net realized gains	--	(934,738)	(86,562)	--
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(4,841,052)	(3,279,657)	(4,776,537)	(9,927,69
CAPITAL SHARE TRANSACTIONS				
Common shares:				
Net proceeds from shares issued to shareholders due to reinvestment of distributions	--	--	--	--
Repurchased and retired	(137,066)	(74,494)	--	(122,21
Net increase (decrease) in net assets applicable to Common shares from capital share transactions	(137,066)	(74,494)	--	(122,21

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Net increase (decrease) in net assets applicable to Common shares	4,412,221	(5,930,921)	(714,121)	14,337,91
Net assets applicable to Common shares at the beginning of period	90,531,338	96,462,259	97,176,380	162,831,29
Net assets applicable to Common shares at the end of period	\$ 94,943,559	\$ 90,531,338	\$ 96,462,259	\$ 177,169,21
Undistributed (Over-distribution of) net investment income at the end of period	\$ 1,341,479	\$ 141,089	\$ 149,112	\$ 2,990,81

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 71

| Statement of
| Changes in Net Assets (continued)

	CALIFORNIA PREMIUM INCOME (NCU)			CALIFOR
	YEAR ENDED 2/28/10	SIX MONTHS ENDED 2/28/09	YEAR ENDED 8/31/08	YEAR ENDE 2/28/1
OPERATIONS				
Net investment income	\$ 5,420,568	\$ 2,462,997	\$ 5,317,766	\$ 23,628,35
Net realized gain (loss) from:				
Investments	771,424	(1,743,990)	118,683	1,654,62
Forward swaps	--	--	239,634	--
Futures contracts	--	--	--	--
Change in net unrealized appreciation (depreciation) of:				
Investments	5,758,190	(5,711,715)	(2,804,244)	36,206,66
Forward swaps	--	--	1,018	--
Distributions to Auction Rate Preferred shareholders:				
From net investment income	(196,230)	(599,218)	(1,399,028)	(466,84
From accumulated net realized gains	--	(13,364)	--	(387,19
Net increase (decrease) in net assets applicable to Common shares from operations	11,753,952	(5,605,290)	1,473,829	60,635,60
DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(4,156,357)	(1,923,138)	(3,707,671)	(19,065,96
From accumulated net realized gains	--	(35,229)	--	--
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(4,156,357)	(1,958,367)	(3,707,671)	(19,065,96

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

CAPITAL SHARE TRANSACTIONS

Common shares:

Net proceeds from shares issued to shareholders due to reinvestment of distributions	--	--	--	--
Repurchased and retired	(276,239)	(142,381)	--	--

Net increase (decrease) in net assets applicable to Common shares from capital share transactions	(276,239)	(142,381)	--	--

Net increase (decrease) in net assets applicable to Common shares	7,321,356	(7,706,038)	(2,233,842)	41,569,633
Net assets applicable to Common shares at the beginning of period	71,259,809	78,965,847	81,199,689	284,220,888

Net assets applicable to Common shares at the end of period	\$ 78,581,165	\$ 71,259,809	\$ 78,965,847	\$ 325,790,521
=====				
Undistributed (Over-distribution of) net investment income at the end of period	\$ 1,156,186	\$ 88,253	\$ 150,354	\$ 4,761,511
=====				

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

72 Nuveen Investments

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)			CALIFOR
	YEAR ENDED 2/28/10	SIX MONTHS ENDED 2/28/09	YEAR ENDED 8/31/08	YEAR ENDE 2/28/1

OPERATIONS				
Net investment income	\$ 15,761,479	\$ 7,567,859	\$ 14,898,561	\$ 23,612,943
Net realized gain (loss) from:				
Investments	(224,116)	(2,624,444)	(313,737)	(1,481,788)
Forward swaps	--	--	1,314,381	(1,938,000)
Futures contracts	--	--	--	--
Change in net unrealized appreciation (depreciation) of:				
Investments	21,083,029	(19,142,795)	(6,006,208)	37,608,511
Forward swaps	--	--	(396,451)	2,841,843
Distributions to Auction Rate Preferred shareholders:				
From net investment income	(520,453)	(1,602,421)	(3,691,110)	(747,500)
From accumulated net realized gains	--	(186,582)	--	--

Net increase (decrease) in net assets applicable to Common shares from operations	36,099,939	(15,988,383)	5,805,436	59,896,000

DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(12,903,633)	(5,371,458)	(10,247,217)	(20,091,488)

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

From accumulated net realized gains	--	(517,910)	--	--

Decrease in net assets applicable to Common shares from distributions to Common shareholders	(12,903,633)	(5,889,368)	(10,247,217)	(20,091,48)

CAPITAL SHARE TRANSACTIONS				
Common shares:				
Net proceeds from shares issued to shareholders due to reinvestment of distributions	--	--	--	--
Repurchased and retired	(333,589)	(188,113)	--	--

Net increase (decrease) in net assets applicable to Common shares from capital share transactions	(333,589)	(188,113)	--	--

Net increase (decrease) in net assets applicable to Common shares	22,862,717	(22,065,864)	(4,441,781)	39,804,51
Net assets applicable to Common shares at the beginning of period	190,824,103	212,889,967	217,331,748	278,055,62

Net assets applicable to Common shares at the end of period	\$213,686,820	\$190,824,103	\$212,889,967	\$317,860,14
=====				
Undistributed (Over-distribution of) net investment income at the end of period	\$3,224,000	\$886,607	\$265,440	\$4,465,68
=====				

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 73

| Statement of
| Changes in Net Assets (continued)

	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)			INSURED CA
	YEAR ENDED 2/28/10	SIX MONTHS ENDED 2/28/09	YEAR ENDED 8/31/08	YEAR ENDE 2/28/1

OPERATIONS				
Net investment income	\$16,095,615	\$7,640,002	\$15,678,470	\$5,027,50
Net realized gain (loss) from:				
Investments	53,877	(1,321,731)	1,337,028	(4,64
Forward swaps	--	--	731,015	--
Futures contracts	--	--	--	--
Change in net unrealized appreciation (depreciation) of:				
Investments	15,219,178	(14,959,271)	(6,994,006)	6,385,84
Forward swaps	--	--	(24,419)	--
Distributions to Auction Rate Preferred				

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

shareholders:				
From net investment income	(548,107)	(1,586,640)	(3,886,043)	—
From accumulated net realized gains	--	(201,085)	(116,419)	—
Net increase (decrease) in net assets applicable to Common shares from operations	30,820,563	(10,428,725)	6,725,626	11,408,700
DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(12,835,656)	(5,686,357)	(10,952,422)	(4,491,520)
From accumulated net realized gains	--	(568,639)	(340,878)	—
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(12,835,656)	(6,254,996)	(11,293,300)	(4,491,520)
CAPITAL SHARE TRANSACTIONS				
Common shares:				
Net proceeds from shares issued to shareholders due to reinvestment of distributions	--	--	--	—
Repurchased and retired	(151,512)	(204,888)	--	—
Net increase (decrease) in net assets applicable to Common shares from capital share transactions	(151,512)	(204,888)	--	—
Net increase (decrease) in net assets applicable to Common shares	17,833,395	(16,888,609)	(4,567,674)	6,917,180
Net assets applicable to Common shares at the beginning of period	206,467,159	223,355,768	227,923,442	75,661,350
Net assets applicable to Common shares at the end of period	\$224,300,554	\$ 206,467,159	\$223,355,768	\$ 82,578,530
Undistributed (Over-distribution of) net investment income at the end of period	\$ 3,373,091	\$ 662,312	\$ 310,679	\$ 782,600

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

74 Nuveen Investments

| Statement of
| Cash Flows

Year ended February 28, 2010

INSURED
PREMI

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

CASH FLOWS FROM OPERATING ACTIVITIES:

NET INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON SHARES FROM OPERATIONS \$

Adjustments to reconcile the net increase (decrease) in net assets applicable to Common shares from operations to net cash provided by (used in) operating activities:

- Purchases of investments
- Proceeds from sales and maturities of investments
- Proceeds from (Purchases of) short-term investments, net
- Proceeds from (Payments for) terminated forward swaps
- Amortization (Accretion) of premiums and discounts, net
- (Increase) Decrease in receivable for interest
- (Increase) Decrease in receivable for investments sold
- (Increase) Decrease in other assets
- Increase (Decrease) in payable for investments purchased
- Increase (Decrease) in payable for Auction Rate Preferred share dividends
- Increase (Decrease) in accrued management fees
- Increase (Decrease) in accrued other liabilities
- Net realized (gain) loss from investments
- Net realized (gain) loss from forward swaps
- Change in net unrealized (appreciation) depreciation of investments
- Change in net unrealized (appreciation) depreciation of forward swaps
- Taxes paid on undistributed capital gains

 Net cash provided by (used in) operating activities

CASH FLOWS FROM FINANCING ACTIVITIES:

- Increase (Decrease) in cash overdraft balance
- Increase (Decrease) in floating rate obligations
- Cash distributions paid to Common shareholders
- Cost of Common shares repurchased and retired
- (Increase) Decrease in deferred offering costs
- Increase (Decrease) in payable for offering costs

 Net cash provided by (used in) financing activities

NET INCREASE (DECREASE) IN CASH

Cash at the beginning of year

 CASH AT THE END OF YEAR \$
 =====

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

 Cash paid for interest (excluding amortization of offering costs, where applicable) \$
 =====

INSURED
 PREMI

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 75

| Notes to
| Financial Statements

1. GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

The funds covered in this report and their corresponding Common share stock exchange symbols are Nuveen Insured California Premium Income Municipal Fund, Inc. (NPC), Nuveen Insured California Premium Income Municipal Fund 2, Inc. (NCL), Nuveen California Premium Income Municipal Fund (NCU), Nuveen California Dividend Advantage Municipal Fund (NAC), Nuveen California Dividend Advantage Municipal Fund 2 (NVX), Nuveen California Dividend Advantage Municipal Fund 3 (NZH), Nuveen Insured California Dividend Advantage Municipal Fund (NKL) and Nuveen Insured California Tax-Free Advantage Municipal Fund (NKX) (collectively, the "Funds"). Common shares of Insured California Premium Income (NPC), Insured California Premium Income 2 (NCL) and California Dividend Advantage (NAC) are traded on the New York Stock Exchange (NYSE) while Common shares of California Premium Income (NCU), California Dividend Advantage 2 (NVX), California Dividend Advantage 3 (NZH), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) are traded on the NYSE Amex. 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 California state income taxes, and in the case of Insured California Tax-Free Advantage (NKX) the alternative minimum tax applicable to individuals, by investing primarily in a portfolio of municipal obligations issued by state and local government authorities within the state of California or certain U.S. territories.

During the fiscal period ended February 28, 2009, the Board of Directors/Trustees of the Funds approved a change in the Funds' fiscal and tax year ends from August 31 to February 28/29.

In June 2009, the Financial Accounting Standards Board (FASB) established the FASB Accounting Standards Codification(TM) (the "Codification") as the single source of authoritative accounting principles recognized by the FASB in the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The Codification supersedes existing non-grandfathered, non-SEC accounting and reporting standards. The Codification did not change GAAP but rather organized it into a hierarchy where all guidance within the Codification carries an equal level of authority. The Codification became effective for financial statements issued for interim and annual periods ending after September 15, 2009. The Codification did not have a material effect on the Funds' financial statements.

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with US 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 Directors/Trustees. Prices of forward swap contracts are also provided by an independent pricing service approved by each Fund's Board of Directors/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. When market price quotes are not readily available (which is usually the case for municipal securities), the pricing service or, in the absence of a pricing service for a particular investment or derivative instrument, the Board of Directors/Trustees of the Fund, or its designee, may establish fair value using a wide variety of market data including yields or prices of investments of comparable quality, type of issue, coupon,

maturity and rating, market quotes or indications of value from security dealers, evaluations of anticipated cash flows or collateral, general market conditions and other information and analysis, including the obligor's credit characteristics considered relevant. Temporary investments in securities that have variable rate and demand features qualifying them as short-term investments are valued at amortized cost, which approximates 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 February 28, 2010, Insured California Premium Income (NPC) and Insured California Premium Income 2 (NCL) had outstanding when-issued/delayed delivery purchase commitments of \$3,187,828 and \$1,185,262, respectively. There were no such outstanding purchase commitments in any of the other Funds.

76 Nuveen Investments

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 of its 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 that will enable interest from municipal securities, which is exempt from regular federal and California state income taxes, and in the case of Insured California Tax-Free Advantage (NKX) the alternative minimum tax applicable to individuals, 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.

For all open tax years and all major taxing jurisdictions, management of the Funds has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements. Open tax years are those that are open for examination by taxing authorities (i.e., generally the last four tax year ends and the interim tax period since then). Furthermore, management of the Funds is also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

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 at least 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 US generally accepted accounting principles.

AUCTION RATE PREFERRED SHARES

The following Funds have issued and outstanding Auction Rate Preferred shares, \$25,000 stated value per share, as a means of effecting financial leverage. Each Fund's Auction Rate 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. As of February 28, 2010, the number of Auction Rate Preferred shares outstanding, by Series and in total, for each Fund is as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME (NCU)	CALIFORNIA DIVIDEND ADVANTAGE (NAC)

Number of shares:				
Series M	--	--	1,375	--
Series T	1,800	1,597	--	--
Series TH	--	1,596	--	2,710
Series F	--	--	--	2,711

Total	1,800	3,193	1,375	5,421
=====				

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)

Number of shares:			
Series M	1,875	1,389	--
Series T	--	--	2,165
Series TH	--	1,391	--
Series F	1,876	--	2,165

Total	3,751	2,780	4,330
=====			

Nuveen Investments 77

| Notes to
| Financial Statements (continued)

Beginning in February 2008, more shares for sale were submitted in the regularly scheduled auctions for the Auction Rate Preferred shares issued by the Funds than there were offers to buy. This meant that these auctions "failed to clear," and that many Auction Rate Preferred shareholders who wanted to sell their shares in these auctions were unable to do so. Auction Rate Preferred shareholders unable to sell their shares received distributions at the "maximum rate" applicable to failed auctions as calculated in accordance with the

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

pre-established terms of the Auction Rate Preferred shares. As of February 28, 2010, the aggregate amount of outstanding Auction Rate Preferred shares redeemed by each Fund is as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME 2 (NCL)
Auction Rate Preferred shares redeemed, at liquidation value	\$ --	\$ 15,175,000	\$8,6

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
Auction Rate Preferred shares redeemed, at liquidation value	\$16,225,000	\$ 117,500,000	\$9,7

Effective May 1, 2009, auction participation fees with respect to auctions that have failed have been reduced from 25 bps (annualized) to 15 bps (annualized). All auction participants have signed new agreements incorporating this change.

MUNIFUND TERM PREFERRED SHARES

California Dividend Advantage 3 (NZH) has issued and outstanding \$86,250,000, of 2.95%, Series 2015 MuniFund Term Preferred shares, with a \$10 liquidation value per share. Dividends, which are recognized as interest expense for financial reporting purposes, will be paid monthly at a fixed annual rate of 2.95%, subject to adjustment in certain circumstances. Proceeds from the issuance of MuniFund Term Preferred shares, net of offering expenses, were used to redeem a portion of the Fund's outstanding Auction Rate Preferred shares.

The Fund is obligated to redeem the MuniFund Term Preferred shares on January 1, 2015, unless earlier redeemed or repurchased by the Fund. MuniFund Term Preferred shares are subject to optional and mandatory redemption in certain circumstances. As of January 1, 2011, the MuniFund Term Preferred shares will be subject to redemption at the option of the Fund, subject to payment of a premium until December 31, 2011, and at par thereafter. The MuniFund Term Preferred shares also will be subject to redemption, at the option of the Fund, at par in the event of certain changes in the credit rating of the MuniFund Term Preferred shares. The Funds may be obligated to redeem certain of the MuniFund Term Preferred shares if the Fund fails to maintain certain asset coverage and leverage ratio requirements and such failures are not cured by the applicable cure date. The redemption price per share is equal to the sum of the liquidation value per share plus any accumulated but unpaid dividends. The MuniFund Term Preferred shares trade on NYSE under the symbol "NZH Pr C".

During the period from December 21, 2009 through February 28, 2010, California Dividend Advantage 3 (NZH) had an average balance of \$83,804,348 MuniFund Term Preferred shares outstanding.

For financial reporting purposes only, the liquidation value of MuniFund Term Preferred shares is recorded as a liability on the Statement of Assets and Liabilities. Unpaid dividends on MuniFund Term Preferred shares are recognized as "Interest payable" on the Statement of Assets and Liabilities. Dividends paid on MuniFund Term Preferred shares are included as a component of "Interest expense and amortization of offering costs" on the Statement of Operations.

VARIABLE RATE DEMAND PREFERRED SHARES

Insured California Tax-Free Advantage (NKX) has issued and outstanding 355 Series 1 Variable Rate Demand Preferred shares, \$100,000 liquidation value per share. Variable Rate Demand Preferred shares were issued in a privately negotiated offering. Proceeds of this offering were used to redeem a portion of the Fund's outstanding Auction Rate Preferred shares. The Variable Rate Demand Preferred shares were offered to institutional buyers as defined pursuant to Rule 144A under the Securities Act of 1933, have a maturity date of August 1, 2038 and include a liquidity feature that allows the Variable Rate Demand Preferred shareholders to have their shares purchased by the liquidity provider in the event that sell orders are not matched with purchase orders in a remarketing. Dividends on the Variable Rate Demand Preferred shares (which are treated as interest payments for financial reporting purposes) are set weekly at a rate established by a remarketing agent; therefore, the liquidation value of the Variable Rate Demand Preferred shares approximates fair value.

Subject to certain conditions, Variable Rate Demand Preferred shares may be redeemed, in whole or in part, at any time at the option of the Fund. The Fund may also redeem certain of the Variable Rate Demand Preferred shares if the Fund fails to maintain certain asset coverage requirements and such failures are not cured by the applicable cure date. The redemption price per share is equal to the sum of the liquidation value per share plus any accumulated but unpaid dividends.

78 Nuveen Investments

Insured California Tax-Free Advantage (NKX) had all of its \$35,500,000 Variable Rate Demand Preferred shares outstanding during the fiscal year ended February 28, 2010, with an annualized interest rate of 0.35%.

For financial reporting purposes only, the liquidation value of Variable Rate Demand Preferred shares is recognized as a liability on the Statement of Assets and Liabilities. Unpaid dividends on Variable Rate Preferred shares are recognized as "Interest payable" on the Statement of Assets and Liabilities. Dividends paid on the Variable Rate Demand Preferred shares are included as a component of "Interest expense and amortization of offering costs" on the Statement of Operations. In addition to interest expense, the Fund also pays a per annum liquidity fee, which is recognized as "Liquidity fees" on the Statement of Operations.

INSURANCE

Except to the extent that Insured California Premium Income (NPC) invests in temporary investments, all of the net assets (as defined in Footnote 7 - Management Fees and Other Transactions with Affiliates) of the Fund will be invested in municipal securities that are covered by insurance guaranteeing the timely payment of principal and interest or backed by an escrow or trust account containing sufficient U.S. Government or U.S. Government agency securities to ensure timely payment of principal and interest. Insurers must have a claims paying ability rated "Aaa" by Moody's or "AAA" by Standard & Poor's. Municipal securities backed by an escrow account or trust account will not constitute more

than 20% of the Fund's net assets.

Under normal circumstances, Insured California Premium Income 2 (NCL), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) invest at least 80% of their net assets (as defined in Footnote 7 - Management Fees and Other Transactions with Affiliates) in municipal securities that are covered by insurance guaranteeing the timely payment of principal and interest. For purposes of this 80%, insurers must have a claims paying ability rated at least "A" at the time of purchase by at least one independent rating agency. In addition, each of Insured California Premium Income 2 (NCL), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) invests at least 80% of its net assets in municipal securities that are rated at least "BBB" at the time of purchase (based on the higher of the rating of the insurer, if any, or the underlying security) by at least one independent rating agency, or are unrated but judged to be of similar credit quality by Nuveen Asset Management (the "Adviser"), a wholly-owned subsidiary of Nuveen Investments, Inc. ("Nuveen"), or are backed by an escrow or trust account containing sufficient U.S. Government or U.S. Government agency securities or U.S. Treasury-issued State and Local Government Series securities to ensure timely payment of principal and interest. Inverse floating rate securities whose underlying bonds are covered by insurance are included for purposes of this 80%. Each of Insured California Premium Income 2 (NCL), Insured California Dividend Advantage (NKL) and Insured California Tax-Free Advantage (NKX) may also invest up to 20% of its net assets in municipal securities rated at least "BBB" (based on the higher rating of the insurer, if any, or the underlying bond) or are unrated but judged to be of comparable quality by the Adviser.

Each insured municipal security is covered by Original Issue Insurance, Secondary Market Insurance or Portfolio Insurance. Such insurance does not guarantee the market value of the municipal securities or the value of the Funds' Common shares. Original Issue Insurance and Secondary Market Insurance remain in effect as long as the municipal securities covered thereby remain outstanding and the insurer remains in business, regardless of whether the Funds ultimately dispose of such municipal securities. Consequently, the market value of the municipal securities covered by Original Issue Insurance or Secondary Market Insurance may reflect value attributable to the insurance. Portfolio Insurance, in contrast, is effective only while the municipal securities are held by the Funds. Accordingly, neither the prices used in determining the market value of the underlying municipal securities nor the Common share net asset value of the Funds include value, if any, attributable to the Portfolio Insurance. Each policy of the Portfolio Insurance does, however, give the Funds the right to obtain permanent insurance with respect to the municipal security covered by the Portfolio Insurance policy at the time of its sale.

INVERSE FLOATING RATE SECURITIES

Each Fund is authorized to 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.

Nuveen Investments 79

| Notes to
| Financial Statements (continued)

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"). The inverse floater held by a Fund gives the Fund the right (a) to cause the holders of the floating rate certificates to tender their notes at par, and (b) to have the broker transfer the fixed-rate bond held by the trust to the Fund, thereby collapsing the trust. An investment in an externally-deposited inverse floater is identified in the Portfolio of Investments as "(IF) - Inverse floating rate investment." An investment in a self-deposited inverse floater is accounted for as a financing transaction. In such instances, a fixed-rate bond deposited into a special purpose trust is identified in the Portfolio of Investments as "(UB) - Underlying bond of an inverse floating rate trust reflected as a financing transaction," 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 the related interest paid to the holders of the short-term floating rate certificates is recognized as a component of "Interest expense and amortization of offering costs" on the Statement of Operations.

During the fiscal year ended February 28, 2010, each Fund invested in externally-deposited inverse floaters and/or self-deposited inverse floaters.

Each Fund may also enter into shortfall and forbearance agreements (sometimes referred to as a "recourse trust" or "credit recovery swap") (such agreements referred to herein as "Recourse Trusts") with a broker-dealer by which a Fund agrees to reimburse the broker-dealer, in certain circumstances, for the difference between the liquidation value of the fixed-rate bond held by the trust and the liquidation value of the floating rate certificates issued by the trust plus any shortfalls in interest cash flows. Under these agreements, a Fund's potential exposure to losses related to or on inverse floaters may increase beyond the value of a Fund's inverse floater investments as a Fund may potentially be liable to fulfill all amounts owed to holders of the floating rate certificates. At period end, any such shortfall is recognized as "Unrealized depreciation on Recourse Trusts" on the Statement of Assets and Liabilities.

At February 28, 2010, the Funds were not invested in externally-deposited Recourse Trusts.

INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME (NCU)	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFOR DIVID ADVANTAG (N
---	---	--	--	--	------------------------------------

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Maximum exposure to Recourse Trusts	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
-------------------------------------	-------	-------	-------	-------	-------	-------

The average floating rate obligations outstanding and average annual interest rate and fees related to self-deposited inverse floaters for the following Funds during the fiscal year ended February 28, 2010, were as follows:

	INSURANCE CALIFORNIA PREMIUM INCOME (N)
Average floating rate obligations outstanding	\$18,531,000
Average annual interest rate and fees	0.75%

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE (N)
Average floating rate obligations outstanding	\$ 8,905,000	\$11,861,000
Average annual interest rate and fees	0.75%	0.75%

FORWARD SWAP CONTRACTS

Each Fund is authorized to enter into forward interest rate swap contracts consistent with their investment objectives and policies to reduce, increase or otherwise alter its risk profile or to alter its portfolio characteristics (i.e. duration, yield curve positioning and credit quality).

Each Fund is subject to interest rate risk in the normal course of pursuing its investment objectives. Each Fund's 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 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. Forward interest rate swap contracts are valued daily. The net amount recorded on these transactions for each counterparty is recognized on the Statement of Assets and Liabilities as "Unrealized appreciation or depreciation on forward swaps" with the change during the fiscal period recognized on the Statement of Operations as "Change in net unrealized appreciation (depreciation) of forward swaps."

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. Net realized gains and losses during the fiscal period are recognized on the Statement of Operations as "Net realized gain (loss) from forward swaps." 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.

The following Funds invested in forward interest rate swaps transactions during the fiscal year ended February 28, 2010. The average notional amount of forward swap contracts outstanding during the fiscal year ended February 28, 2010, were as follows:

	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
Average notional amount of forward swap contracts outstanding	\$2,400,000	\$2,600,000

Refer to Footnote 3 -- Derivative Instruments and Hedging Activities for further details on forward swap contract activity.

FUTURES CONTRACTS

Each Fund is subject to interest rate risk in the normal course of pursuing its investment objectives and is authorized to invest in futures contracts in attempt to manage such risk. 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." Cash held by the broker to cover initial margin requirements on open futures contracts, if any, is recognized as "Deposits with brokers for open futures contracts" on the Statement of Assets and Liabilities. Subsequent payments ("variation margin") are made or received by a Fund each day, depending on the daily fluctuation of the value of the contract. Variation margin is recognized as a receivable or payable for "Variation margin on futures contracts" on the Statement of Assets and Liabilities, when applicable.

During the period the futures contract is open, changes in the value of the contract are recorded as an unrealized gain or loss by "marking-to-market" on a daily basis to reflect the changes in market value of the contract and is recognized as "Change in net unrealized appreciation (depreciation) of futures contracts" on the Statement of Operations. 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 and is recognized as "Net realized gain (loss) from futures contracts" on the Statement of Operations.

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. The Funds did not invest in futures contracts during the fiscal year ended February 28, 2010.

MARKET AND COUNTERPARTY CREDIT RISK

In the normal course of business each Fund may invest in financial instruments and enter into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the other party to the transaction to perform (counterparty credit risk). The potential loss could exceed the value of the financial assets recorded on the financial statements. Financial assets, which potentially expose each Fund to counterparty credit risk, consist principally of cash due from counterparties on forward, option and swap transactions, when applicable. The extent of each Fund's exposure to counterparty credit risk in respect to these financial assets approximates their carrying value as recorded on the Statement of Assets and Liabilities. Futures contracts, when applicable, expose a Fund to minimal counterparty credit risk as they are exchange traded and the exchange's clearinghouse, which is counterparty to all exchange traded futures, guarantees the futures contracts against default.

Each Fund helps manage counterparty credit risk by entering into agreements only with counterparties the Adviser believes have the financial resources to honor their obligations and by having the Adviser monitor the financial stability of the counterparties. Additionally, counterparties may be required to pledge collateral daily (based on the daily valuation of the financial asset) on behalf of each Fund with a value approximately equal to the amount of any unrealized gain above a pre-determined threshold. Reciprocally, when each Fund has an unrealized loss, 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 valuations fluctuate, either up or down, by at least the predetermined threshold amount.

Nuveen Investments 81

| Notes to
| Financial Statements (continued)

ZERO COUPON SECURITIES

Each Fund is authorized to 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 Portfolios of Investments with a 0.000% 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.

OFFERING COSTS

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Cost incurred by California Dividend Advantage 3 (NZH) in connection with its offering of MuniFund Term Preferred shares (\$1,658,750) were recorded as a deferred charge, which will be amortized over the 5-year life of the shares. Each Fund's amortized deferred charges are included as a component of "Interest expense and amortization of offering costs" on the Statement of Operations. Costs incurred by Insured California Tax-Free Advantage (NKX) in connection with its offering of Variable Rate Demand Preferred shares (\$530,000) were recorded as a deferred charge which will be amortized over the 30-year life of the shares.

CUSTODIAN FEE CREDIT

Each Fund has an arrangement with the custodian bank whereby certain custodian fees and expenses are reduced by net credits earned on each Fund's cash on deposit with the bank. Such deposit arrangements are an alternative to overnight investments. Credits for cash balances may be offset by charges for any days on which a Fund overdraws its account at the custodian bank.

INDEMNIFICATIONS

Under the Funds' organizational documents, their officers and directors/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 US 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. FAIR VALUE MEASUREMENTS

In determining the value of each Fund's investments, various inputs are used. These inputs are summarized in the three broad levels listed below:

Level 1 - Quoted prices in active markets for identical securities.

Level 2 - Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 - Significant unobservable inputs (including management's assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of each Fund's fair value measurements as of February 28, 2010:

INSURED CALIFORNIA PREMIUM INCOME (NPC)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Municipal Bonds	\$ --	\$137,598,303	\$ --	\$137,598,303

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Municipal Bonds	\$ --	\$269,638,479	\$ --	\$269,638,479
CALIFORNIA PREMIUM INCOME (NCU)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Municipal Bonds	\$ --	\$117,994,420	\$ --	\$117,994,420
CALIFORNIA DIVIDEND ADVANTAGE (NAC)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Municipal Bonds	\$ --	\$482,310,078	\$ --	\$482,310,078

82 Nuveen Investments

CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Municipal Bonds	\$ --	\$312,201,729	\$ --	\$312,201,729
CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Municipal Bonds	\$ --	\$477,390,809	\$ --	\$477,390,809
INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Municipal Bonds	\$ --	\$335,153,942	\$ --	\$335,153,942
INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Investments:				
Municipal Bonds	\$ --	\$116,108,905	\$ --	\$116,108,905
Short-Term Investments	--	3,000,000	--	3,000,000
Total	\$ --	\$119,108,905	\$ --	\$119,108,905

3. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

During the current fiscal period, the Funds adopted amendments to authoritative guidance under GAAP on disclosures about derivative instruments and hedging activities. This guidance is intended to enhance financial statement disclosures for derivative instruments and hedging activities and enable investors to better understand: a) how and why a fund uses derivative instruments; b) how derivative instruments are accounted for; and c) how derivative instruments affect a fund's financial position, results of operations and cash flows, if any. The Funds record derivative instruments at fair value, with changes in fair value recognized on the Statement of Operations, when applicable. Even though the Funds' investments in derivatives may represent economic hedges, under this

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

guidance they are considered to be non-hedge transactions for financial reporting purposes. For additional information on the derivative instruments in which each Fund was invested during and as of the end of the reporting period, refer to the Portfolios of Investments, Financial Statements and Footnote 1 - General Information and Significant Accounting Policies.

The following tables present the amount of net realized gain (loss) and change in net appreciation (depreciation) recognized for the fiscal year ended February 28, 2010, on derivative instruments, as well as the primary underlying risk exposure associated with each. The following Funds invested in derivative instruments during the fiscal year ended February 28, 2010. None of the Funds had derivative contracts outstanding at February 28, 2010.

	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA DIVIDEND ADVANTAGE (NZ)
NET REALIZED GAIN (LOSS) FROM FORWARD SWAPS		

RISK EXPOSURE		
Interest Rate	\$2,508,000	\$ (1,938,000)
=====		

	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA DIVIDEND ADVANTAGE (NZ)
CHANGE IN NET UNREALIZED APPRECIATION (DEPRECIATION) OF FORWARD SWAPS		

RISK EXPOSURE		
Interest Rate	\$ (1,751,141)	\$ 2,841,800
=====		

Nuveen Investments 83

| Notes to
| Financial Statements (continued)

4. FUND SHARES

COMMON SHARES

Transactions in Common shares were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NZ)
	SIX MONTHS	
YEAR ENDED	ENDED	YEAR ENDED
2/28/10	2/28/09	8/31/08
2/28/10	2/28/10	2/28/10

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Common shares:				
Issued to shareholders due to reinvestment of distributions	--	--	--	--
Repurchased and retired	(11,500)	(6,200)	--	(11,700)

Weighted average Common share:				
Price per share repurchased and retired	\$ 11.90	\$ 12.00	--	\$ 10.43
Discount per share repurchased and retired	16.06%	15.30%	--	18.03%
=====				

	CALIFORNIA PREMIUM INCOME (NCU)			CALIFORNIA
	SIX MONTHS			
	YEAR ENDED	ENDED	YEAR ENDED	YEAR ENDED
	2/28/10	2/28/09	8/31/08	2/28/10

Common shares				
Issued to shareholders due to reinvestment of distributions	--	--	--	--
Repurchased and retired	(27,400)	(14,700)	--	--

Weighted average Common share:				
Price per share repurchased and retired	\$ 10.06	\$ 9.67	--	--
Discount per share repurchased and retired	19.22%	22.26%	--	--
=====				

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)			CALIFORNIA D
	SIX MONTHS			
	YEAR ENDED	ENDED	YEAR ENDED	YEAR ENDED
	2/28/10	2/28/09	8/31/08	2/28/10

Common shares:				
Issued to shareholders due to reinvestment of distributions	--	--	--	--
Repurchased and retired	(32,400)	(18,300)	--	--

Weighted average Common share:				
Price per share repurchased and retired	\$ 10.28	\$ 10.26	--	--
Discount per share repurchased and retired	19.87%	21.40%	--	--
=====				

INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL) INSURED CALIF

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	YEAR ENDED 2/28/10	SIX MONTHS ENDED 2/28/09	YEAR ENDED 8/31/08	YEAR ENDED 2/28/10
Common shares:				
Issued to shareholders due to reinvestment of distributions	--	--	--	--
Repurchased and retired	(13,700)	(19,000)	--	--
Weighted average Common share:				
Price per share repurchased and retired	\$ 11.04	\$ 10.76	--	--
Discount per share repurchased and retired	18.04%	21.01%	--	--

84 Nuveen Investments

PREFERRED SHARES

Insured California Premium Income (NPC) did not redeem or notice for redemption any of their Auction Rate Preferred shares during the fiscal year ended February 28, 2010, the six months ended February 28, 2009, or the fiscal year ended August 31, 2008. Transactions in Auction Rate Preferred shares were as follows:

	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)			
	YEAR ENDED 2/28/10		SIX MONTHS ENDED 2/28/09	
	SHARES	AMOUNT	SHARES	AMOUNT
Auction Rate Preferred shares redeemed and/or noticed for redemption:				
Series T	--	\$ --	--	\$ --
Series TH	--	--	--	--
Total	--	\$ --	--	\$ --

	CALIFORNIA PREMIUM INCOME (NCU)			
	YEAR ENDED 2/28/10		SIX MONTHS ENDED 2/28/09	
	SHARES	AMOUNT	SHARES	AMOUNT

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Auction Rate Preferred shares redeemed
and/or noticed for redemption:

Series M	260	\$ 6,500,000	85	\$ 2,125,000
----------	-----	--------------	----	--------------

CALIFORNIA DIVIDEND
ADVANTAGE (NAC)

	YEAR ENDED 2/28/10		SIX MONTHS ENDED 2/28/09	
	SHARES	AMOUNT	SHARES	AMOUNT
Auction Rate Preferred shares redeemed and/or noticed for redemption:				
Series TH	--	\$ --	--	\$ --
Series F	--	--	--	--
Total	--	\$ --	--	\$ --

CALIFORNIA DIVIDEND
ADVANTAGE 2 (NVX)

	YEAR ENDED 2/28/10		SIX MONTHS ENDED 2/28/09	
	SHARES	AMOUNT	SHARES	AMOUNT
Auction Rate Preferred shares redeemed and/or noticed for redemption:				
Series M	325	\$ 8,125,000	--	\$ --
Series F	324	8,100,000	--	--
Total	649	\$16,225,000	--	\$ --

Nuveen Investments 85

| Notes to
| Financial Statements (continued)

CALIFORNIA DIVIDEND
ADVANTAGE 3 (NZH)

	YEAR ENDED	SIX MONTHS ENDED
--	------------	---------------------

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	2/28/10		2/28/09	
	SHARES	AMOUNT	SHARES	AMOUNT
Auction Rate Preferred shares redeemed and/or noticed for redemption:				
Series M	1,692	\$42,300,000	117	\$ 2,925,000
Series TH	1,691	42,275,000	117	2,925,000
Total	3,383	\$84,575,000	234	\$ 5,850,000

	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)			
	YEAR ENDED 2/28/10		SIX MONTHS ENDED 2/28/09	
	SHARES	AMOUNT	SHARES	AMOUNT
Auction Rate Preferred shares redeemed and/or noticed for redemption:				
Series T	--	\$ --	--	\$ --
Series F	--	--	--	--
Total	--	\$ --	--	\$ --

	INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)			
	YEAR ENDED 2/28/10		SIX MONTHS ENDED 2/28/09	
	SHARES	AMOUNT	SHARES	AMOUNT
Auction Rate Preferred shares redeemed and/or noticed for redemption:				
Series TH	N/A	N/A	N/A	N/A

N/A - All \$45,000,000 of the Fund's outstanding Auction Rate Preferred shares were redeemed during the fiscal year ended August 31, 2008.

Transactions in MuniFund Term Preferred shares were as follows:

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	YEAR ENDED 2/28/10		SIX MONTHS ENDED 2/28/09	
	SHARES	AMOUNT	SHARES	AMOUNT
MuniFund Term Preferred shares issued:				
Series 2015	8,625,000	\$86,250,000	N/A	N/A

N/A - The Fund was not authorized to issue MuniFund Term Preferred shares during the six months ended February 28, 2009 or the fiscal year ended August 31, 2008.

Transactions in Variable Rate Demand Preferred shares were as follows:

	YEAR ENDED 2/28/10		INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX) SIX MONTHS ENDED 2/28/09	
	SHARES	AMOUNT	SHARES	AMOUNT
Variable Rate Demand Preferred shares issued:				
Series 1	--	\$ --	--	\$ --

86 Nuveen Investments

5. INVESTMENT TRANSACTIONS

Purchases and sales (including maturities but excluding short-term investments and derivative transactions) during the fiscal year ended February 28, 2010, were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CAL
Purchases	\$ 14,634,849	\$ 22,161,540	\$ 14,
Sales and maturities	13,702,950	19,255,737	11,

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	CALIFORNIA DIVIDEND ADVANTAGE 4 (NZH)
Purchases	\$ 12,579,889	\$ 29,068,881	\$ 4,000,000
Sales and maturities	21,084,568	28,801,623	2,000,000

6. 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 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 securities reflected as financing transactions, if any. 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 February 28, 2010, the cost of investments was as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME 3 (NCL)
Cost of investments	\$ 133,373,380	\$ 247,857,643	\$ 110,000,000

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	CALIFORNIA DIVIDEND ADVANTAGE 4 (NZH)
Cost of investments	\$ 299,631,823	\$ 473,162,952	\$ 321,000,000

Gross unrealized appreciation and gross unrealized depreciation of investments at February 28, 2010, were as follows:

	INSURED CALIFORNIA PREMIUM INCOME	INSURED CALIFORNIA PREMIUM INCOME 2	CALIFORNIA PREMIUM INCOME 3

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	(NPC)	(NCL)	

Gross unrealized:			
Appreciation	\$ 6,758,407	\$ 9,738,967	\$ 4,
Depreciation	(2,533,484)	(5,838,645)	(3,

Net unrealized appreciation (depreciation) of investments	\$ 4,224,923	\$ 3,900,322	\$
=====			

Nuveen Investments 87

| Notes to
| Financial Statements (continued)

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	CALIFORNIA DIVIDEND ADVANTAGE 4 (AD)

Gross unrealized:			
Appreciation	\$ 15,552,011	\$ 15,563,926	\$ 14,
Depreciation	(11,876,548)	(22,429,905)	(8,

Net unrealized appreciation (depreciation) of investments	\$ 3,675,463	\$ (6,865,979)	\$ 6,
=====			

The tax components of undistributed net tax-exempt income, net ordinary income and net long-term capital gains at February 28, 2010, the Funds' tax year end, were as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME 3 (AD)

Undistributed net tax-exempt income *	\$ 1,674,185	\$ 3,564,683	\$ 1,
Undistributed net ordinary income **	--	24,968	--
Undistributed net long-term capital gains	189,500	--	--
=====			

CALIFORNIA DIVIDEND ADVANTAGE 2	CALIFORNIA DIVIDEND ADVANTAGE 3	CALIFORNIA DIVIDEND ADVANTAGE 4
---------------------------------------	---------------------------------------	---------------------------------------

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	(NVX)	(NZH)	
Undistributed net tax-exempt income *	\$ 4,247,557	\$ 6,317,898	\$ 4,
Undistributed net ordinary income **	1,239	5,352	
Undistributed net long-term capital gains	--	--	

* Undistributed net tax-exempt income (on a tax basis) has not been reduced for the dividend declared on February 1, 2010, paid on March 1, 2010.

** 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 Funds' tax years ended February 28, 2010, February 28, 2009, and August 31, 2008, was designated for purposes of the dividends paid deduction as follows:

YEAR FEBRUARY 28, 2010	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)
Distributions from net tax-exempt income ***	\$ 5,137,076	\$ 10,331,450	\$ 4,
Distributions from net ordinary income **	78,012	18,216	
Distributions from net long-term capital gains ****	47,538	201,208	

YEAR FEBRUARY 28, 2010	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
Distributions from net tax-exempt income***	\$ 13,349,752	\$ 20,781,977	\$ 13,
Distributions from net ordinary income **	--	--	
Distributions from net long-term capital gains****	--	--	

** 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 February 28, 2010, as Exempt Interest Dividends.

**** The Funds designated as a long-term capital gain dividend, pursuant to the Internal Revenue Code Section 852(b)(3), the amount necessary to reduce earnings and profits of the Funds related to net capital gain to zero for the tax year ended February 28, 2010.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

SIX MONTHS ENDED FEBRUARY 28, 2009	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)
Distributions from net tax-exempt income	\$ 2,881,331	\$ 5,194,372	\$ 2,881,331
Distributions from net ordinary income **	678,143	174,474	678,143
Distributions from net long-term capital gains	413,615	1,923,636	413,615

SIX MONTHS ENDED FEBRUARY 28, 2009	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
Distributions from net tax-exempt income	\$ 6,778,776	\$ 11,094,973	\$ 6,778,776
Distributions from net ordinary income **	32,516	--	32,516
Distributions from net long-term capital gains	672,624	--	672,624

YEAR ENDED AUGUST 31, 2008	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)
Distributions from net tax-exempt income	\$ 6,134,637	\$ 11,218,712	\$ 6,134,637
Distributions from net ordinary income **	65,183	--	65,183
Distributions from net long-term capital gains	46,723	--	46,723

YEAR ENDED AUGUST 31, 2008	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
Distributions from net tax-exempt income	\$ 13,977,615	\$ 23,159,643	\$ 13,977,615
Distributions from net ordinary income **	--	--	--
Distributions from net long-term capital gains	--	--	--

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

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

At February 28, 2010, the Funds' tax year end, 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:

	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME (NCU)	CALIFORNIA DIVIDEND ADVANTAGE (NAC)	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
Expiration:					
February 28, 2011	\$ --	\$ --	\$ --	\$ --	\$ 2,816,211
February 29, 2012	--	--	--	--	323,840
February 29, 2016	--	--	--	--	3,869,938
February 28, 2017	--	88,523	14,137,598	926,547	4,536,999
February 28, 2018	5,325,933	881,108	731,149	1,921,563	10,646,251
Total	\$ 5,325,933	\$ 969,631	\$ 14,868,747	\$ 2,848,110	\$ 22,193,239

Nuveen Investments 89

| Notes to
| Financial Statements (continued)

California Dividend Advantage 3 (NZH) elected to defer net realized losses from investments incurred from November 1, 2009 through February 28, 2010, the Fund's tax year end, ("post-October losses") in accordance with federal income tax regulations. Post-October capital losses of \$307,631 are treated as having arisen on the first day of the following fiscal year.

7. MANAGEMENT FEES AND OTHER TRANSACTIONS WITH AFFILIATES

Each Fund's management fee is separated into two components - a fund-level fee, based only on the amount of assets within each individual Fund, and a complex-level fee, based on the aggregate amount of all fund assets managed by the Adviser. This pricing structure enables each Fund's shareholders to benefit from growth in the assets within their respective Fund as well as from growth in the amount of complex-wide assets managed by the Adviser.

The annual fund-level fee for each Fund, payable monthly, is calculated according to the following schedule:

AVERAGE DAILY NET ASSETS*	INSURED CALIFORNIA PREMIUM INCOME (NPC) INSURED CALIFORNIA PREMIUM INCOME 2 (NCL) CALIFORNIA PREMIUM INCOME (NCU) 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

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

For the next \$1 billion	.4000
For the next \$3 billion	.3875
For net assets over \$5 billion	.3750

=====

CALIFORNIA DIVIDEND ADVANTAGE (NAC)
CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)
CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)
INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)
INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)

AVERAGE DAILY NET ASSETS*	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

=====

90 Nuveen Investments

The annual complex-level fee for each Fund, payable monthly, is calculated according to the following schedule:

COMPLEX-LEVEL ASSET BREAKPOINT LEVEL*	EFFECTIVE RATE AT BREAKPOINT LEVEL
\$55 billion	.2000%
\$56 billion	.1996
\$57 billion	.1989
\$60 billion	.1961
\$63 billion	.1931
\$66 billion	.1900
\$71 billion	.1851
\$76 billion	.1806
\$80 billion	.1773
\$91 billion	.1691
\$125 billion	.1599
\$200 billion	.1505
\$250 billion	.1469
\$300 billion	.1445

=====

* The complex-level fee component of the management fee for the funds is calculated based upon the aggregate daily managed assets of all Nuveen funds, with such daily managed assets defined separately for each fund in its management agreement, but excluding assets attributable to investments in other Nuveen funds. For the complex-level and fund-level fees, daily managed assets include assets managed by the Adviser that are attributable to financial leverage. For these purposes, financial leverage includes the funds' use of preferred stock and borrowings and investments in the residual interest certificates (also called inverse floating rate securities) in tender option bond (TOB) trusts, including the portion of assets held by a TOB trust that has been effectively financed by the trust's issuance of floating rate securities, subject to an agreement by the Adviser to limit the amount of such assets for determining managed assets in certain circumstances. As of February 28, 2010, the complex-level fee rate was .1874%.

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 directors/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 Directors/Trustees has adopted a deferred compensation plan for independent directors/trustees that enables directors/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 California Dividend Advantage's (NAC) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets, for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING JULY 31,		YEAR ENDING JULY 31,	
1999*	.30%	2005	.25%
2000	.30	2006	.20
2001	.30	2007	.15
2002	.30	2008	.10
2003	.30	2009	.05
2004	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse California Dividend Advantage (NAC) for any portion of its fees and expenses beyond July 31, 2009.

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

YEAR ENDING MARCH 31,		YEAR ENDING MARCH 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 California Dividend Advantage 2 (NVX) for any portion of its fees and expenses beyond March 31, 2011.

Nuveen Investments 91

| Notes to
| Financial Statements (continued)

For the first ten years of California Dividend Advantage 3's (NZH) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

net assets, 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 California Dividend Advantage 3 (NZH) for any portion of its fees and expenses beyond September 30, 2011.

For the first ten years of Insured California Dividend Advantage's (NKL) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets, for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING MARCH 31,		YEAR ENDING MARCH 31,	
2002*	.30%	2008	.25%
2003	.30	2009	.20
2004	.30	2010	.15
2005	.30	2011	.10
2006	.30	2012	.05
2007	.30		

* From the commencement of operations.

The Adviser has not agreed to reimburse Insured California Dividend Advantage (NKL) for any portion of its fees and expenses beyond March 31, 2012.

For the first eight years of Insured California Tax-Free Advantage's (NKX) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily net assets, for fees and expenses in the amounts and for the time periods set forth below:

YEAR ENDING NOVEMBER 30,		YEAR ENDING NOVEMBER 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 Insured California Tax-Free Advantage (NKX) for any portion of its fees and expenses beyond November 30, 2010.

8. NEW ACCOUNTING PRONOUNCEMENTS

ACCOUNTING FOR TRANSFERS OF FINANCIAL ASSETS

During June 2009, FASB issued changes to the authoritative guidance under GAAP on accounting for transfers of financial assets. The objective of this guidance is to improve the relevance, representational faithfulness, and comparability of the information that a reporting entity provides in its financial statements about a transfer of financial assets; the effects of a transfer on its financial position, financial performance, and cash flows; and transferor's continuing involvement, if any, in transferred financial assets.

This guidance is effective as of the beginning of each reporting entity's first annual reporting period that begins after November 15, 2009, for interim periods within that first annual reporting period and for interim and annual reporting periods thereafter. Earlier application is prohibited. The recognition and measurement provisions of this guidance must be applied to transfers occurring on or after the effective date. Additionally, the disclosure provisions of this guidance should be applied to transfers that occurred both before and after the effective date of this guidance. At this time, management is evaluating the implications of this guidance and the impact it will have on the financial statement amounts and disclosures, if any.

92 Nuveen Investments

FAIR VALUE MEASUREMENTS

On January 21, 2010, FASB issued changes to the authoritative guidance under GAAP for fair value measurements. The objective of this guidance is to provide guidance on how investment assets and liabilities are to be valued and disclosed. Specifically, the amendment requires reporting entities to disclose i) the input and valuation techniques used to measure fair value for both recurring and nonrecurring fair value measurements, for both Level 2 and Level 3 positions, ii) transfers between all levels (including Level 1 and Level 2) on a gross basis (i.e., transfers out must be disclosed separately from transfers in) as well as the reason(s) for the transfer and iii) purchases, sales, issuances and settlements in the Level 3 rollforward must be shown on a gross basis rather than as one net number. The effective date of the amendment is for interim and annual periods beginning after December 15, 2009, however, the requirement to provide the Level 3 activity for purchases, sales, issuances and settlements on a gross basis will be effective for interim and annual periods beginning after December 15, 2010. At this time, management is evaluating the implications of this guidance and the impact it will have to the financial statement amounts and footnote disclosures, if any.

9. SUBSEQUENT EVENTS

DISTRIBUTIONS TO COMMON SHAREHOLDERS

The Funds declared Common share dividend distributions from their tax-exempt net investment income, which were paid on April 1, 2010, to shareholders of record on March 15, 2010, as follows:

	INSURED CALIFORNIA PREMIUM INCOME (NPC)	INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)	CALIFORNIA PREMIUM INCOME (NCU)	CALIFORNIA DIVIDEND ADVANTAGE (NAC)
Dividend per share	\$.0690	\$.0720	\$.0700	\$.0720

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)	CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)	INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)	INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)
Dividend per share	\$.0790	\$.0750	\$.0750	\$.0660

DISTRIBUTIONS TO MUNIFUND TERM PREFERRED SHAREHOLDERS

California Dividend Advantage 3 (NZH) declared a dividend distribution of \$0.024583, which was paid on April 1, 2010, to shareholders of record on March 15, 2010.

AUCTION RATE PREFERRED SHARES NOTICES FOR REDEMPTION

On March 1, 2010, Insured California Premium Income (NPC), Insured California Premium Income 2 (NCL) and Insured California Dividend Advantage (NKL) noticed for redemption \$3.25 million, \$6.5 million and \$4.5 million of their outstanding Auction Rate Preferred shares, at liquidation value, respectively. The Funds used tender option bonds (TOBs) to finance the partial redemption of their Auction Rate Preferred shares, at liquidation value.

On March 31, 2010, Insured California Premium Income (NPC) noticed for redemption its remaining \$41.75 million outstanding Auction Rate Preferred shares using proceeds from the issuance of Variable Rate Demand Preferred shares for this redemption.

MUNIFUND TERM PREFERRED SHARES

Subsequent to the reporting period, California Premium Income (NCU), California Dividend Advantage (NAC), California Dividend Advantage 2 (NVX) and Insured California Dividend Advantage (NKL) filed with the Securities and Exchange Commission ("SEC") registration statements seeking to register MuniFund Term Preferred shares. These registration statements, declared effective by the SEC, enable the Funds to issue to the public shares of MuniFund Term Preferred to refinance all or a portion of each Fund's Auction Rate Preferred shares. The issuance of MuniFund Term Preferred shares by these Funds is subject to market conditions. There is no assurance that these MuniFund Term Preferred shares will be issued.

VARIABLE RATE DEMAND PREFERRED SHARES

On March 30, 2010, Insured California Premium Income (NPC) issued \$42.7 million of Variable Rate Demand Preferred shares.

Nuveen Investments 93

| Financial
| Highlights

Selected data for a Common share outstanding throughout each period:

INVESTMENT OPERATIONS

DISTRIBUTIONS FROM NET DISTRIBUTIONS FROM

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	BEGINNING COMMON SHARE NET ASSET VALUE	NET INVESTMENT INCOME	NET REALIZED/ UNREALIZED GAIN (LOSS)	INVESTMENT INCOME TO AUCTION RATE PREFERRED SHAREHOLDERS+	CAPITAL GAINS TO AUCTION RATE PREFERRED SHAREHOLDERS+	TOTAL

INSURED CALIFORNIA PREMIUM INCOME (NPC)						

Year Ended 2/28:						
2010	\$14.03	\$.96	\$.55	\$ (.03)	\$ (.02)	\$1.4
2009 (d)	14.93	.47	(.74)	(.11)	(.02)	(.4)
Year Ended 8/31:						
2008	15.04	.95	(.10)	(.22)	--**	.6
2007	15.58	.90	(.40)	(.21)	(.02)	.2
2006	16.21	.92	(.38)	(.18)	(.02)	.3
2005	16.23	.95	.22	(.10)	(.01)	1.0

INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)						

Year Ended 2/28:						
2010	12.85	.98	.99	(.03)	(.02)	1.9
2009 (d)	14.13	.44	(1.12)	(.10)	(.02)	(.8)
Year Ended 8/31:						
2008	14.50	.95	(.44)	(.24)	--	.2
2007	14.99	.89	(.46)	(.25)	--	.1
2006	15.33	.90	(.28)	(.20)	--	.4
2005	15.12	.91	.29	(.11)	--	1.0

AUCTION RATE PREFERRED SHARES AT END OF PERIOD						

	DISCOUNT FROM COMMON SHARES REPURCHASED AND RETIRED	ENDING COMMON SHARE NET ASSET VALUE	ENDING MARKET VALUE	AGGREGATE AMOUNT OUTSTANDING (000)	LIQUIDATION AND MARKET VALUE PER SHARE	ASSET COVERAGE PER SHARE

INSURED CALIFORNIA PREMIUM INCOME (NPC)						

Year Ended 2/28:						
2010	\$ ---**	\$14.74	\$13.30	\$45,000	\$25,000	\$77,746
2009 (d)	---**	14.03	12.04	45,000	25,000	75,295
Year Ended 8/31:						
2008	--	14.93	13.89	45,000	25,000	78,590
2007	--	15.04	14.96	45,000	25,000	78,987
2006	--	15.58	15.08	45,000	25,000	80,878
2005	--	16.21	15.90	45,000	25,000	83,061

INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)						

Year Ended 2/28:						
2010	---**	13.99	12.72	79,825	25,000	80,487
2009 (d)	---**	12.85	10.89	79,825	25,000	75,996
Year Ended 8/31:						

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

2008	--	14.13	12.66	87,400	25,000	76,411
2007	--	14.50	13.71	95,000	25,000	73,511
2006	--	14.99	14.19	95,000	25,000	75,150
2005	--	15.33	15.05	95,000	25,000	76,288

94 Nuveen Investments

		RATIOS/SUPPLEMENTAL DATA				
		RATIOS TO AVERAGE NET ASSETS APPLICABLE TO COMMON SHARES BEFORE REIMBURSEMENT++				
TOTAL RETURNS						
	BASED ON MARKET VALUE (a)	BASED ON COMMON SHARE NET ASSET VALUE (a)	ENDING NET ASSETS APPLICABLE TO COMMON SHARES (000)	EXPENSES INCLUDING INTEREST (c)	EXPENSES EXCLUDING INTEREST	INVESTMENT TURNOVER RATE

INSURED CALIFORNIA PREMIUM INCOME (NPC)

Year Ended 2/28:						
2010	17.13%	10.66%	\$ 94,944	1.19%	1.19%	6
2009 (d)	(9.25)	(2.43)	90,531	1.27*	1.27*	6
Year Ended 8/31:						
2008	(2.21)	4.23	96,462	1.19	1.19	6
2007	4.61	1.70	97,176	1.22	1.16	5
2006	1.00	2.23	100,581	1.16	1.16	5
2005	7.58	6.74	104,510	1.14	1.14	5

INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)

Year Ended 2/28:						
2010	24.41	15.35	177,169	1.27	1.18	7
2009 (d)	(9.95)	(5.40)	162,831	1.53*	1.24*	7
Year Ended 8/31:						
2008	(3.06)	1.86	179,734	1.23	1.21	6
2007	1.26	1.18	184,343	1.24	1.18	6
2006	(.63)	2.91	190,571	1.20	1.20	6
2005	5.10	7.42	194,895	1.17	1.17	6

RATIOS/SUPPLEMENTAL DATA

RATIOS TO AVERAGE NET ASSETS
APPLICABLE TO COMMON SHARES
AFTER REIMBURSEMENT++ (b)

EXPENSES INCLUDING INTEREST (c)	EXPENSES EXCLUDING INTEREST	NET INVESTMENT INCOME	PORTFOLIO TURNOVER RATE
---------------------------------------	-----------------------------------	-----------------------------	-------------------------------

INSURED CALIFORNIA PREMIUM INCOME (NPC)

Year Ended 2/28:				
2010	1.19%	1.19%	6.68%	10%
2009(d)	1.27*	1.27*	6.88*	1
Year Ended 8/31:				
2008	1.18	1.18	6.24	17
2007	1.22	1.16	5.85	9
2006	1.16	1.16	5.89	9
2005	1.14	1.14	5.85	9

INSURED CALIFORNIA PREMIUM INCOME 2 (NCL)

Year Ended 2/28:				
2010	1.27	1.18	7.25	7
2009(d)	1.52*	1.23*	7.15*	9
Year Ended 8/31:				
2008	1.23	1.21	6.56	12
2007	1.24	1.18	5.99	19
2006	1.20	1.20	6.05	14
2005	1.17	1.17	6.03	7

* Annualized.

** Rounds to less than \$.01 per share.

+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders; Net Investment Income ratios reflect income earned and expenses incurred on assets attributable to Auction Rate Preferred shares.

(a) Total Return Based 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. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return Based 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. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

(b) After expense reimbursement from the Adviser, where applicable. Expense ratios do not reflect the reduction of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable.

(c) The expense ratios reflect, among other things, the interest expense deemed to have been paid by the Fund on the floating rate certificates issued by the special purpose trusts for the self-deposited inverse floaters held by the Fund, as described in Footnote 1 - Inverse Floating

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Rate Securities.

(d) For the six months ended February 28, 2009.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 95

| Financial
| Highlights (continued)

Selected data for a Common share outstanding throughout each period:

	INVESTMENT OPERATIONS						TOTAL
	BEGINNING COMMON SHARE NET ASSET VALUE	NET INVESTMENT INCOME	NET REALIZED/ UNREALIZED GAIN (LOSS)	DISTRIBUTIONS FROM NET INVESTMENT INCOME TO AUCTION RATE PREFERRED SHAREHOLDERS+	DISTRIBUTIONS FROM CAPITAL GAINS TO AUCTION RATE PREFERRED SHAREHOLDERS+		
CALIFORNIA PREMIUM INCOME (NCU)							
Year Ended 2/28:							
2010	\$12.37	\$.95	\$ 1.13	\$ (.03)	\$ --		\$2.0
2009(d)	13.67	.43	(1.29)	(.10)	--**		(.9)
Year Ended 8/31:							
2008	14.06	.92	(.43)	(.24)	--		.2
2007	14.63	.90	(.52)	(.24)	(.01)		.1
2006	15.03	.89	(.30)	(.21)	--		.3
2005	14.51	.90	.60	(.12)	--		1.3
CALIFORNIA DIVIDEND ADVANTAGE (NAC)							
Year Ended 2/28:							
2010	12.10	1.01	1.63	(.03)	(.02)		2.5
2009(d)	14.43	.49	(2.07)	(.09)	(.02)		(1.6)
Year Ended 8/31:							
2008	14.93	1.02	(.50)	(.23)	(.01)		.2
2007	15.59	1.00	(.56)	(.24)	(.01)		.1
2006	15.98	1.01	(.25)	(.21)	--		.5
2005	15.59	1.04	.50	(.12)	--		1.4

AUCTION RATE PREFERRED SHARES AT END OF PERIOD						
DISCOUNT FROM COMMON SHARES REPURCHASED	ENDING COMMON SHARE	ENDING	AGGREGATE AMOUNT	LIQUIDATION AND MARKET	ASSET	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	AND RETIRED	NET ASSET VALUE	MARKET VALUE	OUTSTANDING (000)	VALUE PER SHARE	COVERAGE PER SHARE
CALIFORNIA PREMIUM INCOME (NCU)						
Year Ended 2/28:						
2010	\$.01	\$13.71	\$12.11	\$ 34,375	\$25,000	\$82,150
2009 (d)	--**	12.37	10.06	40,875	25,000	68,584
Year Ended 8/31:						
2008	--	13.67	12.58	43,000	25,000	70,910
2007	--	14.06	13.03	43,000	25,000	72,209
2006	--	14.63	14.01	43,000	25,000	74,109
2005	--	15.03	14.37	43,000	25,000	75,456
CALIFORNIA DIVIDEND ADVANTAGE (NAC)						
Year Ended 2/28:						
2010	--	13.88	12.60	135,525	25,000	85,098
2009 (d)	--	12.10	10.82	135,525	25,000	77,430
Year Ended 8/31:						
2008	--	14.43	13.44	135,525	25,000	87,485
2007	--	14.93	14.34	175,000	25,000	75,075
2006	--	15.59	15.97	175,000	25,000	77,217
2005	--	15.98	16.07	175,000	25,000	78,466

96 Nuveen Investments

RATIOS/SUPPLEMENTAL DATA						
TOTAL RETURNS			RATIOS TO AVERAGE NET ASSETS APPLICABLE TO COMMON SHARES BEFORE REIMBURSEMENT++			
BASED ON MARKET VALUE (a)	BASED ON SHARE NET ASSET VALUE (a)	ENDING NET APPLICABLE TO COMMON SHARES (000)	EXPENSES INCLUDING INTEREST (c)	EXPENSES EXCLUDING INTEREST	INVEST	IN
CALIFORNIA PREMIUM INCOME (NCU)						
Year Ended 2/28:						
2010	28.13%	17.06%	\$ 78,581	1.30%	1.24%	
2009 (d)	(17.22)	(6.92)	71,260	1.57*	1.37*	
Year Ended 8/31:						
2008	1.51	1.81	78,966	1.34	1.23	
2007	(2.21)	.82	81,200	1.29	1.21	
2006	3.14	2.72	84,467	1.23	1.23	
2005	11.76	9.75	86,785	1.21	1.21	
CALIFORNIA DIVIDEND ADVANTAGE (NAC)						
Year Ended 2/28:						
2010	24.62	21.97	325,791	1.21	1.13	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

2009 (d)	(14.14)	(11.45)	284,221	1.31*	1.17*
Year Ended 8/31:					
2008	(.84)	1.85	338,732	1.26	1.15
2007	(5.19)	1.16	350,523	1.17	1.12
2006	5.47	3.63	365,516	1.13	1.13
2005	14.62	9.41	374,265	1.12	1.12

RATIOS/SUPPLEMENTAL DATA

RATIOS TO AVERAGE NET ASSETS
 APPLICABLE TO COMMON SHARES
 AFTER REIMBURSEMENT++ (b)

	EXPENSES INCLUDING INTEREST (c)	EXPENSES EXCLUDING INTEREST	NET INVESTMENT INCOME	PORTFOLIO TURNOVER RATE
CALIFORNIA PREMIUM INCOME (NCU)				
Year Ended 2/28:				
2010	1.30%	1.24%	7.18%	10%
2009 (d)	1.57*	1.37*	7.06*	14
Year Ended 8/31:				
2008	1.34	1.23	6.55	5
2007	1.29	1.21	6.14	11
2006	1.23	1.23	6.09	20
2005	1.21	1.21	6.08	13

CALIFORNIA DIVIDEND ADVANTAGE (NAC)

Year Ended 2/28:				
2010	1.18	1.10	7.66	4
2009 (d)	1.24*	1.10*	7.99*	14
Year Ended 8/31:				
2008	1.11	1.00	6.92	19
2007	.95	.90	6.46	20
2006	.84	.84	6.50	13
2005	.75	.75	6.59	4

* Annualized.

** Rounds to less than \$.01 per share.

+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders; Net Investment Income ratios reflect income earned and expenses incurred on assets attributable to Auction Rate Preferred shares.

(a) Total Return Based 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. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

used in the calculation. Total returns are not annualized.

Total Return Based 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. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

- (b) After expense reimbursement from the Adviser, where applicable. Expense ratios do not reflect the reduction of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable.
- (c) The expense ratios reflect, among other things, the interest expense deemed to have been paid by the Fund on the floating rate certificates issued by the special purpose trusts for the self-deposited inverse floaters held by the Fund, as described in Footnote 1 - Inverse Floating Rate Securities.
- (d) For the six months ended February 28, 2009.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 97

| Financial
| Highlights (continued)

Selected data for a Common share outstanding throughout each period:

	INVESTMENT OPERATIONS						TOTAL
	BEGINNING COMMON SHARE NET ASSET VALUE	NET INVESTMENT INCOME	NET REALIZED/ UNREALIZED GAIN (LOSS)	DISTRIBUTIONS FROM NET INVESTMENT INCOME TO AUCTION RATE PREFERRED SHAREHOLDERS+	DISTRIBUTIONS FROM CAPITAL GAINS TO AUCTION RATE PREFERRED SHAREHOLDERS+		
CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)							
Year Ended 2/28:							
2010	\$12.91	\$1.07	\$ 1.43	\$(.04)	\$ --		\$ 2.46
2009(d)	14.39	.51	(1.47)	(.11)	(.01)		(1.08)
Year Ended 8/31:							
2008	14.69	1.01	(.37)	(.25)	--		.39
2007	15.36	.96	(.62)	(.25)	--		.09
2006	15.63	.97	(.19)	(.21)	--		.57
2005	14.97	.98	.71	(.12)	--		1.57

CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)

Year Ended 2/28:

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

2010	11.53	.98	1.53	(.03)	--	2.48
2009 (d)	13.62	.50	(2.13)	(.09)	--	(1.72)
Year Ended 8/31:						
2008	14.25	1.03	(.70)	(.25)	--	.08
2007	15.03	.98	(.73)	(.27)	--	(.02)
2006	15.31	.97	(.20)	(.22)	--	.55
2005	14.65	.97	.68	(.13)	--	1.52

	DISCOUNT FROM COMMON SHARES REPURCHASED AND RETIRED	ENDING COMMON SHARE NET ASSET VALUE	ENDING MARKET VALUE	AGGREGATE AMOUNT OUTSTANDING (000)	AUCTION RATE PREFERRED SHARES AT END OF PERIOD	LIQUIDATION AND MARKET VALUE PER SHARE	MUNIFUND TE AT EN	AGGREGATE AMOUNT OUTSTANDING (000)
--	---	-------------------------------------	---------------------	------------------------------------	--	--	-------------------	------------------------------------

CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)

Year Ended 2/28:							
2010	\$ ---**	\$14.49	\$13.56	\$ 93,775		\$25,000	\$ --
2009 (d)	---**	12.91	10.51	110,000		25,000	--
Year Ended 8/31:							
2008	--	14.39	12.67	110,000		25,000	--
2007	--	14.69	13.73	110,000		25,000	--
2006	--	15.36	14.95	110,000		25,000	--
2005	--	15.63	15.19	110,000		25,000	--

CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)

Year Ended 2/28:							
2010	--	13.18	12.67	69,500		25,000	86,250
2009 (d)	---**	11.53	10.23	154,075		25,000	--
Year Ended 8/31:							
2008	--	13.62	12.87	159,925		25,000	--
2007	--	14.25	13.52	187,000		25,000	--
2006	--	15.03	14.84	187,000		25,000	--
2005	--	15.31	14.49	187,000		25,000	--

98 Nuveen Investments

RATIOS/SUPPLEMENTAL DATA

TOTAL RETURNS		RATIOS TO AVERAGE NET ASSETS APPLICABLE TO COMMON SHARES BEFORE REIMBURSEMENT++				RATIOS TO APPLICABLE AFTER RE	
BASED ON MARKET	BASED ON COMMON SHARE NET ASSET	ENDING NET ASSETS APPLICABLE TO COMMON	EXPENSES INCLUDING	EXPENSES EXCLUDING	NET INVESTMENT	EXPENSES INCLUDING	

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	VALUE (a)	VALUE (a)	SHARES (000)	INTEREST (c)	INTEREST	INCOME	INTEREST (c)
CALIFORNIA DIVIDEND ADVANTAGE 2 (NVX)							
Year Ended 2/28:							
2010	38.29%	19.52%	\$ 213,687	1.20%	1.16%	7.58%	1.04%
2009(d)	(13.83)	(7.40)	190,824	1.37*	1.32*	7.85*	1.14*
Year Ended 8/31:							
2008	(2.80)	2.76	212,890	1.25	1.16	6.56	.99
2007	(3.39)	.46	217,332	1.25	1.17	5.97	.91
2006	4.19	3.82	227,160	1.16	1.16	5.94	.74
2005	14.98	10.80	231,140	1.16	1.16	5.94	.71
CALIFORNIA DIVIDEND ADVANTAGE 3 (NZH)							
Year Ended 2/28:							
2010	32.93	22.17	317,860	1.36	1.17	7.68	1.16
2009(d)	(17.58)	(12.54)	278,056	1.39*	1.27*	8.50*	1.13*
Year Ended 8/31:							
2008	.46	.60	328,659	1.21	1.19	6.96	.90
2007	(4.12)	(.32)	343,806	1.22	1.16	6.16	.83
2006	8.50	3.81	362,473	1.16	1.16	6.08	.71
2005	15.75	10.69	369,262	1.17	1.17	6.05	.71

* Annualized.

** Rounds to less than \$.01 per share.

*** For the period December 21, 2009 through February 28, 2010, the average market value per share was \$10.09.

**** Asset coverage per \$1 of liquidation preference for Auction Rate Preferred shares and MuniFund Term Preferred shares equaled \$3.04. On a per share basis, asset coverage is \$76,021 and \$30.41 for Auction Rate Preferred shares and MuniFund Term Preferred shares, respectively.

+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders; Net Investment Income ratios reflect income earned and expenses incurred on assets attributable to Auction Rate Preferred shares and/or MuniFund Term Preferred shares, where applicable.

(a) Total Return Based 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. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return Based 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. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

- (b) After expense reimbursement from the Adviser, where applicable. Expense ratios do not reflect the reduction of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable.
- (c) The expense ratios reflect, among other things, payments to MuniFund Term Preferred shareholders and the interest expense deemed to have been paid by the Fund on the floating rate certificates issued by the special purpose trusts for the self-deposited inverse floaters held by the Fund, both as described in Footnote 1 - MuniFund Term Preferred Shares and Inverse Floating Rate Securities, respectively.
- (d) For the six months ended February 28, 2009.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 99

| 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 AUCTION RATE PREFERRED SHAREHOLDERS+	DISTRIBUTIONS FROM CAPITAL GAINS TO AUCTION RATE PREFERRED SHAREHOLDERS+	TOTAL		
INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)								
Year Ended 2/28:								
2010	\$ 13.52	\$ 1.06	\$ 1.01	\$ (.04)	\$ --	\$ 2.03		
2009(d)	14.61	.50	(1.07)	(.10)	(.01)	(.68)		
Year Ended 8/31:								
2008	14.91	1.03	(.33)	(.25)	(.01)	.44		
2007	15.50	1.01	(.57)	(.26)	--**	.18		
2006	15.81	1.01	(.25)	(.22)	--	.54		
2005	15.35	1.01	.52	(.12)	--	1.41		
INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)								
Year Ended 2/28:								
2010	12.85	.85	1.09	--	--	1.94		
2009(d)	14.19	.39	(1.32)	--**	(.01)	(.94)		

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Year Ended 8/31:

2008	14.47	.97	(.30)	(.24)	--	.43
2007	14.92	.96	(.46)	(.24)	--	.26
2006	15.17	.95	(.25)	(.21)	--	.49
2005	14.62	.96	.57	(.13)	--	1.40

DISCOUNT FROM COMMON SHARES REPURCHASED AND RETIRED	ENDING COMMON SHARE NET ASSET VALUE	ENDING MARKET VALUE	AUCTION RATE PREFERRED SHARES AT END OF PERIOD			VARIABLE AGGREGATED OUTSTANDING
			AGGREGATE AMOUNT OUTSTANDING (000)	LIQUIDATION AND MARKET VALUE PER SHARE	ASSET COVERAGE PER SHARE	

INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)

Year Ended 2/28:

2010	\$	--**	\$	14.71	\$13.66	\$	108,250	\$	25,000	\$	76,802	\$
2009(d)		--**		13.52	11.16		108,250		25,000		72,683	

Year Ended 8/31:

2008	--	14.61	13.50	118,000	25,000	72,321
2007	--	14.91	14.24	118,000	25,000	73,289
2006	--	15.50	15.70	118,000	25,000	75,111
2005	--	15.81	15.00	118,000	25,000	76,113

INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)

Year Ended 2/28:

2010	--	14.03	12.87	--	--	--	35,
2009(d)	--	12.85	11.75	--	--	--	35,

Year Ended 8/31:

2008	--	14.19	13.78	--	--	--	35,
2007	--	14.47	14.47	45,000	25,000	72,302	
2006	--	14.92	14.27	45,000	25,000	73,764	
2005	--	15.17	14.38	45,000	25,000	74,595	

100 Nuveen Investments

RATIOS/SUPPLEMENTAL DATA

TOTAL RETURNS			RATIOS TO AVERAGE NET ASSETS APPLICABLE TO COMMON SHARES BEFORE REIMBURSEMENT++				RATIOS TO APPLICABLE AFTER REIMBURSEMENT	
BASED ON MARKET VALUE (a)	BASED ON COMMON SHARE NET ASSET VALUE (a)	ENDING NET ASSETS APPLICABLE TO COMMON SHARES (000)	EXPENSES INCLUDING INTEREST (c)	EXPENSES EXCLUDING INTEREST	NET INVESTMENT INCOME	EXPENSES INCLUDING INTEREST (c)		

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

INSURED CALIFORNIA DIVIDEND ADVANTAGE (NKL)

Year Ended							
2/28:							
2010	30.55%	15.42%	\$ 224,301	1.19%	1.16%	7.21%	.95%
2009 (d)	(14.22)	(4.50)	206,467	1.32*	1.23*	7.36*	1.01*
Year Ended							
8/31:							
2008	(.03)	2.98	223,356	1.19	1.19	6.52	.84
2007	(4.64)	1.13	227,923	1.21	1.16	6.12	.79
2006	10.72	3.62	236,525	1.17	1.17	6.12	.71
2005	9.00	9.46	241,254	1.16	1.16	6.06	.72

INSURED CALIFORNIA TAX-FREE ADVANTAGE (NKX)

Year Ended							
2/28:							
2010	16.39	15.49	82,579	1.68	1.46	6.11	1.47
2009 (d)	(11.55)	(6.42)	75,661	2.57*	1.54*	5.89*	2.27*
Year Ended							
8/31:							
2008	.12	2.97	83,531	1.33	1.26	6.28	.94
2007	6.35	1.69	85,144	1.27	1.21	5.95	.79
2006	4.56	3.43	87,775	1.22	1.22	5.97	.74
2005	7.46	9.84	89,272	1.21	1.21	5.95	.74

* Annualized.

** Rounds to less than \$.01 per share.

*** Calculates to less than 1%.

+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders; Net Investment Income ratios reflect income earned and expenses incurred on assets attributable to Auction Rate Preferred shares and/or Variable Rate Demand Preferred shares, where applicable.

(a) Total Return Based 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. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return Based 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. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

- (b) After expense reimbursement from the Adviser, where applicable. Expense ratios do not reflect the reduction of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable.
- (c) The expense ratios reflect, among other things, payments to Variable Rate Demand Preferred shareholders and the interest expense deemed to have been paid by the Fund on the floating rate certificates issued by the special purpose trusts for the self-deposited inverse floaters held by the Fund, both as described in Footnote 1 -Variable Rate Demand Preferred Shares and Inverse Floating Rate Securities, respectively.
- (d) For the six months ended February 28, 2009.

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS.

Nuveen Investments 101

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 (referred to herein as "independent board members") 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(1)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY BOARD MEMBER	PRINCIPAL OCCUPATION(S) INCLUDING OTH DIRECTORSHIPS DURING PAST 5
---------------------------------	------------------------------------	--	---	---

INDEPENDENT BOARD MEMBERS:

o ROBERT P. BREMNER 8/22/40 333 W. Wacker Drive Chicago, IL 60606	Chairman of the Board and Board Member	1996	199	Private Inves Treasurer and Washington, D
o JACK B. EVANS 10/22/48 333 W. Wacker Drive Chicago, IL 60606	Board Member	1999	199	President, Th private phila 1996); Direct Group, a publ Tem of the Bo Iowa Universi Companies; Li Iowa College Alliant Energ Reserve Bank and Chief Ope Group, Inc.,

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

					firm.
o	WILLIAM C. HUNTER 3/6/48 333 W. Wacker Drive Chicago, IL 60606	Board Member	2004	199	Dean, Tippie of Iowa (sinc Xerox Corpora Gamma Sigma I formerly, Dea Finance, Scho of Connecticu Vice Presiden Federal Reser Director, SS& 2005-October (1997-2007), Georgetown Un
o	DAVID J. KUNDERT 10/28/42 333 W. Wacker Drive Chicago, IL 60606	Board Member	2005	199	Director, Non Management Co Chairman, JPM President and Advisors Corp Mutual Funds; President, Ba and CEO, Banc Member, Board member of the member of Boa Boerner Botan Directors and Greater Milwa
o	WILLIAM J. SCHNEIDER 9/24/44 333 W. Wacker Drive Chicago, IL 60606	Board Member	1997	199	Chairman of M real estate i Senior Partne (retired, 200 member, Unive Advisory Coun Orchestra Ass Business Advi Reserve Bank; Development C

102 Nuveen Investments

NAME, BIRTHDATE & ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED AND TERM(1)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY BOARD MEMBER	PRINCIPAL OCCUPATION(S) INCLUDING OTH DIRECTORSHIPS DURING PAST 5
---------------------------------	------------------------------------	--	---	---

INDEPENDENT BOARD MEMBERS:

o	JUDITH M. STOCKDALE 12/29/47 333 W. Wacker Drive	Board Member	1997	199	Executive Dir Donnelley Fou thereto, Exec
---	--	--------------	------	-----	---

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Chicago, IL 60606					Protection Fu
o CAROLE E. STONE 6/28/47 333 W. Wacker Drive Chicago, IL 60606	Board Member	2007		199	Director, Chi (since 2006); Incorporated York State Co Reform (since Racing Associ (2005-2007).
o TERENCE J. TOTH 9/29/59 333 W. Wacker Drive Chicago, IL 60606	Board Member	2008		199	Director, Leg Management Am Managing Part formerly, CEO Global Invest President, Qu Securities Le various posit (since 1994); (since 2004), 2005), Univer Council Board Schools of Ch formerly, mem Board (2005-2 Investments B Japan Board (Securities In Trust Hong Ko

INTERESTED BOARD MEMBER:

o JOHN P. AMBOIAN (2) 6/14/61 333 W. Wacker Drive Chicago, IL 60606	Board Member	2008		199	Chief Executi Director (sin 2007) of Nuve Executive Off Management, N President (si Asset Managem
--	--------------	------	--	-----	---

Nuveen Investments 103

Board Members & Officers (continued)

NAME, BIRTHDATE AND ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED (3)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY OFFICER	PRINCIPAL OCCUPATION(S) DURING PAST 5
-----------------------------------	------------------------------------	---	--	---

OFFICERS OF THE FUNDS:

o GIFFORD R. ZIMMERMAN 9/9/56 333 W. Wacker Drive	Chief Administrative	1988		199	Managing Dire Secretary and Nuveen Invest
---	-------------------------	------	--	-----	---

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

	Chicago, IL 60606	Officer				Associate Gen Secretary, of 2002) and of (since 2003); Secretary of Company, LLC. Advisers Inc. Investors, LL Management, L Group LLC and Inc. (since 2 2004) and Ass Nuveen Invest (since 2005) Management, L
o	WILLIAM ADAMS IV 6/9/55 333 W. Wacker Drive Chicago, IL 60606	Vice President	2007	124		Executive Vic Investments, U.S. Structur Investments, Vice Presiden Commodities A
o	CEDRIC H. ANTOSIEWICZ 1/11/62 333 W. Wacker Drive Chicago, IL 60606	Vice President	2007	124		Managing Dire Vice Presiden Investments,
o	NIZIDA ARRIAGA 6/1/68 333 W. Wacker Drive Chicago, IL 60606	Vice President	2009	199		Senior Vice P LLC (since 20 (2007-2010); Allstate Inve Chartered Fin
o	MICHAEL T. ATKINSON 2/3/66 333 W. Wacker Drive Chicago, IL 60606	Vice President and Assistant Secretary	2000	199		Vice Presiden Investments, Asset Managem
o	MARGO L. COOK 4/11/64 333 W. Wacker Drive Chicago, IL 60606	Vice President	2009	199		Executive Vic Nuveen Invest Institutional Bear Stearns Institutional NY Mellon; Ch
o	LORNA C. FERGUSON 10/24/45 333 W. Wacker Drive Chicago, IL 60606	Vice President	1998	199		Managing Dire Investments, 2005) of Nuve
o	STEPHEN D. FOY 5/31/54 333 W. Wacker Drive Chicago, IL 60606	Vice President and Controller	1998	199		Vice Presiden Controller (s LLC; Vice Pre Asset Managem
o	SCOTT S. GRACE 8/20/70 333 W. Wacker Drive Chicago, IL 60606	Vice President and Treasurer	2009	199		Managing Dire Development, of Nuveen Inv and Treasurer (since 2009); Senior Vice P

Vice President
Group, Inc.;
Morgan Stanle
Group (2000-2
Designation.

104 Nuveen Investments

NAME, BIRTHDATE AND ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED(3)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY OFFICER	PRINCIPAL OCCUPATION(S) DURING PAST 5
OFFICERS OF THE FUNDS:				
o WILLIAM T. HUFFMAN 5/7/69 333 W. Wacker Drive Chicago, IL 60606	Vice President	2009	135	Chief Operati Income (since Management; p and Chief Exe Northern Trus Executive Off Global Invest Accountant.
o WALTER M. KELLY 2/24/70 333 W. Wacker Drive Chicago, IL 60606	Chief Compliance Officer and Vice President	2003	199	Senior Vice P President (20 President and (2003-2006) o Vice Presiden President (20 (since 2008)
o DAVID J. LAMB 3/22/63 333 W. Wacker Drive Chicago, IL 60606	Vice President	2000	199	Senior Vice P Vice Presiden Investments, of Nuveen Ass Accountant.
o TINA M. LAZAR 8/27/61 333 W. Wacker Drive Chicago, IL 60606	Vice President	2002	199	Senior Vice P Vice Presiden (1999-2009); Management (s
o LARRY W. MARTIN 7/27/51 333 W. Wacker Drive Chicago, IL 60606	Vice President and Assistant Secretary	1988	199	Senior Vice P Secretary and Nuveen Invest 2005) and Ass Investments, and Assistant Asset Managem Secretary of (since 2002); Company, LLC Management LL

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

					Investors, LL LLC (since 20 LLC and Nuvee (since 2007).
o	KEVIN J. MCCARTHY 3/26/66 333 W. Wacker Drive Chicago, IL 60606	Vice President and Secretary	2007	199	Managing Dire President (20 LLC; Managing Vice Presiden Nuveen Asset Investments H (since 2007) Investment Ad Institutional Investment Ma Global Invest Symphony Asse Asset Managem LLC and Nuvee (since 2007); Boyd & Lloyd
o	JOHN V. MILLER 4/10/67 333 W. Wacker Drive Chicago, IL 60606	Vice President	2007	135	Chief Investm (since 2007), (2002-2007) o Managing Dire President (20 Chartered Fin
				Nuveen Investments	105

Board Members & Officers (continued)

NAME, BIRTHDATE AND ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED (3)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY OFFICER	PRINCIPAL OCCUPATION (S) DURING PAST 5	

OFFICERS OF THE FUNDS:					
o	GREGORY MINO 1/4/71 333 W. Wacker Drive Chicago, IL 60606	Vice President	2009	199	Senior Vice P Investments, (2008-2010); and Executive Global Asset President (20 of Merrill Ly Chartered Fin
o	CHRISTOPHER M. ROHRBACHER 8/1/71 333 W. Wacker Drive Chicago, IL 60606	Vice President and Assistant Secretary	2008	199	Vice Presiden 2008); Vice P Nuveen Asset thereto, ASSO Meagher & Flo

- | | | | | |
|---|--|------|-----|---|
| <ul style="list-style-type: none"> o JAMES F. RUANE
7/3/62
333 W. Wacker Drive
Chicago, IL 60606 | Vice President
and Assistant
Secretary | 2007 | 199 | Vice President
(2007); prior
Touche USA LL
tax manager (
Accountant. |
| <ul style="list-style-type: none"> o MARK L. WINGET
12/21/68
333 W. Wacker Drive
Chicago, IL 60606 | Vice President
and Assistant
Secretary | 2008 | 199 | Vice President
(2008); Vice P
Nuveen Asset
thereto, Coun
(1997-2007). |

- (1) For California Premium Income (NCU), California Dividend Advantage (NAC), California Dividend Advantage 2 (NVX), California Dividend Advantage 3 (NZH), Insured California Dividend Advantage (NKL), and Insured California Tax-Free Advantage (NKX), Board Members serve three year terms, except for two board members who are elected annually by the holders of Preferred shares. The Board of Trustees for NCU, NAC, NVX, NZH, NKL, and NKX 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. For Insured California Premium Income (NPC) and Insured California Premium Income 2 (NCL), the Board Members serve a one year term to serve until the next annual meeting or until their successors shall have been duly elected and qualified. 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.
- (2) Mr. Amboian is an interested trustee because of his position with Nuveen Investments, Inc. and certain of its subsidiaries, which are affiliates of the Nuveen Funds.
- (3) 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.

106 Nuveen Investments

Annual Investment Management Agreement Approval Process

The Investment Company Act of 1940, as amended (the "1940 ACT"), provides, in substance, that each investment advisory agreement between a fund and its investment adviser will continue in effect from year to year only if its continuance is approved at least annually by the fund's board members, including by a vote of a majority of the board members who are not parties to the advisory agreement or "interested persons" of any parties (the "INDEPENDENT BOARD MEMBERS"), cast in person at a meeting called for the purpose of considering such approval. In connection with such approvals, the fund's board members must request and evaluate, and the investment adviser is required to furnish, such information as may be reasonably necessary to evaluate the terms of the advisory agreement. Accordingly, at a meeting held on May 27-29, 2009 (the "MAY MEETING"), the Boards of Trustees or Directors (as the case may be) (each a "BOARD" and each Trustee or Director, a "BOARD MEMBER") of the Funds, including a majority of the Independent Board Members, considered and approved the

continuation of the advisory agreements (each an "ADVISORY AGREEMENT") between each Fund and Nuveen Asset Management ("NAM") for an additional one-year period. In preparation for their considerations at the May Meeting, the Board also held a separate meeting on April 21-22, 2009 (the "APRIL MEETING"). Accordingly, the factors considered and determinations made regarding the renewals by the Independent Board Members include those made at the April Meeting.

In addition, in evaluating the Advisory Agreements, the Independent Board Members reviewed a broad range of information relating to the Funds and NAM, including absolute performance, fee and expense information for the Funds as well as comparative performance, fee and expense information for a comparable peer group of funds, the performance information of recognized and/or customized benchmarks (as applicable) of the Funds, the profitability of Nuveen for its advisory activities (which includes its wholly owned subsidiaries other than Winslow Capital Management, Inc. ("WINSLOW CAPITAL"), which was recently acquired in December 2008), and other information regarding the organization, personnel, and services provided by NAM. The Independent Board Members also met quarterly as well as at other times as the need arose during the year and took into account the information provided at such meetings and the knowledge gained therefrom. Prior to approving the renewal of the Advisory Agreements, the Independent Board Members reviewed the foregoing information with their independent legal counsel and with management, reviewed materials from independent legal counsel describing applicable law and their duties in reviewing advisory contracts, and met with independent legal counsel in private sessions without management present. The Independent Board Members considered the legal advice provided

Nuveen Investments 107

Annual Investment Management Agreement Approval Process (continued)

by independent legal counsel and relied upon their knowledge of NAM, its services and the Funds resulting from their meetings and other interactions throughout the year and their own business judgment in determining the factors to be considered in evaluating the Advisory Agreements. Each Board Member may have accorded different weight to the various factors in reaching his or her conclusions with respect to a Fund's Advisory Agreement. The Independent Board Members did not identify any single factor as all-important or controlling. The Independent Board Members' considerations were instead based on a comprehensive consideration of all the information presented. The principal factors considered by the Board and its conclusions are described below.

A. NATURE, EXTENT AND QUALITY OF SERVICES

In considering renewal of the Advisory Agreements, the Independent Board Members considered the nature, extent and quality of NAM's services, including advisory services and administrative services. The Independent Board Members reviewed materials outlining, among other things, NAM's organization and business; the types of services that NAM 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 had taken for the applicable fund product line.

In reviewing the services provided and the initiatives undertaken during the past year, the Independent Board Members recognized the severe market turmoil experienced in the capital markets during recent periods, including sustained periods of high volatility, credit disruption and government intervention. The Independent Board Members considered NAM's efforts, expertise and other actions taken to address matters as they arose that impacted the Funds. The Independent Board Members recognized the role of the Investment Services group which, among

other things, monitors the various positions throughout the Nuveen fund complex to identify and address any systematic risks. In addition, the Capital Markets Committee of NAM provides a multi-departmental venue for developing new policies to mitigate any risks. The Independent Board Members further recognized NAM's continuous review of the Nuveen funds' investment strategies and mandates in seeking to continue to refine and improve the investment process for the funds, particularly in light of market conditions. With respect to closed-end funds that issued auction rate preferred shares ("ARPS") or that otherwise utilize leverage, the Independent Board Members noted, in particular, NAM's efforts in re-financing the preferred shares of such funds frozen by the collapse of the auction rate market and managing leverage during a period of rapid market declines, particularly for the non-equity funds. Such efforts included negotiating and maintaining the availability of bank loan facilities and other sources of credit used for investment purposes or to satisfy liquidity needs, liquidating portfolio securities during difficult times to meet leverage ratios, and seeking alternative forms of debt and other leverage that may over time reduce financing costs associated with ARPs and enable the funds that have issued ARPs to restore liquidity to ARPs holders. The Independent Board Members also noted Nuveen's continued commitment and efforts to keep investors and financial advisers

108 Nuveen Investments

informed as to its progress with the ARPs through, among other things, conference calls, emails, press releases, information posted on its website, and telephone calls and in-person meetings with financial advisers. In addition to the foregoing, the Independent Board Members also noted the additional services that NAM or its affiliates provide to closed-end funds, including, in particular, 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 an investor relations program to provide timely information and education to financial advisers and investors; providing advertising and marketing for the closed-end funds; maintaining websites; and providing educational seminars.

As part of their review, the Independent Board Members also evaluated the background, experience and track record of NAM's investment personnel. In this regard, the Independent Board Members considered any changes in the personnel, and the impact on the level of services provided to the Funds, if any. The Independent Board Members also reviewed information regarding portfolio manager compensation arrangements to evaluate NAM's ability to attract and retain high quality investment personnel, preserve stability, and reward performance but not provide an incentive for taking undue risks.

In addition to advisory services, the Independent Board Members considered the quality of administrative services provided by NAM and its affiliates including product management, fund administration, oversight of service providers, shareholder services, administration of Board relations, regulatory and portfolio compliance and legal support. Given the importance of compliance, the Independent Board Members considered NAM's compliance program, including the report of the chief compliance officer regarding the Funds' compliance policies and procedures.

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

B. THE INVESTMENT PERFORMANCE OF THE FUNDS AND NAM

The Board considered the investment performance of 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 provider of mutual fund data as well as recognized and/or customized benchmarks (as applicable). The Independent Board Members reviewed performance information including, among other things, total return information compared with the Fund's Performance Peer Group and recognized and/or customized benchmarks (as applicable) for the quarter-, one-, three- and five-year periods (as applicable) ending December 31, 2008 and for the same periods (as applicable) ending March 31, 2009. The Independent Board Members also reviewed performance information of the Nuveen municipal funds managed by NAM in the aggregate ranked by peer group and

Nuveen Investments 109

Annual Investment Management Agreement Approval Process (continued)

the performance of such funds, in the aggregate, relative to their benchmark. This information supplemented the Fund performance information provided to the Board at each of its quarterly meetings.

In comparing a fund's performance with that of its Performance Peer Group, the Independent Board Members took into account that the closest Performance Peer Group in certain instances may not adequately reflect the respective fund's investment objectives and strategies thereby hindering a meaningful comparison of the fund's performance with that of the Performance Peer Group. The Independent Board Members further considered the performance of the Funds in the context of the volatile market conditions during the past year, and their impact on various asset classes and the portfolio management of the Funds.

Based on their review and factoring in the severity of market turmoil in 2008, the Independent Board Members determined that each Fund's investment performance over time had been satisfactory.

C. FEES, EXPENSES AND PROFITABILITY

1. FEES AND EXPENSES

The Board evaluated the management fees and expenses of each Fund reviewing, among other things, such Fund's gross management fees, net management fees and total expense ratios (before and after expense reimbursements and/or waivers) in absolute terms as well as compared to the fee and expenses of a comparable universe of unaffiliated funds based on data provided by an independent fund data provider (the "PEER UNIVERSE") and in certain cases, to a more focused subset of funds in the Peer Universe (the "PEER GROUP").

The Independent Board Members further reviewed data regarding the construction of the applicable Peer Universe and Peer Group. In reviewing the comparisons of fee and expense information, the Independent Board Members took into account that in certain instances various factors such as the asset level of a fund relative to peers, the size and particular composition of the Peer Universe or Peer Group, the investment objectives of the peers, expense anomalies, changes in the funds comprising the Peer Universe or Peer Group from year to year, levels of reimbursement and the timing of information used may impact the comparative data, thereby limiting the ability to make a meaningful comparison. In addition, the Independent Board Members also considered, among other things, the differences in the use and type of leverage compared to the peers. The Independent Board Members also considered the differences in the states

reflected in the respective Peer Group. In reviewing the fee schedule for a Fund, the Independent Board Members also 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 closed-end funds launched since 1999).

110 Nuveen Investments

Based on their review of the fee and expense information provided, the Independent Board Members determined that each Fund's management fees and net total expense ratio were reasonable in light of the nature, extent and quality of services provided to the Fund.

2. COMPARISONS WITH THE FEES OF OTHER CLIENTS

The Independent Board Members further reviewed information regarding the nature of services and fee rates offered by NAM to other clients. Such other clients include NAM's municipal separately managed accounts. In evaluating the comparisons of fees, the Independent Board Members noted that the fee rates charged to the Funds and other clients vary, among other things, because of the different services involved and the additional regulatory and compliance requirements associated with registered investment companies, such as the Funds. Accordingly, the Independent Board Members 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 Independent Board Members noted, in particular, that the range of services provided to the Funds (as discussed above) is much more extensive than that provided to separately managed accounts. Given the inherent differences in the products, particularly the extensive services provided to the Funds, the Independent Board Members believe such facts justify the different levels of fees.

3. PROFITABILITY OF NUVEEN

In conjunction with its review of fees, the Independent Board Members also considered the profitability of Nuveen for its advisory activities (which incorporated Nuveen's wholly-owned affiliated sub-advisers other than Winslow Capital) and its financial condition. The Independent Board Members reviewed the revenues and expenses of Nuveen's advisory activities for the last two years, the allocation methodology used in preparing the profitability data and an analysis of the key drivers behind the changes in revenues and expenses that impacted profitability in 2008. In addition, the Independent Board Members reviewed information regarding the financial results of Nuveen for 2008 based on its Form 8-K filed on March 31, 2009. The Independent Board Members noted this information supplemented 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 Independent Board Members noted that they had also appointed an Independent Board Member as a point person to review and keep them apprised of changes to the profitability analysis and/or methodologies during the year. The Independent Board Members also considered Nuveen's revenues for advisory activities, expenses, and profit margin compared to that of various unaffiliated management firms with similar amounts of

Nuveen Investments 111

Annual Investment Management Agreement Approval Process (continued)

assets under management and relatively comparable asset composition prepared by Nuveen.

In reviewing profitability, the Independent Board Members recognized the subjective nature of determining profitability which may be affected by numerous factors including the allocation of expenses. Further, the Independent Board Members 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 Independent Board Members reviewed Nuveen's methodology and assumptions for allocating expenses across product lines to determine profitability. In reviewing profitability, the Independent Board Members recognized Nuveen's investment in its fund business.

Based on their review, the Independent Board Members concluded 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 Independent Board Members also considered other amounts paid to NAM by the Funds as well as any indirect benefits (such as soft dollar arrangements, if any) NAM and its affiliates receive, or are expected to receive, that are directly attributable to the management of the Funds, if any. See Section E below for additional information on indirect benefits NAM may receive as a result of its relationship with the Funds. Based on their review of the overall fee arrangements of each Fund, the Independent Board Members 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 Independent Board Members have recognized the potential benefits resulting from the costs of a fund being spread over a larger asset base, although economies of scale are difficult to measure and predict with precision, particularly on a fund-by-fund basis. One method to help ensure the shareholders share in these benefits is to include breakpoints in the advisory fee schedule. Generally, management fees for funds in the Nuveen complex are comprised of a fund-level component and a complex-level component, subject to certain exceptions. Accordingly, the Independent Board Members reviewed and considered the applicable fund-level breakpoints in the advisory fee schedules that reduce advisory fees as asset levels increase. In this regard, the Independent Board Members noted that although closed-end funds may from time-to-time make additional share offerings, the growth of their assets will occur primarily through the appreciation of such funds' investment portfolio.

112 Nuveen Investments

While economies of scale result when costs can be spread over a larger asset base, the Independent Board Members also recognized that the asset levels generally declined in 2008 due to, among other things, the market downturn. Accordingly, for funds with a reduction in assets under management, advisory fee levels may have increased as breakpoints in the fee schedule were no longer

surpassed.

In addition to fund-level advisory fee breakpoints, the Board also considered the Funds' complex-wide fee arrangement. Pursuant to the complex-wide fee arrangement, the fees of the funds in the Nuveen complex generally are reduced as the assets in the fund complex reach certain levels. The complex-wide fee arrangement seeks to provide the benefits of economies of scale to fund shareholders when total fund complex assets increase, even if assets of a particular fund are unchanged or have decreased. The approach reflects the notion that some of Nuveen's costs are attributable to services provided to all its funds in the complex and therefore all funds benefit if these costs are spread over a larger asset base. Generally, the complex-wide pricing reduces Nuveen's revenue because total complex fund assets have consistently grown in prior years. As noted, however, total fund assets declined in 2008 resulting in a smaller downward adjustment of revenues due to complex-wide pricing compared to the prior year.

Based on their review, the Independent Board Members concluded that the breakpoint schedules and complex-wide fee arrangement were acceptable and reflect economies of scale to be shared with shareholders when assets under management increase.

E. INDIRECT BENEFITS

In evaluating fees, the Independent Board Members received and considered information regarding potential "fall out" or ancillary benefits NAM or its affiliates may receive as a result of its relationship with each Fund. In this regard, the Independent Board Members considered revenues received by affiliates of NAM for serving as agent at Nuveen's trading desk.

In addition to the above, the Independent Board Members considered whether NAM 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 NAM in managing the assets of the Funds and other clients. The Independent Board Members 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.

Based on their review, the Independent Board Members concluded that any indirect benefits received by NAM as a result of its relationship with the Funds were reasonable and within acceptable parameters.

Nuveen Investments 113

Annual Investment Management Agreement Approval Process (continued)

F. OTHER CONSIDERATIONS

The Independent Board Members did not identify any single factor discussed previously as all-important or controlling. The Board Members, including the Independent Board Members, unanimously concluded that the terms of the Advisory Agreements are fair and reasonable, that NAM's fees are reasonable in light of the services provided to each Fund and that the Advisory Agreements be renewed.

114 Nuveen Investments

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

Nuveen Investments 115

Reinvest Automatically Easily and Conveniently (continued)

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.

116 Nuveen Investments

Glossary of Terms Used in this Report

- o **AUCTION RATE BOND:** An auction rate bond is a security whose interest payments are adjusted periodically through an auction process, which process typically also serves as a means for buying and selling the bond. Auctions that fail to attract enough buyers for all the shares offered for sale are deemed to have "failed," with current holders receiving a formula-based interest rate until the next scheduled auction.
- o **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.
- o **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.
- o **INVERSE FLOATERS:** Inverse floating rate securities, also known as inverse floaters, 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.

Nuveen Investments 117

Glossary of Terms Used in this Report (continued)

- o **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.
- o **MARKET YIELD (ALSO KNOWN AS DIVIDEND YIELD OR CURRENT YIELD):** An investment's current annualized dividend divided by its current market price.
- o **NET ASSET VALUE (NAV):** A Fund's NAV per common share is calculated by subtracting the liabilities of the Fund (including any Preferred shares issued in order to leverage the Fund) from its total assets and then dividing the remainder by the number of common shares outstanding. Fund NAVs are calculated at the end of each business day.
- o **PRE-REFUNDING:** Pre-refunding, also known as advanced refundings or refinancings, is a procedure used by state and local governments to refinance municipal bonds to lower interest expenses. The issuer sells new bonds with a lower yield and uses the proceeds to buy U.S. Treasury securities, the interest from which is used to make payments on the higher-yielding bonds. Because of this collateral, pre-refunding generally raises a bond's credit rating and thus its value.
- o **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.
- o **ZERO COUPON BOND:** A zero coupon bond does not pay a regular interest coupon to its holders during the life of the bond. Tax-exempt income to the holder of the bond comes from accretion of the difference between the original purchase price of the bond at issuance and the par value of the bond at maturity and is effectively paid at maturity. The market prices of zero coupon bonds generally are more volatile than the market prices of bonds that pay interest periodically.

118 Nuveen Investments

Notes

Nuveen Investments 119

Notes

120 Nuveen Investments

Other Useful Information

QUARTERLY PORTFOLIO OF INVESTMENTS AND PROXY VOTING INFORMATION

You may obtain (i) each Fund's quarterly portfolio of investments, (ii) information regarding how the Funds voted proxies relating to portfolio securities held during the twelve-month period ended June 30, 2009, and (iii) a description of the policies and procedures that the Funds used to determine how to vote proxies relating to portfolio securities 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 (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 100 F Street NE, Washington, D.C. 20549.

CEO CERTIFICATION DISCLOSURE

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

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

COMMON AND PREFERRED SHARE INFORMATION

Each Fund intends to repurchase and/or redeem shares of its own common or preferred stock in the future at such times and in such amounts as is deemed advisable. During the period covered by this report, the Funds repurchased and/or redeemed shares of their common and/or preferred stock as shown in the accompanying table.

FUND	COMMON SHARES REPURCHASED	PREFERRED SHARES REDEEMED
NPC	11,500	--
NCL	11,700	--
NCU	27,400	260
NAC	--	--
NVX	32,400	649
NZH	--	3,383
NKL	13,700	--
NKX	--	--

Any future repurchases and/or redemptions will be reported to shareholders in the next annual or semi-annual report.

BOARD OF DIRECTORS/TRUSTEES

John P. Amboian
Robert P. Bremner

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

Jack B. Evans
William C. Hunter
David J. Kundert
William J. Schneider
Judith M. Stockdale
Carole E. Stone
Terence J. Toth

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

Nuveen Investments 121

Nuveen Investments:
Serving Investors for Generations

Since 1898, financial advisors and their clients have relied on Nuveen Investments to provide dependable investment solutions through continued adherence to proven, longterm investing principles. Today, we offer a range of high quality equity and fixed-income solutions designed to be integral components of a well-diversified core portfolio.

FOCUSED ON MEETING INVESTOR NEEDS.

Nuveen Investments is a global investment management firm that seeks to help secure the long-term goals of institutions and high net worth investors as well as the consultants and financial advisors who serve them. We market our growing range of specialized investment solutions under the high-quality brands of HydePark, NWQ, Nuveen, Santa Barbara, Symphony, Tradewinds and Winslow Capital. In total, Nuveen Investments managed approximately \$145 billion of assets on December 31, 2009.

FIND OUT HOW WE CAN HELP YOU.

To learn more about how the products and services of Nuveen Investments may be

able to help you meet your financial goals, talk to your financial advisor, or call us at (800) 257-8787. Please read the information provided carefully before you invest. Investors should consider the investment objective and policies, risk considerations, charges and expenses of any investment carefully. Where applicable, be sure to obtain a prospectus, which contains this and other relevant information. To obtain 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/CEF

- o Share prices
- o Fund details
- o Daily financial news
- o Investor education
- o Interactive planning tools

Distributed by
Nuveen Investments, LLC
333 West Wacker Drive
Chicago, IL 60606
www.nuveen.com

EAN-B-0210D

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/CEF/Info/Shareholder. (To view the code, 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 ("Board") 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, 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.

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Nuveen California Dividend Advantage Municipal Fund 2

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)
February 28, 2010	\$ 17,483	\$ 0	\$ 0
Percentage approved pursuant to pre-approval exception	0%	0%	
February 28, 2009 (5)	\$ 17,675	\$ 0	\$ 0
Percentage approved pursuant to pre-approval exception	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 for agreed upon procedures engagements performed for leveraged funds.
- (5) Fund changed fiscal year from August to February starting in 2009.

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 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 ADVISED AND AFFILIATED FUND SERVICE PROVIDERS
February 28, 2010	\$ 0	\$ 0
Percentage approved pursuant to pre-approval exception	0%	0%
February 28, 2009 (1)	\$ 0	\$ 0
Percentage approved pursuant to pre-approval exception	0%	0%

(1) Fund changed fiscal year from August to February starting in 2009.

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 pre-approval 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

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

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)	TOTAL NON- BILLED TO AFFILIATE PROVIDER ENGA
February 28, 2010	\$ 850	\$ 0	
February 28, 2009 (1)	\$ 850	\$ 0	

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

(1) Fund changed fiscal year from August to February starting in 2009.

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 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, Terence J. Toth, William J. Schneider and David J. Kundert.

ITEM 6. SCHEDULE OF INVESTMENTS.

- a) See Portfolio of Investments in Item 1.
- b) Not applicable.

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 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 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 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
Scott R. Romans	Nuveen California Dividend Advantage Municipal Fund 2

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 OF ACCOUNTS	ASSETS*
Scott R. Romans	Registered Investment Company	29	\$5.473 billion
	Other Pooled Investment Vehicles	0	\$0
	Other Accounts	6	\$1.6 million

* Assets are as of February 28, 2010. 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 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 February 28, 2010, the S&P/Investortools Municipal Bond index was comprised of 54,637 securities with an aggregate current market value of \$1,176 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. In connection with the acquisition of Nuveen Investments, Inc., by a group of investors lead by Madison Dearborn Partners in November 2007, certain employees, including portfolio managers, received profit interests in Nuveen's parent. These profit interests entitle the holders to participate in the appreciation in the value of Nuveen beyond the issue date and vest over five to seven years, or earlier in the case of a liquidity event. In addition, in July 2009, Nuveen Investments created and funded a trust, as part of a newly-established incentive program, which purchased shares of certain Nuveen Mutual Funds and awarded such shares, subject to vesting, to certain employees, including portfolio managers.

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 February 28, 2010, 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.

DOLLAR
RANGE OF

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

NAME OF PORTFOLIO MANAGER	FUND	EQUITY SECURITIES BENEFICIALLY OWNED IN FUND
Scott R. Romans	Nuveen California Dividend Advantage Municipal Fund 2	\$0

PORTFOLIO MANAGER BIO:

Scott R. Romans, PhD, joined Nuveen Investments in 2000 as a senior analyst in the education sector. In 2003, he was assigned management responsibility for several closed- and open-ended municipal bond funds most of which are state funds covering California and other western states. He has been Vice President of NAM since 2004, Portfolio Manager since 2003, and was, formerly, Assistant Vice President (2003-2004) and Senior Analyst (2000-2003). Currently, he manages investments for 30 Nuveen-sponsored investment companies. He holds an undergraduate degree from the University of Pennsylvania and an MA and PhD from the University of Chicago.

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

Period*	(a) TOTAL NUMBER OF SHARES (OR UNITS) PURCHASED	(b) AVERAGE PRICE PAID PER SHARE (OR UNIT)	(c) TOTAL NUMBER OF SHARES (OR UNITS) PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	(d) * MAXIMUM APPROXI SHARES BE PURC PROGRAM
MARCH 1-31, 2009	32,400	\$10.28	32,400	1,429,3
APRIL 1-30, 2009	0		0	1,429,3
MAY 1-31, 2009	0		0	1,429,3
JUNE 1-30, 2009	0		0	1,429,3
JULY 1-31, 2009	0		0	1,429,3
AUGUST 1-31, 2009	0		0	1,429,3
SEPTEMBER 1-30, 2009	0		0	1,429,3
OCTOBER 1-31, 2009	0		0	1,475,0
NOVEMBER 1-30, 2009	0		0	1,475,0
DECEMBER 1-31, 2009	0		0	1,475,0
JANUARY 1-31, 2010	0		0	1,475,0
FEBRUARY 1-28, 2010	0		0	1,475,0
TOTAL	32,400			

* The registrant's repurchase program, which authorized the repurchase of 1,480,000 shares, was announced August 7, 2008. On October 3, 2009, the

Edgar Filing: NUVEEN CALIFORNIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2 - Form N-CSR

program was reauthorized for a maximum repurchase amount of 1,475,000 shares. Any repurchases made by the registrant pursuant to the program were made through open-market transactions.

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 registrant's 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/CEF/Info/Shareholder and there were no amendments during the period covered by this report. (To view the code, 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 California Dividend Advantage Municipal Fund 2

By (Signature and Title) /s/ Kevin J. McCarthy

Kevin J. McCarthy
Vice President and Secretary

Date: May 6, 2010

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: May 6, 2010

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

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

Date: May 6, 2010
