

NUVEEN ARIZONA DIVIDEND ADVANTAGE MUNICIPAL FUND 3
Form N-CSRS
November 07, 2011

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 811-21157

Nuveen Arizona Dividend Advantage Municipal Fund 3
(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606
(Address of principal executive offices) (Zip code)

Kevin J. McCarthy
Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606
(Name and address of agent for service)

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

Date of fiscal year end: February 28

Date of reporting period: August 31, 2011

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

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

ITEM 1. REPORTS TO STOCKHOLDERS.

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Chairman's
Letter to Shareholders

Dear Shareholders,

The global economy continues to be weighed down by an unusual combination of pressures facing the larger developed economies. Japanese leaders continue to work through the economic aftereffects of the March 2011 earthquake and tsunami. Political leaders in Europe and the U.S. have resolved some of the near term fiscal problems, but the financial markets are not convinced that these leaders are able to address more complex longer term fiscal issues. Despite improved earnings and capital increases, the largest banks in these countries continue to be vulnerable to deteriorating mortgage portfolios and sovereign credit exposure, adding another source of uncertainty to the global financial system.

In the U.S., recent economic statistics indicate that the economic recovery may be losing momentum. Consumption, which represents about 70% of the gross domestic product, faces an array of challenges from seemingly intractable declines in housing values, increased energy costs and limited growth in the job market. The failure of Congress and the administration to agree on the debt ceiling increase on a timely basis and the deep divisions between the political parties over fashioning a balanced program to address growing fiscal imbalances that led to the recent S&P ratings downgrade add considerable uncertainty to the domestic economic picture.

On a more positive note, corporate earnings continue to hold up well and the municipal bond market is recovering from recent weakness as states and municipalities implement various programs to reduce their budgetary deficits. In addition, the Federal Reserve System has made it clear that it stands ready to take additional steps should the economic recovery falter. However, there are concerns that the Fed is approaching the limits of its resources to intervene in the economy.

These perplexing times highlight the importance of professional investment management. Your Nuveen investment team is working hard to develop an appropriate response to increased risk, and they continue to seek out opportunities created by stressful markets using proven investment disciplines designed to help your Fund achieve its investment objectives. On your behalf, we monitor their activities to assure that they maintain their investment disciplines.

As always, I encourage you to contact your financial consultant if you have any questions about your investment in a Nuveen Fund. On behalf of the other members of your Fund Board, we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,

Robert P. Bremner
Chairman of the Board
October 21, 2011

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Portfolio Managers' Comments

Nuveen Arizona Premium Income Municipal Fund, Inc. (NAZ)
Nuveen Arizona Dividend Advantage Municipal Fund (NFZ)
Nuveen Arizona Dividend Advantage Municipal Fund 2 (NKR)
Nuveen Arizona Dividend Advantage Municipal Fund 3 (NXE)
Nuveen Texas Quality Income Municipal Fund (NTX)

Portfolio managers Michael Hamilton and Daniel Close review key investment strategies and the six-month performance of these five Nuveen Funds. Michael, who has 22 years of investment experience, assumed portfolio management responsibility for the Arizona Funds in January 2011. An eleven-year veteran of Nuveen, Dan has managed NTX since 2007.

What key strategies were used to manage the Arizona and Texas Funds during the six-month reporting period ended August 31, 2011?

During this reporting period, municipal bond prices generally rallied as yields declined across the municipal curve. The relative decline in yields was attributable in part to the continued depressed level of municipal bond issuance. Tax-exempt volume, which had been limited in 2010 by issuers' extensive use of taxable Build America Bonds (BABs), continued to drift lower in 2011. Even though BABs were no longer an option for issuers (the BAB program expired at the end of 2010), some borrowers had accelerated issuance into 2010 in order to take advantage of the program's favorable terms before its termination, fulfilling their capital program borrowing needs well into 2012. This reduced the need for many borrowers to come to market with new issues during this period. For the six months ended August 31, 2011, national municipal issuance was down 34% compared with the same period in 2010, while municipal issuance in Arizona and Texas declined 60% and 27%, respectively.

Despite the constrained issuance on tax-exempt municipal bonds and relatively lower yields, we continued to take a bottom-up approach to discovering undervalued sectors and individual credits with the potential to perform well over the long term. During this period, NTX found value in water and sewer bonds, local general and limited tax obligation credits and Texas appropriations bonds. The Texas Fund also purchased gas prepayment bonds, which are used by municipal utilities to prepay for gas supplies to be delivered over a long period of time. In the Arizona Funds, our focus was on buying bonds with wider credit spreads where we believed we were being compensated for perceived risk. This included some AA rated, insured school district credits that offered higher yields due to the fact that this segment was out of favor with the market. For the most part, all of these Funds focused on purchasing longer bonds in order to take advantage of more attractive yields at the longer end of the municipal yield curve.

Cash for new purchases during this period was generated largely by the proceeds from bond calls and maturing bonds, which we worked to redeploy to keep the Funds fully invested. In addition, the Arizona Funds sold pre-refunded bonds and credits with shorter call dates to generate additional cash for funding new purchases. This was particularly true in NKR, where we worked to reduce the Fund's overweighting in bonds with shorter maturities.

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 managers 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.

Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

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As of August 31, 2011, all five of these Funds continued to use inverse floating rate securities. We employ inverse floaters as a form of leverage for a variety of reasons, including duration management, income enhancement and total return enhancement.

How did the Funds perform?

Individual results for these Nuveen Arizona and Texas 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 8/31/11

| | 6-Month | 1-Year | 5-Year | 10-Year |
|---|---------|--------|--------|---------|
| Arizona Funds | | | | |
| NAZ | 8.30% | 2.35% | 4.47% | 4.87% |
| NFZ | 9.58% | 2.61% | 4.06% | 5.41% |
| NKR | 7.60% | 3.18% | 4.53% | N/A |
| NXE | 8.27% | 3.72% | 4.69% | N/A |
| Standard & Poor's (S&P) Arizona Municipal Bond Index** | 6.15% | 2.52% | 4.82% | 4.96% |
| Standard & Poor's (S&P) National Municipal Bond Index** | 6.56% | 2.62% | 4.60% | 4.93% |
| Lipper Other States Municipal Debt Classification Average** | 8.63% | 1.97% | 4.44% | 5.43% |
| Texas Fund | | | | |
| NTX | 8.04% | 2.48% | 5.00% | 5.48% |
| Standard & Poor's (S&P) Texas Municipal Bond Index** | 6.40% | 2.78% | 4.95% | 5.17% |
| Standard & Poor's (S&P) National Municipal Bond Index** | 6.56% | 2.62% | 4.60% | 4.93% |
| Lipper Other States Municipal Debt Classification Average** | 8.63% | 1.97% | 4.44% | 5.43% |

For the six months ended August 31, 2011, the cumulative returns on common share net asset value (NAV) for all four Arizona Funds exceeded the return for the Standard & Poor's (S&P) Arizona Municipal Bond Index and NTX outperformed the Standard & Poor's (S&P) Texas Municipal Bond Index. All of the Funds also outperformed the Standard & Poor's (S&P) National Municipal Bond Index. For the six-month period, NFZ exceeded the return for the Lipper Other States Municipal Debt Classification Average, while the remaining four Funds trailed the Lipper classification. Shareholders should note that the performance of the Lipper Other States classification represents the overall average of returns for funds from ten different states with a wide variety of municipal market conditions, which may make direct comparisons less meaningful.

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

During this period, as yields across the municipal yield curve declined, municipal bonds with longer maturities generally outperformed the shorter maturity categories,

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.

* 6-month returns are cumulative; all other returns are annualized.

**Refer to the Glossary of Terms Used in this Report for definitions.

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with credits at the longest end of the yield curve posting the strongest returns. Overall, duration and yield curve positioning was a positive contributor to the performance of NAZ, NFZ, NKR, NXE and NTX. All five of these Funds were underweighted in the shorter parts of the yield curve that produced weaker returns and had correspondingly heavier exposures to the outperforming longer segments. Of the five, NFZ was the most advantageously positioned for the market environment of this period, with the longest duration.

Holdings that generally made positive contributions to the Funds' returns during this period included zero coupon bonds and health care, transportation and education credits. The special tax, water and sewer, and industrial development revenue sectors also outperformed the municipal market as a whole, while general obligation (GO) and other tax-supported bonds generally performed in line with the market during this period. Although NTX's transportation holdings were positive for performance, this was offset to some degree by negative performance from the Fund's local GO allocations. In the Arizona Funds, our holdings of limited tax obligation bonds issued for the Maricopa County Stadium District, which owns Chase Field in Phoenix, performed poorly. These bonds are backed by revenues from a car rental surcharge, which were negatively impacted by the decline in Arizona tourism and the drop in business and convention travel. Holdings of the stadium bonds detracted from the performance of NAZ and NKR, while NFZ and NXE did not own any of these bonds. Overall, the Arizona Funds' utilities holdings were helpful for performance, with NFZ, NAZ and NXE benefiting the most.

Pre-refunded bonds, which are often backed by U.S. Treasury securities, were among the poorest performing market segments during this period. The underperformance of these bonds can be attributed primarily to their shorter effective maturities and higher credit quality. Among these five Funds, NFZ had the smallest allocation of pre-refunded bonds, which lessened the negative impact of these holdings, while an overweighting in pre-refunded bonds detracted from the performance of NTX.

Credit exposure played a smaller role in performance during these six months, as bonds rated BBB, A and AA typically outperformed those rated AAA. This outperformance was due in part to the higher yields they offered investors looking for income. In this environment, the Funds' performance generally benefited from their allocations to lower quality credits.

IMPACT OF THE FUNDS' LEVERAGE STRATEGIES ON PERFORMANCE

One important factor impacting the returns of all these Funds relative to the comparative indexes was the Funds' use of leverage. The Funds use leverage because their managers believe that, over time, leveraging provides opportunities for additional

income and total return 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 the prices of securities held by a Fund generally are rising. Leverage made a positive contribution to the performance of these Funds over this reporting period.

RECENT DEVELOPMENTS REGARDING THE FUNDS' REDEMPTION OF AUCTION RATE PREFERRED SHARES

Shortly after their respective inceptions, each of the Funds issued auction rate preferred shares (ARPS) to create structural 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 nonexistent 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 continued to receive 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 multi-generational 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.

As noted in past shareholder reports, the Nuveen funds' Board of Directors/Trustees authorized several methods that can be used separately or in combination to refinance a portion of the Nuveen funds' outstanding ARPS. Some funds have utilized tender option bonds (TOBs), also known as inverse floating rate securities, for leverage purposes. 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. Some funds have issued Variable Rate Demand Preferred (VRDP) Shares or Variable MuniFund Term Preferred (VMTP) Shares, which are floating rate forms of preferred stock with a mandatory term redemption. Some funds have issued MuniFund Term Preferred (MTP) Shares, a fixed rate form of preferred stock with a mandatory redemption period of three to five years.

During 2010 and 2011, certain Nuveen leveraged closed-end funds (including NXE) received a demand letter from a law firm on behalf of purported holders of common shares of each such fund, alleging that Nuveen and the funds' officers and Board of Directors/Trustees breached their fiduciary duties related to the redemption at par of the funds' ARPS. In response, the Board established an ad hoc Demand Committee consisting of certain of its disinterested and independent Board members to investigate the claims. The Demand Committee retained independent counsel to assist it in conducting an extensive investigation. Based upon its investigation, the Demand Committee found that it was not in the best interests of each fund or its shareholders to take the actions suggested in the demand letters, and recommended that the full Board reject the demands made in the demand letters. After reviewing the findings and recommendation of the Demand Committee, the full Board of each fund unanimously adopted the Demand Committee's recommendation.

Subsequently, 33 of the funds that received demand letters (including NXE) were named in a consolidated complaint as nominal defendants in a putative shareholder derivative action captioned Martin Safier, et al. v. Nuveen Asset Management, et al. that was filed in the Circuit Court of Cook County, Illinois, Chancery Division (the "Cook County Chancery Court") on February 18, 2011 (the "Complaint"). The Complaint, filed on behalf of purported holders of each fund's common shares, also name Nuveen Fund Advisors, Inc. as a defendant, together with current and former Officers and interested Director/Trustees of each of the funds (together with the nominal defendants, collectively, the "Defendants"). The Complaint contains the same basic allegations contained in the demand letters. The suits seek a declaration that the Defendants have breached their fiduciary duties, an order directing the Defendants not to redeem any ARPS at their liquidation value using fund assets, indeterminate monetary damages in favor of the funds and an award of plaintiffs' costs and disbursements in pursuing the action. The court has heard arguments on the funds' motion to dismiss the suit and has taken the matter under advisement. Nuveen Fund Advisors, Inc. believes that the Complaint is without merit, and is defending vigorously against these charges.

As of August 31, 2011, each of the Funds has redeemed all of their outstanding ARPS at liquidation value.

As of August 31, 2011, the Funds have issued and outstanding MTP Shares and VMTP Shares as shown in the accompanying tables.

MTP Shares

| Fund | Series | MTP Shares Issued at Liquidation Value | Annual Interest Rate | NYSE Ticker |
|------|--------|--|-------------------------|----------------|
| NFZ | 2015 | \$11,100,000 | 2.05% | NFZ PrC |
| NKR | 2015 | \$18,725,000 | 2.05% | NKR PrC |
| NXE | 2016 | \$20,846,000 | 2.90% | NXE PrC |
| NTX | 2015 | \$70,920,000 | 2.30% | NTX PrC |

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VMTP Shares

| Fund | VMTP Series | VMTP Shares Issued at Liquidation Value |
|------|-------------|---|
| NAZ | 2014 | \$28,000,000 |

(Refer to Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies and Footnote 4 – Fund Shares for further details on MTP and VMTP Shares.)

As of October 5, 2010, after the close of this reporting period, all 84 of the Nuveen closed-end municipal funds that had issued ARPS, approximately \$11.0 billion, have redeemed at liquidation value all of these shares.

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

Regulatory Matters

During May 2011, Nuveen Securities, LLC, known as Nuveen Investments, LLC, prior to April 30, 2011, entered into a settlement with the Financial Industry Regulatory Authority (FINRA) with respect to certain allegations regarding Nuveen-sponsored closed-end fund ARPS marketing brochures. As part of this settlement, Nuveen Securities, LLC neither admitted to nor denied FINRA’s allegations. Nuveen Securities, LLC is the broker-dealer subsidiary of Nuveen Investments.

The settlement with FINRA concludes an investigation that followed the widespread failure of auctions for ARPS and other auction rate securities, which generally began in mid-February 2008. In the settlement, FINRA alleged that certain marketing materials provided by Nuveen Securities, LLC were false and misleading. Nuveen Securities, LLC agreed to a censure and the payment of a \$3 million fine.

RISK CONSIDERATIONS

Fund shares are not guaranteed or endorsed by any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation. Past performance is no guarantee of future results. Fund common shares are subject to a variety of risks, including:

Investment Risk. The possible loss of the entire principal amount that you invest.

Price Risk. Shares of closed-end investment companies like these Funds frequently trade at a discount to their NAV. Your common shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Fund dividends and distributions.

Leverage Risk. Each Fund's use of leverage creates the possibility of higher volatility for the Fund's per share NAV, market price, distributions and returns. There is no assurance that a Fund's leveraging strategy will be successful.

Tax Risk. The tax treatment of Fund distributions may be affected by new IRS interpretations of the Internal Revenue Code and future changes in tax laws and regulations.

Issuer Credit Risk. This is the risk that a security in a Fund's portfolio will fail to make dividend or interest payments when due.

Interest Rate Risk. Fixed-income securities such as bonds, preferred, convertible and other debt securities will decline in value if market interest rates rise.

Reinvestment Risk. If market interest rates decline, income earned from a Fund's portfolio may be reinvested at rates below that of the original bond that generated the income.

Call Risk or Prepayment Risk. Issuers may exercise their option to prepay principal earlier than scheduled, forcing a Fund to reinvest in lower-yielding securities.

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Common Share Dividend and Share Price Information

The monthly dividends of all five Funds in this report remained stable throughout the six-month reporting period ended August 31, 2011.

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 August 31, 2011, all of the Funds in this report had a positive UNII balance, based upon our best estimate, for tax purposes and a positive UNII balance for financial reporting purposes.

COMMON SHARE REPURCHASES AND SHARE PRICE INFORMATION

As of August 31, 2011, and since the inception of the Funds' repurchase programs, NFZ, NKR and NXE have cumulatively repurchased and retired their outstanding common shares as shown in the accompanying table. Since the inception of the Funds' repurchase program, NAZ and NTX have not repurchased any of their outstanding common shares.

| Fund | Common Shares Repurchased and Retired | % of Outstanding Common Shares |
|------|--|---|
| NAZ | — | — |
| NFZ | 2,500 | 0.2 % |
| NKR | 800 | 0.0 %* |
| NXE | 1,600 | 0.1 % |
| NTX | — | — |

* Rounds to less than 0.1%.

During the six-month reporting period, NFZ, NKR and NXE did not repurchase any of their outstanding common shares.

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As of August 31, 2011, the Funds' common share prices were trading at (+)premiums or (-)discounts to their common share NAVs as shown in the accompanying table.

| Fund | 8/31/11 (+)Premium/(-)Discount | Six-Month Average (+)Premium/(-)Discount |
|------|-----------------------------------|---|
| NAZ | (-)7.02% | (-) 8.17% |
| NFZ | (-)8.32% | (-)8.63% |
| NKR | (-)8.25% | (-)9.83% |
| NXE | (-)8.96% | (-)10.33% |
| NTX | (+)7.77% | (+)4.64% |

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NAZ
 Performance
 OVERVIEW

Nuveen Arizona
 Premium Income
 Municipal Fund, Inc.

as of August 31, 2011

Credit Quality (as a % of total investments)^{2,3}

Fund Snapshot

| | |
|--|----------|
| Common Share Price | \$12.98 |
| Common Share Net Asset Value (NAV) | \$13.96 |
| Premium/(Discount) to NAV | -7.02% |
| Market Yield | 5.78% |
| Taxable-Equivalent Yield ¹ | 8.41% |
| Net Assets Applicable to Common Shares (\$000) | \$62,427 |

Leverage

| | |
|---------------------|--------|
| Structural Leverage | 30.96% |
| Effective Leverage | 32.56% |

Average Annual Total

Return

(Inception 11/19/92)

| | On Share Price | On NAV |
|----------------------|----------------|--------|
| 6-Month (Cumulative) | 8.50% | 8.30% |
| 1-Year | 0.38% | 2.35% |
| 5-Year | 4.17% | 4.47% |
| 10-Year | 2.97% | 4.87% |

Portfolio Composition³

(as a % of total investments)

| | |
|-----------------------------------|-------|
| Tax Obligation/Limited | 25.7% |
| Utilities | 17.4% |
| Health Care | 15.9% |
| Water and Sewer | 14.9% |
| Education and Civic Organizations | 11.5% |
| Tax Obligation/General | 8.3% |

| | |
|-----------------|------|
| U.S. Guaranteed | 5.5% |
| Other | 0.8% |

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.3%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 3 Holdings are subject to change.

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NFZ Nuveen Arizona
Dividend Advantage
Municipal Fund

Performance
OVERVIEW

as of August 31, 2011

Fund Snapshot

| | |
|--|----------|
| Common Share Price | \$13.01 |
| Common Share Net Asset Value (NAV) | \$14.19 |
| Premium/(Discount) to NAV | -8.32% |
| Market Yield | 5.95% |
| Taxable-Equivalent Yield ¹ | 8.66% |
| Net Assets Applicable to Common Shares (\$000) | \$21,974 |

Leverage

| | |
|---------------------|--------|
| Structural Leverage | 33.56% |
| Effective Leverage | 36.77% |

Average Annual Total
Return
(Inception 1/30/01)

| | On Share Price | On NAV |
|----------------------|----------------|--------|
| 6-Month (Cumulative) | 10.46% | 9.58% |
| 1-Year | -0.05% | 2.61% |
| 5-Year | 1.28% | 4.06% |
| 10-Year | 3.81% | 5.41% |

Portfolio Composition³

(as a % of total
investments)

| | |
|-----------------------------------|-------|
| Tax Obligation/Limited | 31.4% |
| Utilities | 20.4% |
| Health Care | 14.1% |
| Tax Obligation/General | 12.9% |
| Water and Sewer | 9.2% |
| Education and Civic Organizations | 8.2% |
| Other | 3.8% |

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.3%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 3 Holdings are subject to change.

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NKR
Performance
OVERVIEW

Nuveen Arizona
Dividend Advantage
Municipal Fund 2

as of August 31, 2011

Fund Snapshot

| | |
|--|----------|
| Common Share Price | \$13.35 |
| Common Share Net Asset Value (NAV) | \$14.55 |
| Premium/(Discount) to NAV | -8.25% |
| Market Yield | 6.02% |
| Taxable-Equivalent Yield ¹ | 8.76% |
| Net Assets Applicable to Common Shares (\$000) | \$35,500 |

Leverage

| | |
|---------------------|--------|
| Structural Leverage | 34.53% |
| Effective Leverage | 36.12% |

Average Annual Total
Return
(Inception 3/25/02)

| | On Share Price | On NAV |
|----------------------|----------------|--------|
| 6-Month (Cumulative) | 8.75% | 7.60% |
| 1-Year | 0.47% | 3.18% |
| 5-Year | 2.48% | 4.53% |
| Since Inception | 4.62% | 5.93% |

Portfolio Composition³

(as a % of total
investments)

| | |
|-----------------------------------|-------|
| Tax Obligation/Limited | 32.4% |
| Health Care | 21.0% |
| Tax Obligation/General | 20.2% |
| Water and Sewer | 9.0% |
| Education and Civic Organizations | 6.9% |
| Utilities | 5.6% |
| Other | 4.9% |

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.3%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 3 Holdings are subject to change.

16 Nuveen Investments

NXE Nuveen Arizona
Dividend Advantage
Municipal Fund 3

Performance
OVERVIEW

as of August 31, 2011

Fund Snapshot

| | |
|--|----------|
| Common Share Price | \$12.91 |
| Common Share Net Asset Value (NAV) | \$14.18 |
| Premium/(Discount) to NAV | -8.96% |
| Market Yield | 5.86% |
| Taxable-Equivalent Yield ¹ | 8.53% |
| Net Assets Applicable to Common Shares (\$000) | \$43,474 |

Leverage

| | |
|---------------------|--------|
| Structural Leverage | 32.41% |
| Effective Leverage | 34.77% |

Average Annual Total

Return

(Inception 9/25/02)

| | On Share Price | On NAV |
|----------------------|----------------|--------|
| 6-Month (Cumulative) | 8.68% | 8.27% |
| 1-Year | 1.10% | 3.72% |
| 5-Year | 4.29% | 4.69% |
| Since Inception | 3.85% | 5.21% |

Portfolio Composition³

(as a % of total
investments)

| | |
|-----------------------------------|-------|
| Tax Obligation/Limited | 25.9% |
| Health Care | 23.2% |
| Education and Civic Organizations | 12.9% |
| Utilities | 11.1% |
| Water and Sewer | 10.9% |
| Tax Obligation/General | 7.6% |
| Other | 8.4% |

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.3%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 3 Holdings are subject to change.

Nuveen Investments 17

NTX
 Nuveen Texas
 Quality Income
 Municipal Fund
 Performance
 OVERVIEW
 as of August 31,
 2011

Fund Snapshot

| | |
|--|-----------|
| Common Share Price | \$15.96 |
| Common Share Net Asset Value (NAV) | \$14.81 |
| Premium/(Discount) to NAV | 7.77% |
| Market Yield | 5.38% |
| Taxable-Equivalent Yield ¹ | 7.47% |
| Net Assets Applicable to Common Shares (\$000) | \$141,765 |

Leverage

| | |
|---------------------|--------|
| Structural Leverage | 33.35% |
| Effective Leverage | 34.56% |

Average Annual Total

Return

(Inception 10/17/91)

| | On Share Price | On NAV |
|----------------------|----------------|--------|
| 6-Month (Cumulative) | 8.15% | 8.04% |
| 1-Year | 1.11% | 2.48% |
| 5-Year | 7.26% | 5.00% |
| 10-Year | 6.71% | 5.48% |

Portfolio Composition⁴

(as a % of total investments)

| | |
|-----------------------------------|-------|
| Tax Obligation/General | 28.5% |
| Utilities | 11.1% |
| U.S. Guaranteed | 10.9% |
| Water and Sewer | 10.4% |
| Health Care | 9.4% |
| Transportation | 8.1% |
| Tax Obligation/Limited | 7.6% |
| Education and Civic Organizations | 6.7% |
| Other | 7.3% |

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

- 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 federal income tax rate of 28%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investor Services, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.
- 3 The Fund paid shareholders capital gains and net ordinary income distributions in December 2010 of \$0.0067 per share.
- 4 Holdings are subject to change.

18 Nuveen Investments

Nuveen Arizona Premium Income Municipal Fund, Inc.
NAZ Portfolio of Investments

August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|--|---------------------------------|-------------|------------|
| | Consumer Staples – 1.1% (0.8% of Total Investments) | | | |
| \$ 750 | Puerto Rico, The Children’s Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33 | 5/12 at 100.00 | BBB | \$ 699,480 |
| | Education and Civic Organizations – 16.1% (11.5% of Total Investments) | | | |
| 2,500 | Arizona Higher Education Loan Authority, Student Loan Revenue Bonds, Series 2007B, Auction Rate Securities, 0.508%, 11/01/41 (Alternative Minimum Tax) (4) | 3/12 at 100.00 | A | 1,924,925 |
| 1,000 | Arizona State University, System Revenue Bonds, Series 2002, 5.000%, 7/01/25 – FGIC Insured | 7/12 at 100.00 | AA | 1,030,590 |
| 1,455 | Arizona State University, System Revenue Bonds, Series 2005: 5.000%, 7/01/20 – AMBAC Insured | 7/15 at 100.00 | Aa3 | 1,550,885 |
| 750 | 5.000%, 7/01/21 – AMBAC Insured | 7/15 at 100.00 | Aa3 | 793,583 |
| 755 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2007, 5.000%, 5/15/31 | 5/22 at 100.00 | A– | 760,549 |
| 1,600 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2010, 5.125%, 5/15/40 | 5/20 at 100.00 | A– | 1,563,424 |
| 200 | Pima County Industrial Development Authority, Arizona, Education Revenue Bonds, Paradise Education Center Project, Series 2010, 6.100%, 6/01/45 | 6/19 at 100.00 | BBB– | 174,250 |
| 1,500 | Tempe Industrial Development Authority, Arizona, Lease Revenue Bonds, Arizona State University Foundation Project, Series 2003, 5.000%, 7/01/34 – AMBAC Insured | 7/13 at 100.00 | N/R | 1,404,885 |
| 825 | Yavapai County Industrial Development Authority, Arizona, Charter School Revenue Bonds, Arizona Agribusiness and Equine Center Charter School, Series 2011, 7.875%, 3/01/42 | 3/21 at 100.00 | BB+ | 852,143 |
| 10,585 | Total Education and Civic Organizations | | | 10,055,234 |
| | Health Care – 22.3% (15.9% of Total Investments) | | | |
| 1,430 | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007A, 5.000%, 1/01/25 | 1/17 at 100.00 | AA– | 1,474,416 |
| 885 | | | AA– | 616,518 |

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| | | | | |
|--------|---|--------------------|------|------------|
| | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007B, 1.059%, 1/02/37 | 1/17 at 100.00 | | |
| 3,470 | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2008D, 5.500%, 1/01/38 | 1/18 at 100.00 | AA- | 3,572,434 |
| 675 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2005B, 5.000%, 12/01/37 | 12/15 at 100.00 | BBB | 579,926 |
| 1,110 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2007, 5.000%, 12/01/42 | 12/17 at 100.00 | BBB | 932,256 |
| 2,150 | Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, Catholic Healthcare West, Series 2004A, 5.375%, 7/01/23 | 7/14 at 100.00 | A | 2,216,693 |
| 2,900 | Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, Catholic Healthcare West, Series 2007A, 5.250%, 7/01/32 | 7/17 at 100.00 | A | 2,917,139 |
| 210 | Maricopa County Industrial Development Authority, Arizona, Hospital Revenue Bonds, Mayo Clinic Hospital, Series 1998, 5.250%, 11/15/37 | 11/11 at 100.00 | AA | 210,097 |
| 515 | Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority, Hospital Revenue Bonds, Hospital de la Concepcion, Series 2000A, 6.375%, 11/15/15 | 11/11 at 100.00 | AA+ | 520,114 |
| | Show Low Industrial Development Authority, Arizona, Hospital Revenue Bonds, Navapache Regional Medical Center, Series 2005: | | | |
| 525 | 5.000%, 12/01/25 – RAAI Insured | 12/15 at 100.00 | BBB+ | 497,963 |
| 435 | 5.000%, 12/01/30 – RAAI Insured | 12/15 at 100.00 | BBB+ | 398,221 |
| 14,305 | Total Health Care | | | 13,935,777 |

Nuveen Investments 19

Nuveen Arizona Premium Income Municipal Fund, Inc. (continued)
NAZ Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|--|---------------------------------|-------------|--------------|
| | Tax Obligation/General – 11.7% (8.3% of Total Investments) | | | |
| \$ 1,265 | Gila County Unified School District 10 Payson, Arizona, School Improvement Bonds, Project 2006, Series 2008B, 5.750%, 7/01/28 | 7/18 at 100.00 | Aa3 | \$ 1,385,453 |
| 1,200 | Maricopa County Unified School District 95 Queen Creek, Arizona, General Obligation Bonds, Series 2008, 5.000%, 7/01/27 – AGM Insured | 7/18 at 100.00 | Aa3 | 1,267,764 |
| 515 | Pima County Continental Elementary School District 39, Arizona, General Obligation Bonds, Series 2011A, 2.000%, 7/01/30 – AGM Insured | 7/21 at 100.00 | AA+ | 559,388 |
| 3,530 | Pinal County Unified School District 1, Florence, Arizona, General Obligation Bonds, Series 2008C, 5.250%, 7/01/28 | 7/18 at 100.00 | A | 3,762,027 |
| 330 | Puerto Rico, General Obligation and Public Improvement Bonds, Series 2002A, 5.375%, 7/01/28 | 11/11 at 100.00 | Baa1 | 329,987 |
| 6,840 | Total Tax Obligation/General | | | 7,304,619 |
| | Tax Obligation/Limited – 36.2% (25.7% of Total Investments) | | | |
| 327 | Estrella Mountain Ranch Community Facilities District, Goodyear, Arizona, Special Assessment Lien Bonds, Series 2001A, 7.875%, 7/01/25 | 7/12 at 100.00 | N/R | 330,103 |
| 3,000 | Glendale Western Loop 101 Public Facilities Corporation, Arizona, Third Lien Excise Tax Revenue Bonds, Series 2008B, 6.250%, 7/01/38 | 1/14 at 100.00 | AA | 3,105,090 |
| 1,280 | Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series 2006-1, 5.000%, 8/01/22 – NPFPG Insured | 8/16 at 100.00 | AA– | 1,353,139 |
| 740 | Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series 2006A, 5.000%, 8/01/23 – NPFPG Insured | 8/16 at 100.00 | AA– | 776,682 |
| 1,125 | Marana Municipal Property Corporation, Arizona, Municipal Facilities Revenue Bonds, Series 2008B, 5.125%, 7/01/28 | 1/12 at 100.00 | AA | 1,127,891 |
| 575 | Marana Municipal Property Corporation, Arizona, Revenue Bonds, Series 2003, 5.000%, 7/01/28 – AMBAC Insured | 7/13 at 100.00 | AA | 586,621 |
| 1,426 | Marana, Arizona, Tangerine Farms Road Improvement District Revenue Bonds, Series 2006, 4.600%, 1/01/26 | 7/16 at 100.00 | A2 | 1,443,297 |
| 3,400 | Maricopa County Stadium District, Arizona, Revenue Refunding Bonds, Series 2002, 5.375%, | 6/12 at 100.00 | N/R | 3,151,732 |

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| | | | | | |
|--------|--|-------------------|---------|------------|--|
| | 6/01/18 – AMBAC Insured | | | | |
| 3,400 | Mesa, Arizona, Street and Highway User Tax Revenue Bonds, Series 2005, 5.000%, 7/01/24 – | 7/15 at 100.00 | AA+ | 3,575,066 | |
| | AGM Insured | | | | |
| 1,140 | Pinetop Fire District of Navajo County, Arizona, Certificates of Participation, Series 2008, 7.750%, 6/15/29 | 6/16 at 102.00 | A3 | 1,170,689 | |
| 265 | Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D, 5.125%, 7/01/24 | 7/12 at 100.00 | Baa1 | 265,003 | |
| 1,610 | San Luis Civic Improvement Corporation, Arizona, Municipal Facilities Excise Tax Revenue Bonds, Series 2005, 5.000%, 7/01/25 – SYNCORA GTY Insured | 7/15 at 100.00 | A+ | 1,665,448 | |
| 1,000 | Scottsdale Municipal Property Corporation, Arizona, Excise Tax Revenue Bonds, Refunding Series 2006, 5.000%, 7/01/24 | No Opt. Call | AAA | 1,202,220 | |
| 2,000 | Scottsdale Municipal Property Corporation, Arizona, Excise Tax Revenue Bonds, Water & Sewer Improvements Project, Series 2010, 5.000%, 7/01/36 | No Opt. Call | AAA | 2,129,860 | |
| 645 | Vistancia Community Facilities District, Arizona, Restricted General Obligation Bonds, Series 2005, 5.750%, 7/15/24 | 7/15 at 100.00 | A1 | 681,294 | |
| 21,933 | Total Tax Obligation/Limited | | | 22,564,135 | |
| | U.S. Guaranteed – 7.8% (5.5% of Total Investments) (5) | | | | |
| 1,250 | Maricopa County Industrial Development Authority, Arizona, Hospital Revenue Refunding Bonds, Samaritan Health Services, Series 1990A, 7.000%, 12/01/16 – NPMFG Insured (ETM) | No Opt. Call | N/R (5) | 1,503,575 | |
| 385 | Maricopa County, Arizona, Hospital Revenue Bonds, Sun Health Corporation, Series 2005, 5.000%, 4/01/16 (Pre-refunded 4/01/15) | 4/15 at 100.00 | N/R (5) | 444,590 | |
| 1,200 | Prescott Valley Municipal Property Corporation, Arizona, Municipal Facilities Revenue Bonds, Series 2003, 5.000%, 1/01/27 (Pre-refunded 1/01/13) – FGIC Insured | 1/13 at 100.00 | AA– (5) | 1,275,072 | |

20 Nuveen Investments

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|--|---------------------------------|-------------|------------|
| | U.S. Guaranteed (5) (continued) | | | |
| \$ 735 | Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D, 5.125%, 7/01/24 (Pre-refunded 7/01/12) | 7/12 at 100.00 | Baa1 (5) | \$ 763,827 |
| 530 | Salt River Project Agricultural Improvement and Power District, Arizona, Electric System Revenue Bonds, Series 2002B, 5.000%, 1/01/22 (Pre-refunded 1/01/13) | 1/13 at 100.00 | Aa1 (5) | 563,523 |
| 310 | Salt River Project Agricultural Improvement and Power District, Arizona, Electric System Revenue Refunding Bonds, Series 2002A, 5.125%, 1/01/27 (Pre-refunded 1/01/12) | 1/12 at 101.00 | N/R (5) | 318,252 |
| 4,410 | Total U.S. Guaranteed | | | 4,868,839 |
| | Utilities – 24.4% (17.4% of Total Investments) | | | |
| 1,000 | Arizona Power Authority, Special Obligation Power Resource Revenue Refunding Crossover Bonds, Hoover Project, Series 2001, 5.250%, 10/01/15 | No Opt. Call | AA | 1,171,590 |
| 1,600 | Maricopa County Pollution Control Corporation, Arizona, Pollution Control Revenue Refunding Bonds, Southern California Edison Company, Series 2000A, 5.000%, 6/01/35 | 6/20 at 100.00 | A1 | 1,648,464 |
| 1,340 | Pima County Industrial Development Authority, Arizona, Revenue Bonds, Tucson Electric Power Company, Refunding Series 2008, 5.750%, 9/01/29 | 1/15 at 100.00 | BBB– | 1,357,849 |
| 2,170 | Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2005RR, 5.000%, 7/01/27 – SYNCORA GTY Insured | 7/15 at 100.00 | A3 | 2,172,474 |
| 715 | Salt River Project Agricultural Improvement and Power District, Arizona, Electric System Revenue Bonds, Tender Option Bond Trust 09-9W, 17.121%, 1/01/38 (IF) (6) | 1/18 at 100.00 | Aa1 | 840,096 |
| 660 | Salt River Project Agricultural Improvement and Power District, Arizona, Electric System Revenue Refunding Bonds, Series 2002A, 5.125%, 1/01/27 | 1/12 at 101.00 | Aa1 | 675,048 |
| | Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, Citigroup Energy Inc Prepay Contract Obligations, Series 2007: | | | |
| 4,500 | 5.500%, 12/01/29 | No Opt. Call | A | 4,331,066 |
| 3,500 | 5.000%, 12/01/37 | No Opt. Call | A | 3,024,560 |
| 15,485 | Total Utilities | | | 15,221,147 |
| | Water and Sewer – 21.0% (14.9% of Total Investments) | | | |

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| | | | | |
|-------|---|-------------------|-----|-----------|
| 1,005 | Cottonwood, Arizona, Senior Lien Water System Revenue Bonds, Municipal Property Corporation, Series 2004, 5.000%, 7/01/24 – SYNCORA GTY Insured | 7/14 at 100.00 | A | 1,016,829 |
| 3,500 | Glendale, Arizona, Water and Sewer Revenue Bonds, Subordinate Lien, Series 2003, 5.000%, 7/01/28 – AMBAC Insured | 7/13 at 100.00 | AA | 3,660,860 |
| 1,425 | Goodyear, Arizona, Water and Sewer Revenue Obligations, Series 2010, 5.625%, 7/01/39 | 7/20 at 100.00 | A+ | 1,456,208 |
| 600 | Oro Valley Municipal Property Corporation, Arizona, Senior Lien Water Revenue Bonds, Series 2003, 5.000%, 7/01/23 – NPFPG Insured | 7/13 at 100.00 | AA- | 616,518 |
| 1,000 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Wastewater System Revenue Bonds, Series 2004, 5.000%, 7/01/24 – NPFPG Insured | 7/14 at 100.00 | AA+ | 1,079,390 |
| 1,500 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Water System Revenue Bonds, Series 2002, 5.000%, 7/01/26 – FGIC Insured | 7/12 at 100.00 | AAA | 1,535,775 |
| 1,250 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Water System Revenue Refunding Bonds, Series 2001, 5.500%, 7/01/21 – FGIC Insured | No Opt. Call | AAA | 1,563,938 |

Nuveen Investments 21

Nuveen Arizona Premium Income Municipal Fund, Inc. (continued)
 NAZ Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|--|---------------------------------|-------------|---------------|
| | Water and Sewer (continued) | | | |
| | Surprise Municipal Property Corporation, Arizona, Wastewater System Revenue Bonds, Series 2007: | | | |
| \$ 600 | 4.700%, 4/01/22 | 4/14 at 100.00 | N/R | \$ 605,220 |
| 810 | 4.900%, 4/01/32 | 4/17 at 100.00 | N/R | 751,275 |
| 905 | Yuma County Industrial Development Authority, Arizona, Exempt Revenue Bonds, Far West Water & Sewer Inc. Refunding, Series 2007A, 6.375%, 12/01/37 (Alternative Minimum Tax) | 12/17 at 100.00 | N/R | 809,007 |
| 12,595 | Total Water and Sewer | | | 13,095,020 |
| \$ 86,903 | Total Investments (cost \$83,837,864) – 140.6% | | | 87,744,251 |
| | Variable MuniFund Term Preferred shares, at Liquidation Value – (44.9)% (7) | | | (28,000,000) |
| | Other Assets Less Liabilities – 4.3% | | | 2,682,407 |
| | Net Assets Applicable to Common Shares – 100% | | | \$ 62,426,658 |

- (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: 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: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investor Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
- (4) Investment valued at fair value using methods determined in good faith by, or at the discretion of, the Board of Directors. For fair value measurement disclosure purposes, investment categorized as Level 3. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Investment Valuation for more information.
- (5) 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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities.
- (6) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
- (7) Variable MuniFund Term Preferred shares, at Liquidation Value as a percentage of Total Investments is 31.9%.

N/R Not rated.
(ETM) Escrowed to maturity.
(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

22 Nuveen Investments

Nuveen Arizona Dividend Advantage Municipal Fund
 NFZ Portfolio of Investments

August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------------|---|---------------------------------------|-------------|------------|
| | Education and Civic Organizations – 12.1% (8.2% of Total Investments) | | | |
| \$ 280 | Arizona Higher Education Loan Authority, Student Loan Revenue Bonds, Series 2007B, Auction Rate Securities, 0.508%, 11/01/41 (Alternative Minimum Tax) (4) | 3/12 at 100.00 | A | \$ 215,592 |
| 275 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2007, 5.000%, 5/15/31 | 5/22 at 100.00 | A– | 277,021 |
| 500 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2010, 5.125%, 5/15/40 | 5/20 at 100.00 | A– | 488,570 |
| 220 | Pima County Industrial Development Authority, Arizona, Educational Revenue Bonds, Valley Academy Charter School Project, Series 2008, 6.500%, 7/01/38 | 7/18 at 100.00 | Baa3 | 204,239 |
| 1,000 | Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority, Higher Education Revenue Bonds, Ana G. Mendez University System, Series 1999, 5.375%, 2/01/29 | 2/12 at 100.00 | BBB– | 920,810 |
| 300 | Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority, Higher Education Revenue Bonds, University of the Sacred Heart, Series 2001, 5.250%, 9/01/21 | 3/12 at 100.00 | BBB | 300,159 |
| 305 | Tucson Industrial Development Authority, Arizona, Charter School Revenue Bonds, Arizona Agribusiness and Equine Center Charter School, Series 2004A, 6.125%, 9/01/34 | 9/14 at 100.00 | BB+ | 257,902 |
| 2,880 | Total Education and Civic Organizations | | | 2,664,293 |
| | Health Care – 21.0% (14.1% of Total Investments) | | | |
| 565 | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007A, 5.000%, 1/01/25 | 1/17 at 100.00 | AA– | 582,549 |
| 325 | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007B, 1.059%, 1/02/37 | 1/17 at 100.00 | AA– | 226,405 |
| 720 | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series | 1/18 at 100.00 | AA– | 741,254 |

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| | | | | |
|-------|---|--------------------|------|-----------|
| | 2008D, 5.500%, 1/01/38 | | | |
| 10 | California Health Facilities Financing Authority, Health Facility Revenue Bonds, Adventist | 3/13 at 100.00 | A | 10,004 |
| | Health System/West, Series 2003A, 5.000%, 3/01/28 | | | |
| 250 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health | 12/15 at 100.00 | BBB | 214,788 |
| | Network, Series 2005B, 5.000%, 12/01/37 | | | |
| 415 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health | 12/17 at 100.00 | BBB | 348,546 |
| | Network, Series 2007, 5.000%, 12/01/42 | | | |
| 750 | Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, | 7/14 at 100.00 | A | 773,265 |
| | Catholic Healthcare West, Series 2004A, 5.375%, 7/01/23 | | | |
| 1,025 | Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, | 7/17 at 100.00 | A | 1,031,058 |
| | Catholic Healthcare West, Series 2007A, 5.250%, 7/01/32 | | | |
| | Show Low Industrial Development Authority, Arizona, Hospital Revenue Bonds, Navapache Regional Medical Center, Series 2005: | | | |
| 200 | 5.000%, 12/01/25 – RAAI Insured | 12/15 at 100.00 | BBB+ | 189,700 |
| 150 | 5.000%, 12/01/30 – RAAI Insured | 12/15 at 100.00 | BBB+ | 137,318 |
| 350 | University Medical Center Corporation, Tucson, Arizona, Hospital Revenue Bonds, Series 2011, | 7/21 at 100.00 | BBB+ | 351,253 |
| 4,760 | 6.000%, 7/01/39 Total Health Care | | | 4,606,140 |
| | Housing/Multifamily – 3.6% (2.4% of Total Investments) | | | |
| 1,000 | Maricopa County Industrial Development Authority, Arizona, Multifamily Housing Revenue Bonds, | 10/11 at 100.00 | Baa1 | 785,510 |
| | Whispering Palms Apartments, Series 1999A, 5.900%, 7/01/29 – NPFPG Insured | | | |

Nuveen Investments 23

Nuveen Arizona Dividend Advantage Municipal Fund (continued)
 NFZ Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------|---|------------------------------|-------------|--------------|
| | Tax Obligation/General – 19.1% (12.9% of Total Investments) | | | |
| \$ 1,000 | Maricopa County Unified School District 11, Peoria, Arizona, General Obligation Bonds, Second Series 2005, 5.000%, 7/01/20 – FGIC Insured | 7/15 at 100.00 | Aa2 | \$ 1,115,630 |
| 180 | Pima County Continental Elementary School District 39, Arizona, General Obligation Bonds, Series 2011A, 2.000%, 7/01/30 – AGM Insured | 7/21 at 100.00 | AA+ | 195,514 |
| 1,310 | Scottsdale, Arizona, General Obligation Bonds, Preserve Acquisition Series 1999, 5.000%, 7/01/32 | 7/21 at 100.00 | AAA | 1,441,865 |
| 1,340 | Yuma & La Paz Counties Community College District, Arizona, General Obligation Bonds, Series 2006, 5.000%, 7/01/21 – NPMFG Insured | 7/16 at 100.00 | Aa2 | 1,447,790 |
| 3,830 | Total Tax Obligation/General | | | 4,200,799 |
| | Tax Obligation/Limited – 46.5% (31.4% of Total Investments) | | | |
| 1,220 | Arizona Tourism and Sports Authority, Tax Revenue Bonds, Multipurpose Stadium Facility Project, Series 2003A, 5.000%, 7/01/31 – NPMFG Insured | 7/13 at 100.00 | A1 | 1,131,526 |
| 85 | Centerra Community Facilities District, Goodyear, Arizona, General Obligation Bonds, Series 2005, 5.500%, 7/15/29 | 7/15 at 100.00 | N/R | 69,706 |
| 205 | Estrella Mountain Ranch Community Facilities District, Arizona, Special Assessment Bonds, Montecito Assessment District, Series 2007, 5.700%, 7/01/27 | 1/17 at 100.00 | N/R | 177,421 |
| 127 | Estrella Mountain Ranch Community Facilities District, Goodyear, Arizona, Special Assessment Lien Bonds, Series 2001A, 7.875%, 7/01/25 | 7/12 at 100.00 | N/R | 128,205 |
| 1,000 | Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series 2006-1, 5.000%, 8/01/22 – NPMFG Insured | 8/16 at 100.00 | AA– | 1,057,140 |
| 275 | Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series 2006A, 5.000%, 8/01/23 – NPMFG Insured | 8/16 at 100.00 | AA– | 288,632 |
| 1,180 | Marana Municipal Property Corporation, Arizona, Revenue Bonds, Series 2003, 5.000%, 7/01/23 – AMBAC Insured | 7/13 at 100.00 | AA | 1,247,661 |
| 498 | Marana, Arizona, Tangerine Farms Road Improvement District Revenue Bonds, Series 2006, 4.600%, 1/01/26 | 7/16 at 100.00 | A2 | 504,041 |

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|-------|--|-------------------|------|-----------|
| 150 | Marley Park Community Facilities District, City of Surprise, Arizona, Limited Tax General Obligation Bonds, Series 2008 (Bank Qualified), 6.100%, 7/15/32 | 7/17 at 100.00 | N/R | 129,986 |
| 255 | Merrill Ranch Community Facilities District 1, Florence, Arizona, General Obligation Bonds, Series 2008A, 7.400%, 7/15/33 | 7/18 at 100.00 | N/R | 254,312 |
| 330 | Palm Valley Community Facility District 3, Goodyear, Arizona, General Obligation Bonds, Series 2006, 5.300%, 7/15/31 | 7/16 at 100.00 | N/R | 261,307 |
| 225 | Palm Valley Community Facility District 3, Goodyear, Arizona, Limited Tax General Obligation Bonds, Series 2007, 5.800%, 7/15/32 | 7/17 at 100.00 | N/R | 187,837 |
| 100 | Parkway Community Facilities District 1, Prescott Valley, Arizona, General Obligation Bonds, Series 2006, 5.350%, 7/15/31 | 7/16 at 100.00 | N/R | 79,704 |
| 900 | Phoenix Industrial Development Authority, Arizona, Government Bonds, Capitol Mall LLC II, Series 2001, 5.250%, 9/15/16 – AMBAC Insured | 3/12 at 100.00 | A1 | 918,396 |
| 680 | Pinal County Industrial Development Authority, Arizona, Correctional Facilities Contract Revenue Bonds, Florence West Prison LLC, Series 2002A, 5.000%, 10/01/18 – ACA Insured | No Opt. Call | BBB– | 681,108 |
| 600 | San Luis Civic Improvement Corporation, Arizona, Municipal Facilities Excise Tax Revenue Bonds, Series 2005, 5.000%, 7/01/25 – SYNCORA GTY Insured | 7/15 at 100.00 | A+ | 620,664 |
| 1,000 | Scottsdale Municipal Property Corporation, Arizona, Excise Tax Revenue Bonds, Refunding Series 2006, 5.000%, 7/01/24 | No Opt. Call | AAA | 1,202,220 |

24 Nuveen Investments

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------|--|------------------------------|-------------|------------|
| | Tax Obligation/Limited (continued) | | | |
| \$ 350 | Tartesso West Community Facility District, Buckeye, Arizona, Limited Tax General Obligation Bonds, Series 2007, 5.900%, 7/15/32 | 7/17 at 100.00 | N/R | \$ 295,894 |
| 500 | Vistancia Community Facilities District, Arizona, Restricted General Obligation Bonds, Series 2005, 5.750%, 7/15/24 | 7/15 at 100.00 | A1 | 528,135 |
| 340 | Watson Road Community Facilities District, Arizona, Special Assessment Revenue Bonds, Series 2005, 6.000%, 7/01/30 | 7/16 at 100.00 | N/R | 279,776 |
| 225 | Westpark Community Facilities District, Buckeye, Arizona, General Obligation Tax Increment Bonds Series 2006, 5.250%, 7/15/31 | 7/16 at 100.00 | N/R | 176,994 |
| 10,245 | Total Tax Obligation/Limited | | | 10,220,665 |
| | U.S. Guaranteed – 2.0% (1.4% of Total Investments) (5) | | | |
| 240 | Maricopa County Union High School District 210 Phoenix, Arizona, General Obligation Bonds, Series 2006C, 5.000%, 7/01/24 (Pre-refunded 7/01/16) – NPMFG Insured | 7/16 at 100.00 | AA (5) | 287,254 |
| 140 | Maricopa County, Arizona, Hospital Revenue Bonds, Sun Health Corporation, Series 2005, 5.000%, 4/01/16 (Pre-refunded 4/01/15) | 4/15 at 100.00 | N/R (5) | 161,669 |
| 380 | Total U.S. Guaranteed | | | 448,923 |
| | Utilities – 30.2% (20.4% of Total Investments) | | | |
| 1,500 | Arizona Power Authority, Special Obligation Power Resource Revenue Refunding Crossover Bonds, Hoover Project, Series 2001, 5.250%, 10/01/17 | No Opt. Call | AA | 1,807,931 |
| 600 | Maricopa County Pollution Control Corporation, Arizona, Pollution Control Revenue Refunding Bonds, Southern California Edison Company, Series 2000A, 5.000%, 6/01/35 | 6/20 at 100.00 | A1 | 618,174 |
| 1,000 | Mesa, Arizona, Utility System Revenue Refunding Bonds, Series 2002, 5.250%, 7/01/17 – FGIC Insured | No Opt. Call | Aa2 | 1,187,770 |
| 665 | Pima County Industrial Development Authority, Arizona, Revenue Bonds, Tucson Electric Power Company, Refunding Series 2008, 5.750%, 9/01/29 | 1/15 at 100.00 | BBB– | 673,858 |
| 1,000 | Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2005RR, 5.000%, 7/01/26 – SYNCORA GTY Insured | 7/15 at 100.00 | A3 | 1,003,910 |
| 560 | Salt River Project Agricultural Improvement and Power District, Arizona, Electric System | 1/18 at 100.00 | Aa1 | 657,978 |

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|-------|---|-------------------|-----|-----------|
| | Revenue Bonds, Tender Option Bond Trust 09-9W, 17.121%, 1/01/38 (IF) (6) | | | |
| 660 | Salt River Project Agricultural Improvement and Power District, Arizona, Electric System | 1/12 at 101.00 | Aa1 | 676,104 |
| | Revenue Refunding Bonds, Series 2002A, 5.250%, 1/01/18 | | | |
| 5,985 | Total Utilities | | | 6,625,725 |
| | Water and Sewer – 13.7% (9.2% of Total Investments) | | | |
| 475 | Goodyear, Arizona, Water and Sewer Revenue Obligations, Series 2010, 5.625%, 7/01/39 | 7/20 at 100.00 | A+ | 485,403 |
| 225 | Oro Valley Municipal Property Corporation, Arizona, Senior Lien Water Revenue Bonds, Series | 7/13 at 100.00 | AA– | 231,194 |
| | 2003, 5.000%, 7/01/23 – NPFQ Insured | | | |
| 1,500 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Water System Revenue Bonds, Series | 7/12 at 100.00 | AAA | 1,535,775 |
| | 2002, 5.000%, 7/01/26 – FGIC Insured | | | |

Nuveen Investments 25

Nuveen Arizona Dividend Advantage Municipal Fund (continued)
 NFZ Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|--|---------------------------------|-------------|---------------|
| | Water and Sewer (continued) | | | |
| | Surprise Municipal Property Corporation, Arizona, Wastewater System Revenue Bonds, Series 2007: | | | |
| \$ 225 | 4.700%, 4/01/22 | 4/14 at 100.00 | N/R | \$ 226,958 |
| 260 | 4.900%, 4/01/32 | 4/17 at 100.00 | N/R | 241,150 |
| 325 | Yuma County Industrial Development Authority, Arizona, Exempt Revenue Bonds, Far West Water & Sewer Inc. Refunding, Series 2007A, 6.375%, 12/01/37 (Alternative Minimum Tax) | 12/17 at 100.00 | N/R | 290,527 |
| 3,010 | Total Water and Sewer | | | 3,011,007 |
| \$ 32,090 | Total Investments (cost \$31,983,575) – 148.2% | | | 32,563,062 |
| | MuniFund Term Preferred Shares, at Liquidation Value – (50.5)% (7) | | | (11,100,000) |
| | Other Assets Less Liabilities – 2.3% | | | 511,206 |
| | Net Assets Applicable to Common Shares – 100% | | | \$ 21,974,268 |

- (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: 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: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investor Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
 - (4) Investment valued at fair value using methods determined in good faith by, or at the discretion of, the Board of Trustees. For fair value measurement disclosure purposes, investment categorized as Level 3. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Investment Valuation for more information.
 - (5) 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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities.
 - (6) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
 - (7) MuniFund Term Preferred shares, at Liquidation Value as a percentage of Total Investments is 34.1%.
- N/R Not rated.
 (IF) Inverse floating rate investment.

See accompanying notes to financial statements.

26 Nuveen Investments

Nuveen Arizona Dividend Advantage Municipal Fund 2
 NKR Portfolio of Investments

August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------|---|------------------------------|-------------|------------|
| | Education and Civic Organizations – 10.4% (6.9% of Total Investments) | | | |
| \$ 1,130 | Arizona Higher Education Loan Authority, Student Loan Revenue Bonds, Series 2007B, Auction | 3/12 at 100.00 | A | \$ 870,066 |
| | Rate Securities, 0.508%, 11/01/41 (Alternative Minimum Tax) (4) | | | |
| 450 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2007, 5.000%, 5/15/31 | 5/22 at 100.00 | A– | 453,308 |
| 775 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2010, 5.125%, 5/15/40 | 5/20 at 100.00 | A– | 757,284 |
| 485 | Pima County Industrial Development Authority, Arizona, Charter School Revenue Bonds, Noah Webster Basic Schools Inc., Series 2004, 6.000%, 12/15/24 | 12/14 at 100.00 | BBB– | 469,858 |
| 365 | Pima County Industrial Development Authority, Arizona, Educational Revenue Bonds, Valley Academy Charter School Project, Series 2008, 6.500%, 7/01/38 | 7/18 at 100.00 | Baa3 | 338,851 |
| 290 | Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority, Higher Education Revenue Bonds, Ana G. Mendez University System, Series 1999, 5.375%, 2/01/19 | 2/12 at 100.00 | BBB– | 290,073 |
| 480 | Tucson Industrial Development Authority, Arizona, Charter School Revenue Bonds, Arizona Agribusiness and Equine Center Charter School, Series 2004A, 6.125%, 9/01/34 | 9/14 at 100.00 | BB+ | 405,878 |
| | University of Arizona, Certificates of Participation, Series 2002A: | | | |
| 65 | 5.500%, 6/01/18 – AMBAC Insured | 6/12 at 100.00 | AA– | 67,047 |
| 40 | 5.125%, 6/01/22 – AMBAC Insured | 6/12 at 100.00 | AA– | 40,951 |
| 4,080 | Total Education and Civic Organizations | | | 3,693,316 |
| | Health Care – 31.6% (21.0% of Total Investments) | | | |
| 845 | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007A, 5.000%, 1/01/25 | 1/17 at 100.00 | AA– | 871,246 |
| 520 | | | AA– | 362,248 |

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|--------|--|--------------------|------|------------|
| | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007B, 1.059%, 1/02/37 | 1/17 at 100.00 | | |
| 1,150 | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2008D, 5.500%, 1/01/38 | 1/18 at 100.00 | AA- | 1,183,948 |
| 600 | Arizona Health Facilities Authority, Revenue Bonds, Blood Systems Inc., Series 2004, 5.000%, 4/01/20 | 4/14 at 100.00 | A | 620,904 |
| 400 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2005B, 5.000%, 12/01/37 | 12/15 at 100.00 | BBB | 343,660 |
| 655 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2007, 5.000%, 12/01/42 | 12/17 at 100.00 | BBB | 550,115 |
| 1,375 | Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, Catholic Healthcare West, Series 2004A, 5.375%, 7/01/23 | 7/14 at 100.00 | A | 1,417,652 |
| 1,650 | Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, Catholic Healthcare West, Series 2007A, 5.250%, 7/01/32 | 7/17 at 100.00 | A | 1,659,751 |
| 500 | Maricopa County Industrial Development Authority, Arizona, Hospital Revenue Bonds, Mayo Clinic Hospital, Series 1998, 5.250%, 11/15/37 | 11/11 at 100.00 | AA | 500,230 |
| 1,120 | Scottsdale Industrial Development Authority, Arizona, Hospital Revenue Bonds, Scottsdale Healthcare, Series 2006C. Re-offering, 5.000%, 9/01/35 – AGC Insured | 9/20 at 100.00 | AA+ | 1,116,125 |
| | Show Low Industrial Development Authority, Arizona, Hospital Revenue Bonds, Navapache Regional Medical Center, Series 2005: 5.000%, 12/01/25 – RAAI Insured | 12/15 at 100.00 | BBB+ | 298,778 |
| 260 | 5.000%, 12/01/30 – RAAI Insured | 12/15 at 100.00 | BBB+ | 238,017 |
| 1,050 | University Medical Center Corporation, Tucson, Arizona, Hospital Revenue Bonds, Series 2011, 6.000%, 7/01/39 | 7/21 at 100.00 | BBB+ | 1,053,759 |
| 1,000 | Yavapai County Industrial Development Authority, Arizona, Hospital Revenue Bonds, Yavapai Regional Medical Center, Series 2003A, 6.000%, 8/01/33 | 8/13 at 100.00 | Baa2 | 1,001,730 |
| 11,440 | Total Health Care | | | 11,218,163 |

Nuveen Investments 27

Nuveen Arizona Dividend Advantage Municipal Fund 2 (continued)
 NKR Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|---|---------------------------------|-------------|------------|
| | Housing/Multifamily – 0.7% (0.5% of Total Investments) | | | |
| \$ 245 | Maricopa County Industrial Development Authority, Arizona, GNMA Collateralized Multifamily Housing Revenue Refunding Bonds, Pine Ridge, Cambridge Court, Cove on 44th and Fountain Place Apartments, Series 2001A-1, 6.000%, 10/20/31 | 10/11 at 105.00 | AAA | \$ 257,512 |
| | Tax Obligation/General – 30.5% (20.2% of Total Investments) | | | |
| 1,000 | Maricopa County Elementary School District 83 Cartwright, Arizona, General Obligation Bonds, School Improvement, Project 2010, Series 2011A, 5.375%, 7/01/30 – AGM Insured | 7/21 at 100.00 | AA+ | 1,058,650 |
| 1,000 | Maricopa County School District 6, Arizona, General Obligation Refunding Bonds, Washington Elementary School, Series 2002A, 5.375%, 7/01/16 – AGM Insured | No Opt. Call | AA+ | 1,191,060 |
| 775 | Maricopa County School District 79 Litchfield Elementary, Arizona, General Obligation Bonds, Series 2011, 5.000%, 7/01/23 | 7/21 at 100.00 | Aa2 | 898,954 |
| 1,165 | Maricopa County Unified School District 69, Paradise Valley, Arizona, General Obligation Refunding Bonds, Series 2002A, 5.250%, 7/01/14 – FGIC Insured | No Opt. Call | Aa2 | 1,302,435 |
| 1,405 | Mesa, Arizona, General Obligation Bonds, Series 2002, 5.375%, 7/01/15 – FGIC Insured | No Opt. Call | AA | 1,641,657 |
| | Phoenix, Arizona, Various Purpose General Obligation Bonds, Series 2002B: | | | |
| 985 | 5.000%, 7/01/22 | 7/12 at 100.00 | AAA | 1,015,299 |
| 290 | 5.000%, 7/01/27 | 7/12 at 100.00 | AAA | 299,413 |
| 310 | Pima County Continental Elementary School District 39, Arizona, General Obligation Bonds, Series 2011A, 2.000%, 7/01/30 – AGM Insured | 7/21 at 100.00 | AA+ | 336,719 |
| 500 | Pima County Unified School District 08 Flowing Wells, Arizona, General Obligation Bonds, Series 2011B, 5.375%, 7/01/29 | 7/21 at 100.00 | A+ | 530,140 |
| 1,000 | Pima County Unified School District 6, Marana, Arizona, General Obligation Bonds, School Improvement Project 2010 Series 2011A, 5.000%, 7/01/25 | 7/21 at 100.00 | A+ | 1,052,720 |
| 1,360 | | | AAA | 1,489,879 |

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|-------|--|-------------------|------|------------|
| | Scottsdale, Arizona, General Obligation Bonds, Preserve Acquisition Series 1999, 5.000%, 7/01/33 | 7/21 at 100.00 | | |
| 9,790 | Total Tax Obligation/General Tax Obligation/Limited – 48.9% (32.4% of Total Investments) Arizona State, Certificates of Participation, Series 2002A: | | | 10,816,926 |
| 750 | 5.000%, 11/01/17 – NPFPG Insured | 5/12 at 100.00 | A+ | 760,298 |
| 1,000 | 5.000%, 11/01/18 – NPFPG Insured | 5/12 at 100.00 | A+ | 1,012,470 |
| 500 | 5.000%, 11/01/20 – NPFPG Insured | 5/12 at 100.00 | A+ | 504,935 |
| 120 | Centerra Community Facilities District, Goodyear, Arizona, General Obligation Bonds, Series 2005, 5.500%, 7/15/29 | 7/15 at 100.00 | N/R | 98,408 |
| 337 | Estrella Mountain Ranch Community Facilities District, Arizona, Special Assessment Bonds, Montecito Assessment District, Series 2007, 5.800%, 7/01/32 | 1/17 at 100.00 | N/R | 281,378 |
| 200 | Estrella Mountain Ranch Community Facilities District, Goodyear, Arizona, Special Assessment Lien Bonds, Series 2001A, 7.875%, 7/01/25 | 7/12 at 100.00 | N/R | 201,898 |
| 990 | Marana Municipal Property Corporation, Arizona, Municipal Facilities Revenue Bonds, Series 2008B, 5.125%, 7/01/28 | 1/12 at 100.00 | AA | 992,544 |
| 834 | Marana, Arizona, Tangerine Farms Road Improvement District Revenue Bonds, Series 2006, 4.600%, 1/01/26 | 7/16 at 100.00 | A2 | 844,116 |
| 840 | Maricopa County Stadium District, Arizona, Revenue Refunding Bonds, Series 2002: 5.375%, 6/01/18 – AMBAC Insured | 6/12 at 100.00 | BBB– | 778,663 |
| 2,645 | 5.375%, 6/01/19 – AMBAC Insured | 6/12 at 100.00 | BBB– | 2,494,498 |
| 240 | Marley Park Community Facilities District, City of Surprise, Arizona, Limited Tax General Obligation Bonds, Series 2008 (Bank Qualified), 6.100%, 7/15/32 | 7/17 at 100.00 | N/R | 207,977 |
| 415 | Merrill Ranch Community Facilities District 1, Florence, Arizona, General Obligation Bonds, Series 2008A, 7.400%, 7/15/33 | 7/18 at 100.00 | N/R | 413,880 |
| 530 | Palm Valley Community Facility District 3, Goodyear, Arizona, General Obligation Bonds, Series 2006, 5.300%, 7/15/31 | 7/16 at 100.00 | N/R | 419,675 |
| 350 | Palm Valley Community Facility District 3, Goodyear, Arizona, Limited Tax General Obligation Bonds, Series 2007, 5.800%, 7/15/32 | 7/17 at 100.00 | N/R | 292,191 |

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------|--|------------------------------|-------------|------------|
| | Tax Obligation/Limited (continued) | | | |
| \$ 140 | Parkway Community Facilities District 1, Prescott Valley, Arizona, General Obligation Bonds, Series 2006, 5.350%, 7/15/31 | 7/16 at 100.00 | N/R | \$ 111,586 |
| 1,000 | Phoenix Industrial Development Authority, Arizona, Government Bonds, Capitol Mall LLC II, Series 2001, 5.250%, 9/15/16 – AMBAC Insured | 3/12 at 100.00 | A1 | 1,020,440 |
| 1,070 | Pinal County Industrial Development Authority, Arizona, Correctional Facilities Contract Revenue Bonds, Florence West Prison LLC, Series 2002A, 5.000%, 10/01/18 – ACA Insured | No Opt. Call | BBB– | 1,071,744 |
| 270 | Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D, 5.125%, 7/01/24 | 7/12 at 100.00 | Baa1 | 270,003 |
| 250 | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, First Subordinate Series 2010A, 5.375%, 8/01/39 | 2/20 at 100.00 | A+ | 252,178 |
| 960 | San Luis Civic Improvement Corporation, Arizona, Municipal Facilities Excise Tax Revenue Bonds, Series 2005, 5.000%, 7/01/25 – SYNCORA GTY Insured | 7/15 at 100.00 | A+ | 993,062 |
| 1,000 | Scottsdale Municipal Property Corporation, Arizona, Excise Tax Revenue Bonds, Refunding Series 2006, 5.000%, 7/01/24 | No Opt. Call | AAA | 1,202,220 |
| 1,000 | Scottsdale Municipal Property Corporation, Arizona, Excise Tax Revenue Bonds, Water & Sewer Improvements Project, Series 2010, 5.000%, 7/01/36 | No Opt. Call | AAA | 1,064,930 |
| 555 | Tartesso West Community Facility District, Buckeye, Arizona, Limited Tax General Obligation Bonds, Series 2007, 5.900%, 7/15/32 | 7/17 at 100.00 | N/R | 469,203 |
| 750 | Vistancia Community Facilities District, Arizona, Restricted General Obligation Bonds, Series 2005, 5.750%, 7/15/24 | 7/15 at 100.00 | A1 | 792,203 |
| 637 | Watson Road Community Facilities District, Arizona, Special Assessment Revenue Bonds, Series 2005, 6.000%, 7/01/30 | 7/16 at 100.00 | N/R | 524,168 |
| 350 | Westpark Community Facilities District, Buckeye, Arizona, General Obligation Tax Increment Bonds Series 2006, 5.250%, 7/15/31 | 7/16 at 100.00 | N/R | 275,324 |
| 17,733 | Total Tax Obligation/Limited Transportation – 2.8% (1.9% of Total Investments) | | | 17,349,992 |
| 1,000 | Phoenix Civic Improvement Corporation, Arizona, Senior Lien Airport Revenue Bonds, Series 2002B, 5.250%, 7/01/27 – FGIC Insured (Alternative Minimum Tax) | 7/12 at 100.00 | AA– | 1,005,350 |

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| | | | | |
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| U.S. Guaranteed – 3.7% (2.5% of Total Investments) (5) | | | | |
| 100 | Maricopa County Unified School District 89, Dysart, Arizona, General Obligation Bonds, Series 2004B, 5.250%, 7/01/20 (Pre-refunded 7/01/14) – AGM Insured | 7/14 at 100.00 | AA+ (5) | 113,452 |
| 375 | Maricopa County Union High School District 210 Phoenix, Arizona, General Obligation Bonds, Series 2006C, 5.000%, 7/01/24 (Pre-refunded 7/01/16) – NPFG Insured | 7/16 at 100.00 | AA (5) | 448,834 |
| 730 | Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D, 5.125%, 7/01/24 (Pre-refunded 7/01/12) | 7/12 at 100.00 | Baa1 (5) | 758,631 |
| 1,205 | Total U.S. Guaranteed | | | 1,320,917 |
| Utilities – 8.5% (5.6% of Total Investments) | | | | |
| 900 | Maricopa County Pollution Control Corporation, Arizona, Pollution Control Revenue Refunding Bonds, Southern California Edison Company, Series 2000A, 5.000%, 6/01/35 | 6/20 at 100.00 | A1 | 927,261 |
| 665 | Pima County Industrial Development Authority, Arizona, Revenue Bonds, Tucson Electric Power Company, Refunding Series 2008, 5.750%, 9/01/29 | 1/15 at 100.00 | BBB– | 673,858 |
| 450 | Salt River Project Agricultural Improvement and Power District, Arizona, Electric System Revenue Bonds, Tender Option Bond Trust 09-9W, 17.121%, 1/01/38 (IF) (6) | 1/18 at 100.00 | Aa1 | 528,732 |
| 1,000 | Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, Citigroup Energy Inc Prepay Contract Obligations, Series 2007, 5.000%, 12/01/37 | No Opt. Call | A | 864,160 |
| 3,015 | Total Utilities | | | 2,994,011 |

Nuveen Investments 29

Nuveen Arizona Dividend Advantage Municipal Fund 2 (continued)
 NKR Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|---|---------------------------------|-------------|---------------|
| | Water and Sewer – 13.5% (9.0% of Total Investments) | | | |
| \$ 500 | City of Goodyear, Arizona Subordinate Lien Water and Sewer Revenue Obligations, Series 2011, 5.500%, 7/01/41 | 7/21 at 100.00 | AA+ | \$ 524,145 |
| 500 | Maricopa County Industrial Development Authority, Arizona, Water System Improvement Revenue Bonds, Chaparral City Water Company, Series 1997A, 5.400%, 12/01/22 – AMBAC Insured (Alternative Minimum Tax) | 12/11 at 100.00 | N/R | 500,110 |
| 260 | Oro Valley Municipal Property Corporation, Arizona, Senior Lien Water Revenue Bonds, Series 2003, 5.000%, 7/01/23 – NPFQ Insured | 7/13 at 100.00 | AA– | 267,158 |
| 1,000 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Water System Revenue Refunding Bonds, Series 2001, 5.500%, 7/01/22 – FGIC Insured | No Opt. Call | AAA | 1,251,820 |
| 350 | Surprise Municipal Property Corporation, Arizona, Wastewater System Revenue Bonds, Series 2007: 4.700%, 4/01/22 | 4/14 at 100.00 | N/R | 353,045 |
| 410 | Tucson, Arizona, Water System Revenue Refunding Bonds, Series 2002, 5.500%, 7/01/18 – FGIC Insured | 4/17 at 100.00 | N/R | 380,275 |
| 1,000 | Yuma County Industrial Development Authority, Arizona, Exempt Revenue Bonds, Far West Water & Sewer Inc. Refunding, Series 2007A, 6.375%, 12/01/37 (Alternative Minimum Tax) | 7/12 at 102.00 | Aa2 | 1,056,550 |
| 525 | Yuma County Industrial Development Authority, Arizona, Exempt Revenue Bonds, Far West Water & Sewer Inc. Refunding, Series 2007A, 6.375%, 12/01/37 (Alternative Minimum Tax) | 12/17 at 100.00 | N/R | 469,313 |
| 4,545 | Total Water and Sewer | | | 4,802,416 |
| \$ 53,053 | Total Investments (cost \$52,462,074) – 150.6% | | | 53,458,603 |
| | MuniFund Term Preferred Shares, at Liquidation Value – (52.7)% (7) | | | (18,725,000) |
| | Other Assets Less Liabilities – 2.1% | | | 766,674 |
| | Net Assets Applicable to Common Shares – 100% | | | \$ 35,500,277 |

- (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: 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: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investor Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
 - (4) Investment valued at fair value using methods determined in good faith by, or at the discretion of, the Board of Trustees. For fair value measurement disclosure purposes, investment categorized as Level 3. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Investment Valuation for more information.
 - (5) 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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities.
 - (6) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
 - (7) MuniFund Term Preferred shares, at Liquidation Value as a percentage of Total Investments is 35.0%.
- N/R Not rated.
(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

30 Nuveen Investments

Nuveen Arizona Dividend Advantage Municipal Fund 3
 NXE Portfolio of Investments

August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|--|---------------------------------|-------------|------------|
| | Consumer Staples – 1.0% (0.7% of Total Investments) | | | |
| \$ 470 | Puerto Rico, The Children’s Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33 | 5/12 at 100.00 | BBB | \$ 438,341 |
| | Education and Civic Organizations – 18.1% (12.9% of Total Investments) | | | |
| 690 | Arizona Higher Education Loan Authority, Student Loan Revenue Bonds, Series 2007B, Auction | 3/12 at 100.00 | A | 531,279 |
| | Rate Securities, 0.508%, 11/01/41 (Alternative Minimum Tax) (4) | | | |
| 1,250 | Arizona State University, System Revenue Bonds, Series 2005, 5.000%, 7/01/20 – AMBAC Insured | 7/15 at 100.00 | Aa3 | 1,332,375 |
| 1,130 | Energy Management Services LLC, Arizona State University, Energy Conservation Revenue Bonds, Main Campus Project, Series 2002, 5.250%, 7/01/18 – NPMG Insured | 7/12 at 100.00 | AA– | 1,164,555 |
| 520 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2007, 5.000%, 5/15/31 | 5/22 at 100.00 | A– | 523,822 |
| 900 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2010, 5.125%, 5/15/40 | 5/20 at 100.00 | A– | 879,426 |
| 560 | Pima County Industrial Development Authority, Arizona, Charter School Revenue Bonds, Noah Webster Basic Schools Inc., Series 2004, 6.000%, 12/15/24 | 12/14 at 100.00 | BBB– | 542,517 |
| 415 | Pima County Industrial Development Authority, Arizona, Educational Revenue Bonds, Valley Academy Charter School Project, Series 2008, 6.500%, 7/01/38 | 7/18 at 100.00 | Baa3 | 385,269 |
| 565 | Tucson Industrial Development Authority, Arizona, Charter School Revenue Bonds, Arizona Agribusiness and Equine Center Charter School, Series 2004A, 6.125%, 9/01/34 | 9/14 at 100.00 | BB+ | 477,753 |
| 2,000 | University of Arizona, Certificates of Participation, Series 2002B, 5.125%, 6/01/20 – AMBAC Insured | 6/12 at 100.00 | AA– | 2,057,400 |
| 8,030 | Total Education and Civic Organizations | | | 7,894,396 |
| 1,015 | Health Care – 32.6% (23.2% of Total Investments) | | AA– | 1,046,526 |

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| | | | | |
|--------|--|--------------------|------|------------|
| | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007A, 5.000%, 1/01/25 | 1/17 at 100.00 | | |
| 620 | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007B, 1.059%, 1/02/37 | 1/17 at 100.00 | AA- | 431,911 |
| 2,390 | Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2008D, 5.500%, 1/01/38 | 1/18 at 100.00 | AA- | 2,460,550 |
| 625 | Arizona Health Facilities Authority, Revenue Bonds, Blood Systems Inc., Series 2004, 5.000%, 4/01/20 | 4/14 at 100.00 | A | 646,775 |
| 475 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2005B, 5.000%, 12/01/37 | 12/15 at 100.00 | BBB | 408,096 |
| 785 | Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2007, 5.000%, 12/01/42 | 12/17 at 100.00 | BBB | 659,298 |
| 1,825 | Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, Catholic Healthcare West, Series 2004A, 5.375%, 7/01/23 | 7/14 at 100.00 | A | 1,881,612 |
| 1,985 | Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, Catholic Healthcare West, Series 2007A, 5.250%, 7/01/32 | 7/17 at 100.00 | A | 1,996,731 |
| 2,000 | Maricopa County Industrial Development Authority, Arizona, Hospital Revenue Bonds, Mayo Clinic Hospital, Series 1998, 5.250%, 11/15/37 | 11/11 at 100.00 | AA | 2,000,920 |
| | Show Low Industrial Development Authority, Arizona, Hospital Revenue Bonds, Navapache Regional Medical Center, Series 2005: 5.000%, 12/01/25 – RAAI Insured | 12/15 at 100.00 | BBB+ | 355,688 |
| 315 | 5.000%, 12/01/30 – RAAI Insured | 12/15 at 100.00 | BBB+ | 288,367 |
| 1,000 | University Medical Center Corporation, Tucson, Arizona, Hospital Revenue Bonds, Series 2011, 6.000%, 7/01/39 | 7/21 at 100.00 | BBB+ | 1,003,580 |
| 1,000 | Yavapai County Industrial Development Authority, Arizona, Hospital Revenue Bonds, Yavapai Regional Medical Center, Series 2003A, 6.000%, 8/01/33 | 8/13 at 100.00 | Baa2 | 1,001,730 |
| 14,410 | Total Health Care | | | 14,181,784 |

Nuveen Investments 31

Nuveen Arizona Dividend Advantage Municipal Fund 3 (continued)
 NXE Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------|---|------------------------------|-------------|------------|
| | Tax Obligation/General – 10.7% (7.6% of Total Investments) | | | |
| \$ 365 | Pima County Continental Elementary School District 39, Arizona, General Obligation Bonds, Series 2011A, 2.000%, 7/01/30 – AGM Insured | 7/21 at 100.00 | AA+ | \$ 396,459 |
| 500 | Pima County Unified School District 08 Flowing Wells, Arizona, General Obligation Bonds, Series 2011B, 5.375%, 7/01/29 | 7/21 at 100.00 | A+ | 530,140 |
| 750 | Pima County Unified School District 6, Marana, Arizona, General Obligation Bonds, School Improvement Project 2010 Series 2011A, 5.000%, 7/01/25 | 7/21 at 100.00 | A+ | 789,540 |
| 1,000 | Pinal County Unified School District 1, Florence, Arizona, General Obligation Bonds, Series 2008C, 5.250%, 7/01/28 | 7/18 at 100.00 | A | 1,065,730 |
| 1,705 | Scottsdale, Arizona, General Obligation Bonds, Preserve Acquisition Series 1999, 5.000%, 7/01/34 | 7/21 at 100.00 | AAA | 1,859,064 |
| 4,320 | Total Tax Obligation/General | | | 4,640,933 |
| | Tax Obligation/Limited – 36.5% (25.9% of Total Investments) | | | |
| 138 | Centerra Community Facilities District, Goodyear, Arizona, General Obligation Bonds, Series 2005, 5.500%, 7/15/29 | 7/15 at 100.00 | N/R | 113,170 |
| 2,000 | DC Ranch Community Facilities District, Scottsdale, Arizona, General Obligation Bonds, Series 2002, 5.000%, 7/15/27 – AMBAC Insured | 7/13 at 100.00 | A1 | 2,019,080 |
| 248 | Estrella Mountain Ranch Community Facilities District, Arizona, Special Assessment Bonds, Montecito Assessment District, Series 2007: 5.700%, 7/01/27 | 1/17 at 100.00 | N/R | 214,637 |
| 154 | 5.800%, 7/01/32 | 1/17 at 100.00 | N/R | 128,582 |
| 236 | Estrella Mountain Ranch Community Facilities District, Goodyear, Arizona, Special Assessment Lien Bonds, Series 2001A, 7.875%, 7/01/25 | 7/12 at 100.00 | N/R | 238,240 |
| 525 | Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series 2006A, 5.000%, 8/01/23 – NPFPG Insured | 8/16 at 100.00 | AA– | 551,024 |
| 975 | Marana, Arizona, Tangerine Farms Road Improvement District Revenue Bonds, Series 2006, | 7/16 at 100.00 | A2 | 986,827 |

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| | | | | |
|-------|--|-------------------|------|-----------|
| | 4.600%, 1/01/26 | | | |
| 290 | Marley Park Community Facilities District, City of Surprise, Arizona, Limited Tax General Obligation Bonds, Series 2008 (Bank Qualified), 6.100%, 7/15/32 | 7/17 at 100.00 | N/R | 251,305 |
| 490 | Merrill Ranch Community Facilities District 1, Florence, Arizona, General Obligation Bonds, Series 2008A, 7.400%, 7/15/33 | 7/18 at 100.00 | N/R | 488,677 |
| 2,175 | Mohave County, Arizona, Certificates of Participation, Series 2004, 5.250%, 7/01/19 – AMBAC Insured | 7/14 at 100.00 | N/R | 2,321,551 |
| 640 | Palm Valley Community Facility District 3, Goodyear, Arizona, General Obligation Bonds, Series 2006, 5.300%, 7/15/31 | 7/16 at 100.00 | N/R | 506,778 |
| 425 | Palm Valley Community Facility District 3, Goodyear, Arizona, Limited Tax General Obligation Bonds, Series 2007, 5.800%, 7/15/32 | 7/17 at 100.00 | N/R | 354,803 |
| 160 | Parkway Community Facilities District 1, Prescott Valley, Arizona, General Obligation Bonds, Series 2006, 5.350%, 7/15/31 | 7/16 at 100.00 | N/R | 127,526 |
| 1,250 | Pinal County Industrial Development Authority, Arizona, Correctional Facilities Contract Revenue Bonds, Florence West Prison LLC, Series 2002A, 5.000%, 10/01/18 – ACA Insured | No Opt. Call | BBB– | 1,252,038 |
| 250 | Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, First Subordinate Series 2010A, 5.375%, 8/01/39 | 2/20 at 100.00 | A+ | 252,178 |
| 1,130 | San Luis Civic Improvement Corporation, Arizona, Municipal Facilities Excise Tax Revenue Bonds, Series 2005, 5.000%, 7/01/25 – SYNCORA GTY Insured | 7/15 at 100.00 | A+ | 1,168,917 |
| 2,000 | Scottsdale Municipal Property Corporation, Arizona, Excise Tax Revenue Bonds, Water & Sewer Improvements Project, Series 2010, 5.000%, 7/01/36 | No Opt. Call | AAA | 2,129,859 |
| 665 | Tartesso West Community Facility District, Buckeye, Arizona, Limited Tax General Obligation Bonds, Series 2007, 5.900%, 7/15/32 | 7/17 at 100.00 | N/R | 562,198 |

32 Nuveen Investments

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|---|---------------------------------|-------------|--------------|
| | Tax Obligation/Limited (continued) | | | |
| \$ 1,250 | Vistancia Community Facilities District, Arizona, Restricted General Obligation Bonds, Series 2005, 5.750%, 7/15/24 | 7/15 at 100.00 | A1 | \$ 1,320,338 |
| 638 | Watson Road Community Facilities District, Arizona, Special Assessment Revenue Bonds, Series 2005, 6.000%, 7/01/30 | 7/16 at 100.00 | N/R | 524,991 |
| 425 | Westpark Community Facilities District, Buckeye, Arizona, General Obligation Tax Increment Bonds Series 2006, 5.250%, 7/15/31 | 7/16 at 100.00 | N/R | 334,322 |
| 16,064 | Total Tax Obligation/Limited | | | 15,847,041 |
| | Transportation – 6.1% (4.3% of Total Investments) | | | |
| | Phoenix Civic Improvement Corporation, Arizona, Senior Lien Airport Revenue Bonds, Series 2002B: | | | |
| 300 | 5.750%, 7/01/16 – FGIC Insured (Alternative Minimum Tax) | 7/12 at 100.00 | AA– | 309,456 |
| 2,300 | 5.250%, 7/01/21 – FGIC Insured (Alternative Minimum Tax) | 7/12 at 100.00 | AA– | 2,329,255 |
| 2,600 | Total Transportation | | | 2,638,711 |
| | U.S. Guaranteed – 4.8% (3.4% of Total Investments) (5) | | | |
| 1,575 | Maricopa County Union High School District 210, Phoenix, Arizona, General Obligation Bonds, Series 2004A, 5.000%, 7/01/20 (Pre-refunded 7/01/14) – AGM Insured | 7/14 at 100.00 | AA+ (5) | 1,770,568 |
| 270 | Maricopa County, Arizona, Hospital Revenue Bonds, Sun Health Corporation, Series 2005, 5.000%, 4/01/16 (Pre-refunded 4/01/15) | 4/15 at 100.00 | N/R (5) | 311,791 |
| 1,845 | Total U.S. Guaranteed | | | 2,082,359 |
| | Utilities – 15.5% (11.1% of Total Investments) | | | |
| 1,200 | Maricopa County Pollution Control Corporation, Arizona, Pollution Control Revenue Refunding Bonds, Southern California Edison Company, Series 2000A, 5.000%, 6/01/35 | 6/20 at 100.00 | A1 | 1,236,348 |
| 1,250 | Maricopa County Pollution Control Corporation, Arizona, Revenue Bonds, Arizona Public Service Company – Palo Verde Project, Series 2002A, 5.050%, 5/01/29 – AMBAC Insured | 11/12 at 100.00 | BBB | 1,253,563 |
| 665 | Pima County Industrial Development Authority, Arizona, Revenue Bonds, Tucson Electric Power Company, Refunding Series 2008, 5.750%, 9/01/29 | 1/15 at 100.00 | BBB– | 673,858 |
| 1,660 | Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2005RR, 5.000%, 7/01/26 – | 7/15 at 100.00 | A3 | 1,666,491 |

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| | | | | |
|-------|--|--------------------|------|-----------|
| | SYNCORA GTY Insured | | | |
| 775 | Salt River Project Agricultural Improvement and Power District, Arizona, Electric System | 1/18 at 100.00 | Aa1 | 910,594 |
| | Revenue Bonds, Tender Option Bond Trust 09-9W, 17.121%, 1/01/38 (IF) (6) | | | |
| 1,165 | Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, Citigroup Energy Inc | No Opt. Call | A | 1,006,746 |
| | Prepay Contract Obligations, Series 2007, 5.000%, 12/01/37 | | | |
| 6,715 | Total Utilities | | | 6,747,600 |
| | Water and Sewer – 15.3% (10.9% of Total Investments) | | | |
| 955 | Goodyear, Arizona, Water and Sewer Revenue Obligations, Series 2010, 5.625%, 7/01/39 | 7/20 at 100.00 | A+ | 975,915 |
| 405 | Oro Valley Municipal Property Corporation, Arizona, Senior Lien Water Revenue Bonds, Series 2003, 5.000%, 7/01/23 – NPMG Insured | 7/13 at 100.00 | AA- | 416,150 |
| 1,000 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Wastewater System Revenue Refunding Bonds, Series 2001, 5.125%, 7/01/21 – FGIC Insured | 11/11 at 100.00 | AA+ | 1,002,820 |
| 2,000 | Phoenix Civic Improvement Corporation, Arizona, Junior Lien Water System Revenue Bonds, Series 2002, 5.000%, 7/01/18 – FGIC Insured | 7/12 at 100.00 | AAA | 2,070,459 |
| 750 | Puerto Rico Aqueduct and Sewerage Authority, Revenue Bonds, Senior Lien Series 2008A, 6.000%, 7/01/38 | 7/18 at 100.00 | Baa2 | 752,843 |

Nuveen Investments 33

Nuveen Arizona Dividend Advantage Municipal Fund 3 (continued)
 NXE Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|--|---------------------------------|-------------|---------------|
| | Water and Sewer (continued) | | | |
| | Surprise Municipal Property Corporation, Arizona, Wastewater System Revenue Bonds, Series 2007: | | | |
| \$ 425 | 4.700%, 4/01/22 | 4/14 at 100.00 | N/R | \$ 428,698 |
| 490 | 4.900%, 4/01/32 | 4/17 at 100.00 | N/R | 454,475 |
| 615 | Yuma County Industrial Development Authority, Arizona, Exempt Revenue Bonds, Far West Water & Sewer Inc. Refunding, Series 2007A, 6.375%, 12/01/37 (Alternative Minimum Tax) | 12/17 at 100.00 | N/R | 549,767 |
| 6,640 | Total Water and Sewer | | | 6,651,127 |
| \$ 61,094 | Total Investments (cost \$60,309,923) – 140.6% | | | 61,122,292 |
| | MuniFund Term Preferred Shares, at Liquidation Value – (47.9)% (7) | | | (20,846,000) |
| | Other Assets Less Liabilities – 7.3% | | | 3,198,173 |
| | Net Assets Applicable to Common Shares – 100% | | | \$ 43,474,465 |

- (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: 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: Using the highest of Standard & Poor’s Group (“Standard & Poor’s”), Moody’s Investor Service, Inc. (“Moody’s”) or Fitch, Inc. (“Fitch”) rating. Ratings below BBB by Standard & Poor’s, Baa by Moody’s or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
 - (4) Investment valued at fair value using methods determined in good faith by, or at the discretion of, the Board of Trustees. For fair value measurement disclosure purposes, investment categorized as Level 3. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Investment Valuation for more information.
 - (5) 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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities.
 - (6) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in inverse floating rate transactions.
 - (7) MuniFund Term Preferred shares, at Liquidation Value as a percentage of Total Investments is 34.1%.
- N/R Not rated.

(IF) Inverse floating rate investment.

See accompanying notes to financial statements.

34 Nuveen Investments

Nuveen Texas Quality Income Municipal Fund
 NTX Portfolio of Investments

August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------|--|------------------------------|-------------|--------------|
| | Consumer Staples – 1.5% (1.0% of Total Investments) | | | |
| \$ 2,235 | Puerto Rico, The Children’s Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33 | 5/12 at 100.00 | BBB | \$ 2,084,450 |
| | Education and Civic Organizations – 10.0% (6.7% of Total Investments) | | | |
| 1,000 | Hale Center Education Facilities Corporation, Texas, Revenue Bonds, Wayland Baptist University Project, Improvement and Refunding Series 2010, 5.000%, 3/01/35 | 3/21 at 100.00 | A– | 973,050 |
| 2,000 | Laredo Community College District, Wells County, Texas, Combined Fee Revenue Bonds, Series 2010, 5.250%, 8/01/35 – AGM Insured | 8/20 at 100.00 | AA+ | 2,088,920 |
| 1,170 | Red River Education Finance Corporation, Texas, Revenue Bonds, Hockaday School, Series 2005: 5.000%, 5/15/27 | 5/15 at 100.00 | AA | 1,210,061 |
| 1,230 | 5.000%, 5/15/28 | 5/15 at 100.00 | AA | 1,268,265 |
| 1,290 | 5.000%, 5/15/29 | 5/15 at 100.00 | AA | 1,325,217 |
| 1,710 | Texas Public Finance Authority, Revenue Bonds, Texas Southern University Financing System, Series 2003: 5.000%, 5/01/18 – FGIC Insured | 5/13 at 100.00 | Baa3 | 1,715,301 |
| 1,795 | 5.000%, 5/01/19 – FGIC Insured | 5/13 at 100.00 | Baa3 | 1,796,005 |
| 1,885 | 5.000%, 5/01/20 – FGIC Insured | 5/13 at 100.00 | Baa3 | 1,862,700 |
| 1,665 | Texas State University System, Financing Revenue Bonds, Series 2004, 5.000%, 3/15/24 – AGM Insured | 9/14 at 100.00 | AA+ | 1,808,623 |
| 70 | Texas State University System, Financing Revenue Refunding Bonds, Series 2002, 5.000%, 3/15/20 – AGM Insured | 3/12 at 100.00 | AA+ | 71,536 |
| 13,815 | Total Education and Civic Organizations | | | 14,119,678 |
| 3,000 | Energy – 2.0% (1.3% of Total Investments) | | BBB | 2,838,750 |

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| | | | | |
|--------|--|--------------------|------|------------|
| | Gulf Coast Waste Disposal Authority, Texas, Waste Disposal Revenue Bonds, Valero Energy Corporation Project, Series 1998, 5.600%, 4/01/32 (Alternative Minimum Tax) | 10/11 at 100.00 | | |
| | Health Care – 14.0% (9.4% of Total Investments) | | | |
| | Brazoria County Health Facilities Development Corporation, Texas, Revenue Bonds, Brazosport Memorial Hospital, Series 2004: | | | |
| 1,745 | 5.250%, 7/01/20 – RAAI Insured | 7/14 at 100.00 | BBB– | 1,730,290 |
| 1,835 | 5.250%, 7/01/21 – RAAI Insured | 7/14 at 100.00 | BBB– | 1,788,152 |
| 1,350 | Harrison County Health Facilities Development Corporation, Texas, Hospital Revenue Bonds, Good Shepherd Health System, Refunding Series 2010, 5.250%, 7/01/28 | 7/20 at 100.00 | BBB+ | 1,247,549 |
| 2,000 | North Central Texas Health Facilities Development Corporation, Texas, Revenue Bonds, Children’s Medical Center Dallas Project, Series 2009, 5.750%, 8/15/39 | 8/19 at 100.00 | Aa3 | 2,102,760 |
| | Richardson Hospital Authority, Texas, Revenue Bonds, Richardson Regional Medical Center, Series 2004: | | | |
| 2,000 | 5.875%, 12/01/24 | 12/13 at 100.00 | A | 2,041,880 |
| 1,000 | 6.000%, 12/01/34 | 12/13 at 100.00 | A | 1,008,870 |
| 2,500 | Tarrant County Cultural & Educational Facilities Financing Corporation, Texas, Revenue Bonds, Texas Health Resources, Series 2007B, 5.000%, 11/15/42 | 11/17 at 100.00 | AA– | 2,453,300 |
| 1,250 | Tarrant County Cultural Education Facilities Finance Corporation, Texas, Hospital Revenue Bonds, Scott & White HealthCare Project, Series 2010, 5.250%, 8/15/40 | 8/20 at 100.00 | A1 | 1,250,850 |
| 2,000 | Tarrant County Cultural Education Facilities Finance Corporation, Texas, Revenue Refunding Bonds, Christus Health, Series 2008, 6.500%, 7/01/37 – AGC Insured | 1/19 at 100.00 | AA+ | 2,151,000 |
| 1,720 | Tyler Health Facilities Development Corporation, Texas, Hospital Revenue Bonds, East Texas Medical Center Regional Healthcare System, Series 2007A, 5.375%, 11/01/37 | 11/17 at 100.00 | Baa2 | 1,472,234 |
| 700 | Tyler Health Facilities Development Corporation, Texas, Hospital Revenue Bonds, Mother Frances Hospital Regional Healthcare Center, Series 2007B, 5.000%, 7/01/37 | 7/17 at 100.00 | Baa1 | 610,260 |
| 2,250 | Tyler Health Facilities Development Corporation, Texas, Hospital Revenue Bonds, Mother Frances Hospital Regional Healthcare Center, Series 2007, 5.000%, 7/01/33 | 7/17 at 100.00 | Baa1 | 2,020,838 |
| 20,350 | Total Health Care | | | 19,877,983 |

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Nuveen Texas Quality Income Municipal Fund (continued)
 NTX Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|---|---------------------------------|-------------|--------------|
| | Housing/Multifamily – 1.7% (1.2% of Total Investments) | | | |
| | Bexar County Housing Finance Corporation, Texas, Insured Multifamily Housing Revenue Bonds, | | | |
| | Waters at Northern Hills Apartments Project, Series 2001A: | | | |
| \$ 2,000 | 6.000%, 8/01/31 – NPFG Insured | 2/12 at 102.00 | Baa1 | \$ 1,780,840 |
| 750 | 6.050%, 8/01/36 – NPFG Insured | 2/12 at 102.00 | Baa1 | 655,388 |
| 2,750 | Total Housing/Multifamily | | | 2,436,228 |
| | Housing/Single Family – 2.6% (1.7% of Total Investments) | | | |
| | El Paso Housing Finance Corporation, Texas, GNMA | | | |
| 1,247 | Collateralized Single Family Mortgage Revenue Bonds, Series 2001A-3, 6.180%, 4/01/33 | 10/11 at 106.75 | AA+ | 1,313,471 |
| | Texas Department of Housing and Community Affairs, Single Family Mortgage Bonds, Series 2002B, | | | |
| 2,325 | 5.550%, 9/01/33 – NPFG Insured (Alternative Minimum Tax) | 3/12 at 100.00 | AA+ | 2,331,371 |
| 3,572 | Total Housing/Single Family | | | 3,644,842 |
| | Long-Term Care – 1.1% (0.7% of Total Investments) | | | |
| | Bexar County, Texas, Health Facilities Development Corporation Revenue Bonds, Army Retirement Residence, Series 2007: | | | |
| 1,000 | 5.000%, 7/01/27 | 7/17 at 100.00 | BBB | 959,770 |
| 600 | 5.000%, 7/01/37 | 7/17 at 100.00 | BBB | 536,088 |
| 1,600 | Total Long-Term Care | | | 1,495,858 |
| | Materials – 2.1% (1.4% of Total Investments) | | | |
| | Cass County Industrial Development Corporation, Texas, | | | |
| 3,000 | Environmental Improvement Revenue Bonds, International Paper Company, Series 2000A, 6.600%, 3/15/24 (Alternative Minimum Tax) | 9/11 at 100.50 | BBB | 3,021,210 |
| | Tax Obligation/General – 42.4% (28.5% of Total Investments) | | | |
| | Bexar County, Texas, Combined Tax and Revenue Certificates of Obligation, Series 2004, | | | |
| 1,260 | 5.000%, 6/15/19 | 6/14 at 100.00 | Aaa | 1,367,755 |
| | Borger Independent School District, Hutchison County, Texas, | | | |
| 2,000 | General Obligation Bonds, Series 2006, 5.000%, 2/15/36 | 2/16 at 100.00 | AAA | 2,078,780 |
| | Calallen Independent School District, Nueces County, Texas, | | | |
| 400 | General Obligation Bonds, School Building Series 2008, 5.000%, 2/15/38 | 2/18 at 100.00 | AAA | 416,432 |

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| | | | | |
|-------|---|--------------------|-----|-----------|
| 1,190 | Canutillo Independent School District, El Paso County, Texas, General Obligation Bonds, Series 2006A, 5.000%, 8/15/22 | 8/15 at 100.00 | AAA | 1,329,290 |
| 325 | Copperas Cove, Texas, Certificates of Obligation, Series 2003, 5.000%, 8/15/23 – NPFG Insured | 8/12 at 100.00 | AA– | 335,949 |
| 2,305 | Corpus Christi, Texas, Combination Tax and Municipal Hotel Occupancy Tax Revenue Certificates of Obligation, Series 2002, 5.500%, 9/01/21 – AGM Insured | 9/12 at 100.00 | AA+ | 2,396,716 |
| 1,750 | El Paso County, Texas, Certificates of Obligation, Series 2001, 5.000%, 2/15/21 – AGM Insured | No Opt. Call | AA+ | 2,090,988 |
| | Fort Bend County Municipal Utility District 25, Texas, General Obligation Bonds, Series 2005: | | | |
| 1,330 | 5.000%, 10/01/26 – FGIC Insured | 10/12 at 100.00 | A– | 1,340,401 |
| 1,320 | 5.000%, 10/01/27 – FGIC Insured | 10/12 at 100.00 | A– | 1,328,659 |
| 3,615 | Frisco, Texas, General Obligation Bonds, Series 2006, 5.000%, 2/15/26 – FGIC Insured | 2/16 at 100.00 | Aa1 | 3,871,520 |
| 8,500 | Grand Prairie Independent School District, Dallas County, Texas, General Obligation Bonds, Capital Appreciation Refunding Series 2009, 0.000%, 8/15/39 | 8/18 at 22.64 | AA | 1,344,700 |
| | Houston Community College System, Texas, Limited Tax General Obligation Bonds, Series 2003: | | | |
| 2,500 | 5.000%, 2/15/20 – AMBAC Insured | 2/13 at 100.00 | AA+ | 2,631,250 |
| 2,235 | 5.000%, 2/15/21 – AMBAC Insured | 2/13 at 100.00 | AA+ | 2,349,678 |
| 5,000 | Houston, Texas, General Obligation Bonds, Series 2005E, 5.000%, 3/01/23 – AMBAC Insured | 3/15 at 100.00 | AA | 5,371,900 |
| 100 | Judson Independent School District, Bexar County, Texas, General Obligation Refunding Bonds, Series 2002, 5.250%, 2/01/21 | 11/11 at 100.00 | Aa2 | 100,375 |
| 4,900 | Leander Independent School District, Williamson and Travis Counties, Texas, General Obligation Bonds, Series 2006, 0.000%, 8/15/45 | 8/14 at 17.78 | AAA | 745,094 |
| 1,000 | Leander Independent School District, Williamson and Travis Counties, Texas, General Obligation Bonds, Series 2008, 0.000%, 8/15/36 | 8/17 at 33.01 | AAA | 244,250 |

36 Nuveen Investments

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------|---|------------------------------|-------------|------------|
| | Tax Obligation/General (continued) | | | |
| \$ 365 | Lone Star College System, Harris and Montgomery Counties, Texas, General Obligation Bonds, Series 2009, 5.000%, 8/15/34 | 8/19 at 100.00 | AAA | \$ 396,518 |
| 1,750 | Martin County Hospital District, Texas, Combination Limited Tax and Revenue Bonds, Series 2011A, 7.250%, 4/01/36 | 4/21 at 100.00 | N/R | 1,815,870 |
| 1,010 | Mercedes Independent School District, Hidalgo County, Texas, General Obligation Bonds, Series 2005, 5.000%, 8/15/23 | 8/15 at 100.00 | AAA | 1,128,221 |
| 5,515 | Midlothian Independent School District, Ellis County, Texas, General Obligation Bonds, Series 2005, 5.000%, 2/15/34 | 2/15 at 100.00 | Aaa | 5,693,962 |
| 1,500 | Montgomery County, Texas, General Obligation Bonds, Refunding Series 2008B, 5.250%, 3/01/32 | 3/19 at 100.00 | AA | 1,646,430 |
| 2,000 | Plano Independent School District, Collin County, Texas, General Obligation Bonds, Series 2008A, 5.250%, 2/15/34 | 2/18 at 100.00 | Aaa | 2,150,980 |
| 1,425 | Port of Houston Authority, Harris County, Texas, General Obligation Bonds, Series 2010E, 0.000%, 10/01/35 | No Opt. Call | AAA | 433,799 |
| | Roma Independent School District, Texas, General Obligation Bonds, Series 2005: | | | |
| 1,110 | 5.000%, 8/15/22 | 8/15 at 100.00 | AAA | 1,239,926 |
| 1,165 | 5.000%, 8/15/23 – AGM Insured | 8/15 at 100.00 | AAA | 1,301,363 |
| 1,250 | Southside Independent School District, Bexar County, Texas, General Obligation Bonds, Series 2004A, 5.000%, 8/15/22 | 8/14 at 100.00 | Aaa | 1,367,075 |
| 1,140 | Sunnyvale School District, Texas, General Obligation Bonds, Series 2004, 5.250%, 2/15/25 | 2/14 at 100.00 | AAA | 1,235,623 |
| 5,000 | Texas State, General Obligation Bonds, Transportation Commission Mobility Fund, Series 2006A, 5.000%, 4/01/33 (UB) | 4/17 at 100.00 | Aaa | 5,269,550 |
| 1,000 | Texas State, General Obligation Bonds, Transportation Commission Mobility Fund, Series 2008, 5.000%, 4/01/30 (UB) | 4/18 at 100.00 | Aaa | 1,076,830 |
| 1,110 | Texas State, General Obligation Bonds, Water Utility, Series 2001, 5.250%, 8/01/23 | 11/11 at 100.00 | Aaa | 1,114,029 |
| 3,025 | Victoria Independent School District, Victoria County, Texas, General Obligation Bonds, Series 2007, 5.000%, 2/15/32 | 2/17 at 100.00 | AAA | 3,207,650 |

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West Texas Independent School District, McLennan and Hill
Counties, General Obligation
Refunding Bonds, Series 1998:

| | | | | |
|---|--|--------------------|------|------------|
| 1,000 | 0.000%, 8/15/22 | 8/13 at 61.20 | AAA | 571,530 |
| 1,000 | 0.000%, 8/15/24 | 8/13 at 54.88 | AAA | 508,810 |
| White Settlement Independent School District, Tarrant County, Texas, General Obligation Bonds, Series 2006: | | | | |
| 1,500 | 0.000%, 8/15/43 | 8/15 at 23.12 | AAA | 283,035 |
| 1,500 | 0.000%, 8/15/44 | 8/15 at 21.88 | AAA | 267,660 |
| 425 | 0.000%, 8/15/45 | 8/15 at 20.76 | AAA | 71,910 |
| 73,520 | Total Tax Obligation/General Tax Obligation/Limited – 11.3% (7.6% of Total Investments) | | | 60,124,508 |
| 1,000 | Bexar County, Texas, Venue Project Revenue Bonds, Refunding Series 2010, 5.250%, 8/15/38 – AGM Insured | 8/19 at 100.00 | AA+ | 1,033,380 |
| 7,940 | Dallas Area Rapid Transit, Texas, Sales Tax Revenue Bonds, Senior Lien Refunding Series 2007, 5.000%, 12/01/36 – AMBAC Insured | 12/16 at 100.00 | AA+ | 8,226,555 |
| Harris County-Houston Sports Authority, Texas, Revenue Bonds, Junior Lien Series 2001H: | | | | |
| 1,720 | 0.000%, 11/15/34 – NPMFG Insured | 11/31 at 83.17 | Baa1 | 301,258 |
| 930 | 0.000%, 11/15/36 – NPMFG Insured | 11/31 at 73.51 | Baa1 | 139,500 |
| 3,265 | 0.000%, 11/15/38 – NPMFG Insured | 11/31 at 64.91 | Baa1 | 421,316 |
| Harris County-Houston Sports Authority, Texas, Senior Lien Revenue Bonds, Series 2001G: | | | | |
| 2,250 | 5.250%, 11/15/22 – NPMFG Insured | 11/11 at 100.00 | Baa1 | 2,087,528 |
| 2,475 | 0.000%, 11/15/41 – NPMFG Insured | 11/31 at 53.78 | Baa1 | 287,966 |
| 1,470 | Houston, Texas, Hotel Occupancy Tax and Special Revenue Bonds, Convention and Entertainment Project, Series 2001B, 0.000%, 9/01/32 – AMBAC Insured | No Opt. Call | A2 | 402,030 |

Nuveen Investments 37

Nuveen Texas Quality Income Municipal Fund (continued)
 NTX Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------|---|------------------------------|-------------|--------------|
| | Tax Obligation/Limited (continued) | | | |
| \$ 2,000 | North Texas Tollway Authority, Special Projects System Revenue Bonds, Series 2011A, 5.500%, 9/01/41 | 9/21 at 100.00 | AA | \$ 2,155,460 |
| 1,000 | Uptown Development Authority, Houston, Texas, Tax Increment Revenue Bonds, Infrastructure Improvement Facilities, Series 2009, 5.500%, 9/01/29 | 9/19 at 100.00 | BBB | 1,022,060 |
| 24,050 | Total Tax Obligation/Limited Transportation – 12.1% (8.1% of Total Investments) | | | 16,077,053 |
| 1,000 | Austin, Texas, Airport System Prior Lien Revenue Bonds, Series 2003, 5.250%, 11/15/16 – NPMFG Insured | 11/13 at 100.00 | A | 1,080,690 |
| 2,945 | Central Texas Regional Mobility Authority, Senior Lien Revenue Bonds, Series 2010: 0.000%, 1/01/36 | No Opt. Call | BBB– | 588,264 |
| 2,205 | 0.000%, 1/01/37 | No Opt. Call | BBB– | 409,226 |
| 2,000 | 0.000%, 1/01/38 | No Opt. Call | BBB– | 346,420 |
| 3,260 | Central Texas Regional Mobility Authority, Travis and Williamson Counties, Toll Road Revenue Bonds, Series 2005, 5.000%, 1/01/22 – FGIC Insured | 1/15 at 100.00 | BBB | 3,257,164 |
| 2,600 | Dallas-Ft. Worth International Airport Facility Improvement Corporation, Texas, Revenue Bonds, American Airlines Inc., Series 1999, 6.375%, 5/01/35 (Alternative Minimum Tax) | 11/11 at 100.00 | CCC+ | 1,929,668 |
| 1,000 | Dallas-Ft. Worth International Airport, Texas, Joint Revenue Bonds, Refunding Series 2010A, 5.000%, 11/01/42 | 11/20 at 100.00 | A+ | 1,013,510 |
| 500 | Houston, Texas, Subordinate Lien Airport System Revenue Bonds, Series 2000A, 5.625%, 7/01/30 – AGM Insured (Alternative Minimum Tax) | 1/12 at 100.00 | AA+ | 500,250 |
| 3,000 | Love Field Airport Modernization Corporation, Texas, Special Facilities Revenue Bonds, Southwest Airlines Company, Series 2010, 5.250%, 11/01/40 | 11/20 at 100.00 | BBB– | 2,829,180 |
| 395 | North Texas Tollway Authority, First Tier System Revenue Refunding Bonds, Series 2008A, 5.750%, 1/01/40 | 1/18 at 100.00 | A2 | 405,385 |
| | North Texas Tollway Authority, First Tier System Revenue Refunding Bonds, Series 2008B: | | | |

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| | | | | |
|--------|--|--------------------|---------|------------|
| 325 | 5.750%, 1/01/40 | 1/18 at 100.00 | A2 | 333,544 |
| 225 | 5.750%, 1/01/40 – NPF Insured | 1/18 at 100.00 | A2 | 230,915 |
| 2,500 | North Texas Tollway Authority, First Tier System Revenue Refunding Bonds, Series 2008D, 0.000%, 1/01/36 – AGC Insured | No Opt. Call | AA+ | 571,200 |
| 950 | North Texas Tollway Authority, Second Tier System Revenue Refunding Bonds, Series 2008F, 5.750%, 1/01/38 | 1/18 at 100.00 | A3 | 950,162 |
| | North Texas Tollway Authority, System Revenue Bonds, First Tier Series 2009A: | | | |
| 100 | 6.100%, 1/01/28 | 1/19 at 100.00 | A2 | 109,013 |
| 2,000 | 6.250%, 1/01/39 | 1/19 at 100.00 | A2 | 2,139,720 |
| 1,250 | Texas Turnpike Authority, Central Texas Turnpike System Revenue Bonds, First Tier Series 2002A, 0.000%, 8/15/29 – AMBAC Insured | 8/12 at 37.09 | BBB+ | 422,738 |
| 26,255 | Total Transportation | | | 17,117,049 |
| | U.S. Guaranteed – 16.2% (10.9% of Total Investments) (4) | | | |
| 295 | Coppell Independent School District, Dallas County, Texas, Unlimited Tax School Building and Refunding Bonds, Series 1992, 0.000%, 8/15/14 – NPF Insured (ETM) | No Opt. Call | AAA | 288,843 |
| 950 | Copperas Cove, Texas, Certificates of Obligation, Series 2003, 5.000%, 8/15/23 (Pre-refunded 8/15/12) – NPF Insured | 8/12 at 100.00 | BBB (4) | 993,368 |
| 2,595 | Denton County, Texas, Permanent Improvement General Obligation Bonds, Series 2005, 5.000%, 7/15/25 (Pre-refunded 7/15/12) | 7/12 at 100.00 | AAA | 2,700,253 |
| 1,000 | Mansfield Independent School District, Tarrant County, Texas, General Obligation Bonds, Series 2004, 5.000%, 2/15/20 (Pre-refunded 2/15/14) | 2/14 at 100.00 | AAA | 1,105,540 |
| 1,000 | North Central Texas Health Facilities Development Corporation, Hospital Revenue Bonds, Presbyterian Healthcare System, Series 1996B, 5.750%, 6/01/26 – NPF Insured (ETM) | No Opt. Call | Aaa | 1,247,320 |
| 2,500 | Retama Development Corporation, Texas, Special Facilities Revenue Bonds, Retama Park Racetrack, Series 1993, 8.750%, 12/15/18 (Pre-refunded 12/15/17) | 12/17 at 100.00 | Aaa | 3,597,925 |

38 Nuveen Investments

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|------------------------|---|------------------------------|-------------|--------------|
| | U.S. Guaranteed (4) (continued) | | | |
| \$ 1,750 | San Antonio, Texas, Electric and Gas System Revenue Refunding Bonds, Series 2002, 5.375%, 2/01/20 (Pre-refunded 2/01/12) | 2/12 at 100.00 | AA+ (4) | \$ 1,787,433 |
| 1,440 | South Texas Community College District, Hidalgo and Starr Counties, Texas, General Obligation Bonds, Series 2002, 5.500%, 8/15/17 (Pre-refunded 8/15/12) – AMBAC Insured | 8/12 at 100.00 | Aa2 (4) | 1,510,747 |
| 1,930 | Texas State University System, Financing Revenue Refunding Bonds, Series 2002, 5.000%, 3/15/20 (Pre-refunded 3/15/12) – AGM Insured | 3/12 at 100.00 | AA+ (4) | 1,977,690 |
| 1,500 | Texas, General Obligation Refunding Bonds, Public Finance Authority, Series 2002, 5.000%, 10/01/18 (Pre-refunded 10/01/12) | 10/12 at 100.00 | Aaa | 1,577,790 |
| 1,000 | Tyler Health Facilities Development Corporation, Texas, Hospital Revenue Bonds, Mother Frances Hospital Regional Healthcare Center, Series 2001, 6.000%, 7/01/31 (Pre-refunded 7/01/12) | 7/12 at 100.00 | Baa1 (4) | 1,047,530 |
| 5,000 | University of North Texas, Financing System Revenue Bonds, Series 2001, 5.000%, 4/15/24 (Pre-refunded 4/15/12) – AGM Insured | 4/12 at 100.00 | AA+ (4) | 5,151,000 |
| 20,960 | Total U.S. Guaranteed | | | 22,985,439 |
| | Utilities – 16.5% (11.1% of Total Investments) | | | |
| 2,560 | Brazos River Authority, Texas, Pollution Control Revenue Refunding Bonds, TXU Electric Company, Series 1999C, 7.700%, 3/01/32 (Alternative Minimum Tax) | 4/13 at 101.00 | Ca | 769,920 |
| 2,400 | Brazos River Authority, Texas, Revenue Bonds, Reliant Energy Inc., Series 1999A, 5.375%, 4/01/19 | 10/11 at 100.00 | BBB– | 2,402,304 |
| 5,000 | Brownsville, Texas, Utility System Priority Revenue Bonds, Series 2005A, 5.000%, 9/01/27 – AMBAC Insured | 9/15 at 100.00 | A+ | 5,159,800 |
| 2,000 | Bryan, Brazos County, Texas, Electric System Revenue Bonds, Series 2009, 5.000%, 7/01/34 | 7/17 at 100.00 | A+ | 2,055,340 |
| 3,000 | Lower Colorado River Authority, Texas, Refunding Revenue Bonds, Series 2010A, 5.000%, 5/15/40 | 5/20 at 100.00 | A1 | 3,058,110 |
| 2,000 | Lower Colorado River Authority, Texas, Revenue Bonds, Series 2008, 5.750%, 5/15/37 | 5/15 at 100.00 | A1 | 2,077,040 |
| 1,000 | Matagorda County Navigation District 1, Texas, Revenue Bonds, Reliant Energy Inc., Series 1999B, 5.950%, 5/01/30 (Alternative Minimum Tax) | 11/11 at 100.00 | BBB– | 999,990 |
| 1,500 | Matagorda County Navigation District Number One, Texas, Pollution Control Revenue Refunding | 7/19 at 102.00 | BBB | 1,612,485 |

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Bonds, Central Power and Light Company Project, Series
2009A, 6.300%, 11/01/29

Texas Municipal Gas Acquisition and Supply Corporation I, Gas
Supply Revenue Bonds, Senior
Lien Series 2008D:

| | | | | |
|---|---|--------------------|-----|------------|
| 1,500 | 5.625%, 12/15/17 | No Opt. Call | A | 1,597,530 |
| 2,000 | 6.250%, 12/15/26 | No Opt. Call | A | 2,042,300 |
| Texas Municipal Power Agency, Revenue Bonds, Transmission Refunding Series 2010: | | | | |
| 640 | 5.000%, 9/01/34 | 9/20 at 100.00 | A+ | 663,706 |
| 1,000 | 5.000%, 9/01/40 | 9/20 at 100.00 | A+ | 1,028,840 |
| 24,600 | Total Utilities | | | 23,467,365 |
| Water and Sewer – 15.5% (10.4% of Total Investments) | | | | |
| 2,500 | Bexar Metropolitan Water District, Texas, Waterworks System Revenue Bonds, Refunding Series 2010, 5.875%, 5/01/40 | 5/20 at 100.00 | A1 | 2,651,225 |
| Coastal Water Authority, Texas, Contract Revenue Bonds, Houston Water Projects, Series 2004: | | | | |
| 1,005 | 5.000%, 12/15/20 – FGIC Insured | 12/14 at 100.00 | BBB | 1,058,265 |
| 1,030 | 5.000%, 12/15/21 – FGIC Insured | 12/14 at 100.00 | BBB | 1,078,698 |
| 1,000 | El Paso, Texas, Water and Sewer Revenue Bonds, Refunding Series 2008C, 5.375%, 3/01/29 | 3/18 at 100.00 | AA | 1,085,460 |
| 3,000 | Houston, Texas, First Lien Combined Utility System Revenue Bonds, Series 2004A, 5.250%, 5/15/23 – FGIC Insured | 5/14 at 100.00 | AA | 3,269,970 |
| 3,500 | Houston, Texas, Junior Lien Water and Sewerage System Revenue Refunding Bonds, Series 2001A, 5.500%, 12/01/17 – AGM Insured | 12/11 at 100.00 | AA+ | 3,542,839 |
| 1,680 | Irving, Texas, Subordinate Lien Waterworks and Sewerage Revenue Bonds, Series 2004: | 8/14 at 100.00 | Aa1 | 1,829,233 |
| 1,760 | 5.000%, 8/15/22 – AMBAC Insured | 8/14 at 100.00 | Aa1 | 1,916,340 |

Nuveen Investments 39

Nuveen Texas Quality Income Municipal Fund (continued)
 NTX Portfolio of Investments August 31, 2011 (Unaudited)

| Principal Amount (000) | Description (1) | Optional Call Provisions (2) | Ratings (3) | Value |
|---------------------------|--|---------------------------------|-------------|----------------|
| | Water and Sewer (continued) | | | |
| \$ 4,000 | Laredo, Webb County, Texas, Waterworks and Sewer System Revenue Bonds, Series 2010, 5.250%, 3/01/40 | 3/20 at 100.00 | AA- | \$ 4,185,519 |
| 1,260 | Rowlett, Rockwall and Dallas Counties, Texas, Waterworks and Sewerage System Revenue Bonds, Series 2004A, 5.000%, 3/01/22 – NCFG Insured | 3/14 at 100.00 | AA- | 1,318,400 |
| 20,735 | Total Water and Sewer | | | 21,935,949 |
| \$ 240,442 | Total Investments (cost \$205,862,861) – 149.0% | | | 211,226,362 |
| | Floating Rate Obligations – (2.8)% | | | (3,960,000) |
| | MuniFund Term Preferred Shares, at Liquidation Value – (50.0)% (5) | | | (70,920,000) |
| | Other Assets Less Liabilities – 3.8% | | | 5,419,074 |
| | Net Assets Applicable to Common Shares – 100% | | | \$ 141,765,436 |

- (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: 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: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investor Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.
- (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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities.
- (5) MuniFund Term Preferred shares, at Liquidation Value as a percentage of Total Investments is 33.6%.
- N/R Not rated.
- (ETM) Escrowed to maturity.
- (UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction. See Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies, Inverse Floating Rate Securities for more information.

See accompanying notes to financial statements.

Statement of
Assets & LiabilitiesAugust 31, 2011
(Unaudited)

| | Arizona Premium Income (NAZ) | Arizona Dividend Advantage (NFZ) | Arizona Dividend Advantage 2 (NKR) | Arizona Dividend Advantage 3 (NXE) | Texas Quality Income (NTX) |
|--|---------------------------------------|---|---|---|-------------------------------------|
| Assets | | | | | |
| Investments, at value (cost \$83,837,864, \$31,983,575, \$52,462,074, \$60,309,923 and \$205,862,861, respectively) | \$87,744,251 | \$32,563,062 | \$53,458,603 | \$61,122,292 | \$211,226,362 |
| Cash | 2,129,512 | 84,504 | 44,311 | — | 2,394,495 |
| Receivables: | | | | | |
| Interest | 928,004 | 349,040 | 636,585 | 633,291 | 2,777,598 |
| Investments sold | — | — | — | 2,490,493 | 115,407 |
| Deferred offering costs | 96,821 | 406,603 | 505,357 | 604,649 | 1,199,726 |
| Other assets | 12,833 | 3,965 | 11,169 | 11,162 | 30,682 |
| Total assets | 90,911,421 | 33,407,174 | 54,656,025 | 64,861,887 | 217,744,270 |
| Liabilities | | | | | |
| Cash overdraft | — | — | — | 8,603 | — |
| Floating rate obligations | — | — | — | — | 3,960,000 |
| Payables: | | | | | |
| Common share dividends | 264,007 | 97,726 | 159,482 | 192,619 | 611,415 |
| Interest | 32,756 | 18,962 | 31,988 | 50,378 | 135,930 |
| Offering costs | 98,359 | 175,952 | 182,521 | 223,158 | 170,448 |
| MuniFund Term Preferred (MTP) | | | | | |
| Shares, at | | | | | |
| liquidation value | — | 11,100,000 | 18,725,000 | 20,846,000 | 70,920,000 |
| Variable MuniFund Term Preferred (VMTP) Shares, at | | | | | |
| liquidation value | 28,000,000 | — | — | — | — |
| Accrued expenses: | | | | | |
| Management fees | 49,344 | 17,617 | 27,282 | 35,548 | 114,556 |
| Other | 40,297 | 22,649 | 29,475 | 31,116 | 66,485 |
| Total liabilities | 28,484,763 | 11,432,906 | 19,155,748 | 21,387,422 | 75,978,834 |
| Net assets applicable to Common | | | | | |
| shares | \$62,426,658 | \$21,974,268 | \$35,500,277 | \$43,474,465 | \$141,765,436 |
| Common shares outstanding | 4,470,695 | 1,548,312 | 2,439,551 | 3,066,030 | 9,569,068 |
| Net asset value per Common share | | | | | |
| outstanding (net assets applicable to Common shares, divided by Common shares outstanding) | \$13.96 | \$14.19 | \$14.55 | \$14.18 | \$14.81 |

| | | | | | |
|--|--------------|--------------|--------------|--------------|---------------|
| Net assets applicable to Common shares consist of: | | | | | |
| Common shares, \$.01 par value per share | \$44,707 | \$15,483 | \$24,396 | \$30,660 | \$95,691 |
| Paid-in surplus | 61,888,522 | 21,878,468 | 34,533,508 | 43,232,739 | 135,608,172 |
| Undistributed (Over-distribution of) net investment income | 1,259,202 | 175,299 | 294,446 | 367,184 | 1,427,575 |
| Accumulated net realized gain (loss) | (4,672,160) | (674,469) | (348,602) | (968,487) | (729,503) |
| Net unrealized appreciation (depreciation) | 3,906,387 | 579,487 | 996,529 | 812,369 | 5,363,501 |
| Net assets applicable to Common shares | \$62,426,658 | \$21,974,268 | \$35,500,277 | \$43,474,465 | \$141,765,436 |
| Authorized shares: | | | | | |
| Common | 200,000,000 | Unlimited | Unlimited | Unlimited | Unlimited |
| Auction Rate Preferred Shares (ARPS) | 1,000,000 | Unlimited | Unlimited | Unlimited | Unlimited |
| MTP | — | Unlimited | Unlimited | Unlimited | Unlimited |
| VMTP | Unlimited | — | — | — | — |

See accompanying notes to financial statements.

Nuveen Investments 41

Statement of
OperationsSix Months ended August 31, 2011
(Unaudited)

| | Arizona Premium Income (NAZ) | Arizona Dividend Advantage (NFZ) | Arizona Dividend Advantage 2 (NKR) | Arizona Dividend Advantage 3 (NXE) | Texas Quality Income (NTX) |
|--|---------------------------------------|---|--|--|-------------------------------------|
| Investment Income | \$2,248,132 | \$818,857 | \$1,360,721 | \$1,623,896 | \$5,370,869 |
| Expenses | | | | | |
| Management fees | 286,416 | 101,983 | 172,614 | 206,502 | 666,657 |
| Auction fees | 12,656 | — | — | — | — |
| Dividend disbursing agent fees | 5,041 | — | — | 6,712 | — |
| Shareholders' servicing agent fees and expenses | 1,630 | 11,074 | 8,325 | 9,753 | 14,231 |
| Interest expense and amortization of offering costs | 35,935 | 161,884 | 252,343 | 371,010 | 959,991 |
| Custodian's fees and expenses | 10,036 | 5,628 | 8,514 | 8,287 | 22,577 |
| Directors'/Trustees' fees and expenses | 1,026 | 405 | 672 | 778 | 2,630 |
| Professional fees | 18,780 | 19,122 | 18,703 | 7,361 | 15,128 |
| Shareholders' reports – printing and mailing expenses | 5,221 | 4,538 | 11,188 | 5,200 | 9,547 |
| Stock exchange listing fees | 4,461 | 98 | 12,172 | 7,875 | 16,055 |
| Investor relations expense | 3,514 | 1,502 | 2,391 | 2,771 | 8,627 |
| Other expenses | 10,795 | 20,630 | 10,233 | 10,867 | 17,869 |
| Total expenses before custodian fee credit and expense reimbursement | 395,511 | 326,864 | 497,155 | 637,116 | 1,733,312 |
| Custodian fee credit | (424) | (143) | (209) | (365) | (670) |
| Expense reimbursement | — | — | (16,009) | — | — |
| Net expenses | 395,087 | 326,721 | 480,937 | 636,751 | 1,732,642 |
| Net investment income (loss) | 1,853,045 | 492,136 | 879,784 | 987,145 | 3,638,227 |
| Realized and Unrealized Gain (Loss) | | | | | |
| Net realized gain (loss) from investments | 87,348 | 29,781 | 252,615 | 110,226 | 8,657 |
| Change in net unrealized appreciation (depreciation) of investments | 2,945,968 | 1,421,729 | 1,496,822 | 2,285,007 | 7,104,666 |
| Net realized and unrealized gain (loss) | 3,033,316 | 1,451,510 | 1,749,437 | 2,395,233 | 7,113,323 |
| Distributions to Auction Rate Preferred Shareholders | | | | | |
| From net investment income | (39,286) | — | — | (5,491) | — |
| Decrease in net assets applicable to Common shares from distributions to Auction Rate Preferred shareholders | (39,286) | — | — | (5,491) | — |
| Net increase (decrease) in net assets applicable to Common shares from operations | \$4,847,075 | \$1,943,646 | \$2,629,221 | \$3,376,887 | \$10,751,550 |

See accompanying notes to financial statements.

42 Nuveen Investments

Statement of
Changes in Net Assets(Unaudited)

| | Six Months Ended 8/31/11 | Arizona Premium Income (NAZ) Seven Months Ended 2/28/11 | Year Ended 7/31/10 | Six Months Ended 8/31/11 | Arizona Dividend Advantage (NFZ) Seven Months Ended 2/28/11 | Year Ended 7/31/10 |
|---|--------------------------------|--|--------------------------|--------------------------------|--|--------------------------|
| Operations | | | | | | |
| Net investment income (loss) | \$1,853,045 | \$2,184,168 | \$3,766,020 | \$492,136 | \$679,295 | \$1,318,611 |
| Net realized gain (loss) from investments | 87,348 | 70,746 | 211,410 | 29,781 | 70,054 | 3,081 |
| Change in net unrealized appreciation (depreciation) of investments | 2,945,968 | (3,534,279) | 4,067,325 | 1,421,729 | (1,397,076) | 2,172,884 |
| Distributions to Auction Rate | | | | | | |
| Preferred Shareholders: | | | | | | |
| From net investment income | (39,286) | (67,929) | (115,298) | — | (12,050) | (44,516) |
| From accumulated net realized gains | — | — | — | — | — | — |
| Net increase (decrease) in net assets applicable to Common shares | | | | | | |
| from operations | 4,847,075 | (1,347,294) | 7,929,457 | 1,943,646 | (659,777) | 3,450,060 |
| Distributions to Common Shareholders | | | | | | |
| From net investment income | (1,676,511) | (1,955,790) | (3,146,573) | (599,196) | (699,030) | (1,070,455) |
| From accumulated net realized gains | — | — | — | — | — | — |
| Decrease in net assets applicable to Common shares from distributions to Common shareholders | (1,676,511) | (1,955,790) | (3,146,573) | (599,196) | (699,030) | (1,070,455) |
| Capital Share Transactions | | | | | | |
| Net proceeds from Common shares | | | | | | |

| | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| issued to shareholders due to reinvestment of distributions | — | 10,632 | 10,931 | — | 4,230 | — |
| Net increase (decrease) in net assets applicable to Common shares from capital share transactions | — | 10,632 | 10,931 | — | 4,230 | — |
| Net increase (decrease) in net assets applicable to Common shares | 3,170,564 | (3,292,452) | 4,793,815 | 1,344,450 | (1,354,577) | 2,379,605 |
| Net assets applicable to Common shares at the beginning of period | 59,256,094 | 62,548,546 | 57,754,731 | 20,629,818 | 21,984,395 | 19,604,790 |
| Net assets applicable to Common shares at the end of period | \$62,426,658 | \$59,256,094 | \$62,548,546 | \$21,974,268 | \$20,629,818 | \$21,984,395 |
| Undistributed (Over-distribution of) net investment income at the end of period | \$1,259,202 | \$1,121,954 | \$961,516 | \$175,299 | \$282,359 | \$278,947 |

See accompanying notes to financial statements.

Statement of

Changes in Net Assets (Unaudited) (continued)

| | Arizona | | | Arizona | | |
|----------------------|----------------------------|--------------|--------------|----------------------------|--------------|--------------|
| | Dividend Advantage 2 (NKR) | | | Dividend Advantage 3 (NXE) | | |
| | Six Months | Seven | Year | Six Months | Seven | Year |
| | Ended | Months | Ended | Ended | Months | Ended |
| | 8/31/11 | 2/28/11 | 7/31/10 | 8/31/11 | 2/28/11 | 7/31/10 |
| Operations | | | | | | |
| Net investment | | | | | | |
| income (loss) | \$ 879,784 | \$ 1,087,152 | \$ 2,199,716 | \$ 987,145 | \$ 1,453,852 | \$ 2,646,131 |
| Net realized gain | | | | | | |
| (loss) | | | | | | |
| from investments | 252,615 | 55,036 | 15,295 | 110,226 | 190,001 | 103,076 |
| Change in net | | | | | | |
| unrealized | | | | | | |
| appreciation | | | | | | |
| (depreciation) | | | | | | |
| of investments | 1,496,822 | (1,860,579) | 2,615,288 | 2,285,007 | (2,270,250) | 3,715,857 |
| Distributions to | | | | | | |
| Auction Rate | | | | | | |
| Preferred | | | | | | |
| Shareholders: | | | | | | |
| From net | | | | | | |
| investment income | — | (18,967) | (69,894) | (5,491) | (45,179) | (76,983) |
| From accumulated | | | | | | |
| net realized gains | — | — | — | — | — | — |
| Net increase | | | | | | |
| (decrease) in net | | | | | | |
| assets | | | | | | |
| applicable to | | | | | | |
| Common shares | | | | | | |
| from operations | 2,629,221 | (737,358) | 4,760,405 | 3,376,887 | (671,576) | 6,388,081 |
| Distributions to | | | | | | |
| Common | | | | | | |
| Shareholders | | | | | | |
| From net | | | | | | |
| investment income | (980,699) | (1,144,149) | (1,856,497) | (1,158,959) | (1,352,119) | (2,236,669) |
| From accumulated | | | | | | |
| net realized gains | — | — | — | — | — | — |
| Decrease in net | | | | | | |
| assets applicable to | | | | | | |
| Common shares | | | | | | |
| from distributions | | | | | | |
| to Common | | | | | | |
| shareholders | (980,699) | (1,144,149) | (1,856,497) | (1,158,959) | (1,352,119) | (2,236,669) |
| Capital Share | | | | | | |
| Transactions | | | | | | |

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Net proceeds from Common shares issued to shareholders due to reinvestment of distributions | — | — | — | — | — | — |
| Net increase (decrease) in net assets applicable to Common shares from capital share transactions | — | — | — | — | — | — |
| Net increase (decrease) in net assets applicable to Common shares | 1,648,522 | (1,881,507) | 2,903,908 | 2,217,928 | (2,023,695) | 4,151,412 |
| Net assets applicable to Common shares at the beginning of period | 33,851,755 | 35,733,262 | 32,829,354 | 41,256,537 | 43,280,232 | 39,128,820 |
| Net assets applicable to Common shares at the end of period | \$ 35,500,277 | \$ 33,851,755 | \$ 35,733,262 | \$ 43,474,465 | \$ 41,256,537 | \$ 43,280,232 |
| Undistributed (Over-distribution of) net investment income at the end of period | \$ 294,446 | \$ 395,361 | \$ 427,638 | \$ 367,184 | \$ 544,489 | \$ 487,582 |

See accompanying notes to financial statements.

| | Texas | | |
|---|--------------------------------|-------------------------------------|--------------------------|
| | Quality Income (NTX) | | |
| | Six Months Ended 8/31/11 | Seven Months Ended 2/28/11 | Year Ended 7/31/10 |
| Operations | | | |
| Net investment income (loss) | \$3,638,227 | \$4,618,090 | \$8,942,581 |
| Net realized gain (loss) from investments | 8,657 | 213,495 | 197,927 |
| Change in net unrealized appreciation (depreciation) of investments | 7,104,666 | (8,455,145) | 10,122,568 |
| Distributions to Auction Rate Preferred Shareholders: | | | |
| From net investment income | — | (85,730) | (257,907) |
| From accumulated net realized gains | — | — | (19,921) |
| Net increase (decrease) in net assets applicable to Common shares from operations | 10,751,550 | (3,709,290) | 18,985,248 |
| Distributions to Common Shareholders | | | |
| From net investment income | (4,101,871) | (4,775,546) | (7,745,753) |
| From accumulated net realized gains | — | (63,947) | (114,136) |
| Decrease in net assets applicable to Common shares from distributions to Common shareholders | (4,101,871) | (4,839,493) | (7,859,889) |
| Capital Share Transactions | | | |
| Net proceeds from Common shares issued to shareholders due to reinvestment of distributions | 265,849 | 318,797 | 441,175 |
| Net increase (decrease) in net assets applicable to Common shares from capital share transactions | 265,849 | 318,797 | 441,175 |
| Net increase (decrease) in net assets applicable to Common shares | 6,915,528 | (8,229,986) | 11,566,534 |
| Net assets applicable to Common shares at the beginning of period | 134,849,908 | 143,079,894 | 131,513,360 |
| Net assets applicable to Common shares at the end of period | \$141,765,436 | \$134,849,908 | \$143,079,894 |
| Undistributed (Over-distribution of) net investment income at the end of period | \$1,427,575 | \$1,891,219 | \$2,042,050 |

See accompanying notes to financial statements.

Statement of
Cash FlowsSix Months ended August 31, 2011
(Unaudited)

| | Arizona Premium Income (NAZ) | Arizona Dividend Advantage (NFZ) | Arizona Dividend Advantage 2 (NKR) |
|---|---------------------------------------|---|--|
| Cash Flows from Operating Activities: | | | |
| Net Increase (Decrease) In Net Assets Applicable to Common Shares from Operations | \$4,847,075 | \$1,943,646 | \$2,629,221 |
| 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 | (3,368,523) | (1,406,867) | (5,899,537) |
| Proceeds from sales and maturities of investments | 4,260,582 | 1,180,025 | 5,940,108 |
| Amortization (Accretion) of premiums and discounts, net | 37,371 | 35,456 | 22,928 |
| (Increase) Decrease in: | | | |
| Receivable for interest | (25,831) | (9,267) | (43,204) |
| Receivable for investments sold | 30,000 | — | 2,520,336 |
| Other assets | (2,625) | 173 | (4,800) |
| Increase (Decrease) in: | | | |
| Payable for Auction Rate Preferred Share dividends | (966) | — | — |
| Payable for interest | 32,756 | — | — |
| Payable for investments purchased | — | — | (3,027,216) |
| Accrued management fees | 6,588 | 2,447 | 5,480 |
| Accrued other expenses | 4,203 | 11,591 | 12,040 |
| Net realized (gain) loss from investments | (87,348) | (29,781) | (252,615) |
| Change in net unrealized (appreciation) depreciation of investments | (2,945,968) | (1,421,729) | (1,496,822) |
| Taxes paid on undistributed capital gains | — | — | — |
| Net cash provided by (used in) operating activities | 2,787,314 | 305,694 | 405,919 |
| Cash Flows from Financing Activities: | | | |
| (Increase) Decrease in: | | | |
| Cash equivalents | — | — | — |
| Deferred offering costs | (96,821) | 48,111 | 60,415 |
| Increase (Decrease) in: | | | |
| Cash overdraft balance | — | — | — |
| Payable for offering costs | 98,359 | (2,081) | (27,703) |
| ARPS noticed for redemption, at liquidation value | — | — | — |
| MTP Shares, at liquidation value | — | — | — |
| VMTP Shares, at liquidation value | 28,000,000 | — | — |
| ARPS, at liquidation value | (27,875,000) | — | — |
| Cash distributions paid to Common shareholders | (1,674,565) | (598,560) | (980,527) |
| Net cash provided by (used in) financing activities | (1,548,027) | (552,530) | (947,815) |
| Net Increase (Decrease) in Cash | 1,239,287 | (246,836) | (541,896) |

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| | | | |
|---------------------------------|-------------|----------|----------|
| Cash at the beginning of period | 890,225 | 331,340 | 586,207 |
| Cash at the End of Period | \$2,129,512 | \$84,504 | \$44,311 |

Supplemental Disclosure of Cash Flow Information

Non-cash financing activities not included herein consist of reinvestments of Common share distributions as follows:

| | Arizona Premium Income (NAZ) | Arizona Dividend Advantage (NFZ) | Arizona Dividend Advantage 2 (NKR) |
|--|---------------------------------------|---|--|
| | \$— | \$— | \$— |

Cash paid for interest (excluding amortization of offering costs) was as follows:

| | Arizona Premium Income (NAZ) | Arizona Dividend Advantage (NFZ) | Arizona Dividend Advantage 2 (NKR) |
|--|---------------------------------------|---|--|
| | \$— | \$113,773 | \$191,928 |

See accompanying notes to financial statements.

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| | Arizona Dividend Advantage 3 (NXE) | Texas Quality Income (NTX) |
|--|---|-------------------------------------|
| Cash Flows from Operating Activities: | | |
| Net Increase (Decrease) In Net Assets Applicable to Common Shares from Operations | \$3,376,887 | \$10,751,550 |
| 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 | (5,275,313) | (4,579,425) |
| Proceeds from sales and maturities of investments | 5,315,701 | 5,480,841 |
| Amortization (Accretion) of premiums and discounts, net | 36,964 | (35,191) |
| (Increase) Decrease in: | | |
| Receivable for interest | 3,065 | (102,348) |
| Receivable for investments sold | (2,490,493) | 2,307,144 |
| Other assets | 9,293 | (7,555) |
| Increase (Decrease) in: | | |
| Payable for Auction Rate Preferred Share dividends | (1,682) | — |
| Payable for interest | 48,844 | — |
| Payable for investments purchased | — | (1,725,080) |
| Accrued management fees | 5,876 | 14,840 |
| Accrued other expenses | (2,637) | 9,008 |
| Net realized (gain) loss from investments | (110,226) | (8,657) |
| Change in net unrealized (appreciation) depreciation of investments | (2,285,007) | (7,104,666) |
| Taxes paid on undistributed capital gains | — | (19,001) |
| Net cash provided by (used in) operating activities | (1,368,728) | 4,981,460 |
| Cash Flows from Financing Activities: | | |
| (Increase) Decrease in: | | |
| Cash equivalents | 18,409,700 | — |
| Deferred offering costs | 40,775 | 135,990 |
| Increase (Decrease) in: | | |
| Cash overdraft balance | 8,603 | — |
| Payable for offering costs | (136,842) | (33,007) |
| ARPS noticed for redemption, at liquidation value | (18,400,000) | — |
| MTP Shares, at liquidation value | 1,800,000 | — |
| VMTP Shares, at liquidation value | — | — |
| ARPS, at liquidation value | — | — |
| Cash distributions paid to Common shareholders | (1,158,376) | (3,832,252) |
| Net cash provided by (used in) financing activities | 563,860 | (3,729,269) |
| Net Increase (Decrease) in Cash | (804,868) | 1,252,191 |
| Cash at the beginning of period | 804,868 | 1,142,304 |
| Cash at the End of Period | \$— | \$2,394,495 |

Supplemental Disclosure of Cash Flow Information

Non-cash financing activities not included herein consist of reinvestments of Common share distributions as follows:

| | |
|---------|-------|
| Arizona | Texas |
|---------|-------|

| | Dividend Advantage 3 (NXE) | Quality Income (NTX) |
|--|-------------------------------------|----------------------------|
| | \$— | \$265,849 |

Cash paid for interest (excluding amortization of offering costs) was as follows:

| | Arizona Dividend Advantage 3 (NXE) | Texas Quality Income (NTX) |
|--|--|-------------------------------------|
| | \$255,624 | \$824,000 |

See accompanying notes to financial statements.

Nuveen Investments 47

Financial Highlights(Unaudited)
 Selected data for a Common share outstanding throughout each period:

| | Investment Operations | | | | | Less Distributions | | | | | Ending Common Share Net | Ending Market Value |
|---|----------------------------|--------------------------|----------------------|---|---|---------------------------------|-------------------------|---|-------------------------|------|-------------------------|---------------------|
| | Beginning Common Share Net | Investment Income (Loss) | Realized Gain (Loss) | Distributions from Net Investment Income to Shareholders(a) | Distributions from Capital Gains to Preferred Shareholders(b) | Net Investment Income to Common | Capital Gains to Common | Discount from Common Shares Repurchased and Retired | Ending Common Share Net | | | |
| Arizona Premium Income (NAZ) | | | | | | | | | | | | |
| Year Ended 2/28–2/29: | | | | | | | | | | | | |
| 2012(f) | \$ 13.25 | \$.41 | \$.69 | \$(.01) | \$ — | \$ 1.09 | \$(.38) | \$ — | \$(.38) | \$ — | \$ 13.96 | \$ 12.98 |
| 2011(g) | 13.99 | .49 | (.77) | (.02) | — | (.30) | (.44) | — | (.44) | — | 13.25 | 12.32 |
| Year Ended 7/31: | | | | | | | | | | | | |
| 2010 | 12.92 | .84 | .96 | (.03) | — | 1.77 | (.70) | — | (.70) | — | 13.99 | 13.34 |
| 2009 | 13.00 | .85 | (.16) | (.13) | — | .56 | (.64) | — | (.64) | — | 12.92 | 12.29 |
| 2008 | 14.00 | .88 | (1.05) | (.22) | — | (.39) | (.61) | — | (.61) | — | 13.00 | 13.35 |
| 2007 | 14.10 | .83 | (.10) | (.22) | — | .51 | (.61) | — | (.61) | — | 14.00 | 13.07 |
| 2006 | 14.53 | .83 | (.39) | (.18) | — | .26 | (.69) | — | (.69) | — | 14.10 | 13.69 |
| Arizona Dividend Advantage (NFZ) | | | | | | | | | | | | |
| Year Ended 2/28–2/29: | | | | | | | | | | | | |
| 2011(f) | 13.32 | .32 | .94 | — | — | 1.26 | (.39) | — | (.39) | — | 14.19 | 13.01 |
| 2011(g) | 14.20 | .44 | (.86) | (.01) | — | (.43) | (.45) | — | (.45) | — | 13.32 | 12.14 |
| Year Ended 7/31: | | | | | | | | | | | | |
| 2010 | 12.66 | .85 | 1.41 | (.03) | — | 2.23 | (.69) | — | (.69) | — | 14.20 | 14.19 |
| 2009 | 13.26 | .84 | (.67) | (.14) | — | .03 | (.63) | — | (.63) | —* | 12.66 | 12.14 |
| 2008 | 14.48 | .91 | (1.23) | (.25) | — | (.57) | (.64) | (.01) | (.65) | — | 13.26 | 13.70 |
| 2007 | 14.77 | .91 | (.17) | (.24) | (.02) | .48 | (.71) | (.06) | (.77) | — | 14.48 | 13.35 |
| 2006 | 15.37 | .93 | (.40) | (.20) | (.01) | .32 | (.84) | (.08) | (.92) | — | 14.77 | 15.90 |

- (a) The amounts shown are based on Common share equivalents.
- (b) 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.

| Total Returns | | Ratios/Supplemental Data Ratios to Average Net Assets Applicable to Common Shares Before Reimbursement(c) | | | | | Ratios to Average Net Assets Applicable to Common Shares After Reimbursement(c)(d) | | | | | | |
|-----------------|---------------------------------|--|-------------|------------------------------|-------------|------------------------------|--|--------------------------|--------------------|-----|------|-----|----|
| Based on Market | Based on Common Share Net Asset | Ending Net Assets | Expenses(e) | Net Investment Income (Loss) | Expenses(e) | Net Investment Income (Loss) | Investment Income (Loss) | Investment Income (Loss) | Portfolio Turnover | | | | |
| Value(b) | Value(b) | (000) | | (Loss) | | (Loss) | | | Rate | | | | |
| 8.50 | % | 8.30 | % | \$62,427 | 1.30 | %** | 6.08 | %** | N/A | N/A | 4 | % | |
| (4.55) |) | (2.23) |) | 59,256 | 1.19 | ** | 6.11 | ** | N/A | N/A | 5 | | |
| 14.47 | | 13.94 | | 62,549 | 1.21 | | 6.13 | | N/A | N/A | 8 | | |
| (2.61) |) | 4.73 | | 57,755 | 1.33 | | 7.01 | | N/A | N/A | 25 | | |
| 7.10 | | (2.87) |) | 58,097 | 1.40 | | 6.42 | | N/A | N/A | 21 | | |
| (.22) |) | 3.62 | | 62,534 | 1.32 | | 5.81 | | N/A | N/A | 13 | | |
| (5.62) |) | 1.84 | | 63,024 | 1.21 | | 5.83 | | N/A | N/A | 22 | | |
| 10.46 | | 9.58 | | 21,974 | 3.07 | ** | 4.62 | ** | 3.07 | %** | 4.62 | %** | 4 |
| (11.47) |) | (3.10) |) | 20,630 | 2.29 | ** | 5.37 | ** | 2.23 | ** | 5.43 | ** | 5 |
| 23.34 | | 17.93 | | 21,984 | 1.35 | | 6.12 | | 1.23 | | 6.23 | | 3 |
| (6.12) |) | .58 | | 19,605 | 1.51 | | 6.70 | | 1.30 | | 6.91 | | 6 |
| 7.72 | | (4.09) |) | 20,552 | 1.58 | | 6.14 | | 1.31 | | 6.42 | | 10 |
| (11.63) |) | 3.24 | | 22,439 | 1.48 | | 5.74 | | 1.14 | | 6.08 | | 19 |
| 4.54 | | 2.14 | | 22,862 | 1.36 | | 5.79 | | .94 | | 6.21 | | 24 |

- (c) Ratios do not reflect the effect of dividend payments to Auction Rate Preferred shareholders, where applicable; Net Investment Income (Loss) ratios reflect income earned and expenses incurred on assets attributable to ARPS, MTP Shares and/or VMTP Shares, where applicable.
- (d) Ratios do not reflect the effect of custodian fee credits earned on the Fund's net cash on deposit with the custodian bank, where applicable. As of January 31, 2011, the Adviser is no longer reimbursing Arizona Dividend Advantage (NFZ) for any fees and expenses.
- (e) The expense ratios reflect, among other things, all interest expense and other costs related to MTP and VMTP Shares and/or 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, where applicable, both as described in Footnote 1 – General Information and Significant Accounting Policies, MuniFund Term Preferred Shares, Variable MuniFund Term Preferred Shares and Inverse Floating Rate Securities, respectively, as follows:

Arizona Premium Income (NAZ)

Year Ended 2/28–2/29:

2012(f) .12 %**

2011(g) —

Year Ended 7/31:

| | |
|------|-----|
| 2010 | — |
| 2009 | — |
| 2008 | .14 |
| 2007 | .08 |
| 2006 | — |

Arizona Dividend Advantage (NFZ)

| | | |
|-----------------------|------|-----|
| Year Ended 2/28–2/29: | | |
| 2012(f) | 1.52 | %** |
| 2011(g) | .96 | ** |
| Year Ended 7/31: | | |
| 2010 | — | |
| 2009 | — | |
| 2008 | .14 | |
| 2007 | .10 | |
| 2006 | — | |

(f) For the six months ended August 31, 2011.

(g) For the seven months ended February 28, 2011.

* Rounds to less than \$.01 per share.

** Annualized.

N/A The Fund does not have a contractual reimbursement agreement with the Adviser.

See accompanying notes to financial statements.

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Financial
Highlights (Unaudited)
(continued)

Selected data for a Common share outstanding throughout each period:

| | Investment Operations | | | | | | Less Distributions | | | Discount from Common Shares Repur- chased and Retired | Ending Common Share Net Asset Value | Ending Market Value |
|------------------------------------|---|-------------------------|-----------------------------|--|--|--|---|-------|---------|--|--|---------------------------|
| | Beginning Common Share Net Asset Value | Net Income (Loss) | Realized/ Gain (Loss) | Distributions from Net Investment Income to Net Realized/ Gain (Loss) | Distributions from Capital Gains to Preferred Share- holders (a) | Net Income to Common Share- holders | Capital Gains to Common Share- holders | Total | | | | |
| Arizona Dividend Advantage 2 (NKR) | | | | | | | | | | | | |
| Year Ended | | | | | | | | | | | | |
| 2/28-2/29: | | | | | | | | | | | | |
| 2012(f) | \$ 13.88 | \$.36 | \$.71 | \$ — | \$ — | \$ 1.07 | \$(.40) | \$ — | \$(.40) | \$ — | \$ 14.55 | \$ 13.35 |
| 2011(g) | 14.65 | .45 | (.74) | (.01) | — | (.30) | (.47) | — | (.47) | — | 13.88 | 12.66 |
| Year Ended | | | | | | | | | | | | |
| 7/31: | | | | | | | | | | | | |
| 2010 | 13.46 | .90 | 1.08 | (.03) | — | 1.95 | (.76) | — | (.76) | — | 14.65 | 13.92 |
| 2009 | 13.66 | .93 | (.29) | (.14) | — | .50 | (.70) | — | (.70) | —* | 13.46 | 12.52 |
| 2008 | 14.76 | .96 | (1.03) | (.24) | (.02) | (.33) | (.71) | (.06) | (.77) | — | 13.66 | 14.00 |
| 2007 | 15.00 | .97 | (.18) | (.24) | (.01) | .54 | (.74) | (.04) | (.78) | — | 14.76 | 15.27 |
| 2006 | 15.56 | .96 | (.37) | (.20) | (.01) | .38 | (.83) | (.11) | (.94) | — | 15.00 | 15.37 |
| Arizona Dividend Advantage 3 (NXE) | | | | | | | | | | | | |
| Year Ended | | | | | | | | | | | | |
| 2/28-2/29: | | | | | | | | | | | | |
| 2012(f) | 13.46 | .32 | .78 | — * | — | 1.10 | (.38) | — | (.38) | — | 14.18 | 12.91 |
| 2011(g) | 14.12 | .47 | (.68) | (.01) | — | (.22) | (.44) | — | (.44) | — | 13.46 | 12.24 |
| Year Ended | | | | | | | | | | | | |
| 7/31: | | | | | | | | | | | | |
| 2010 | 12.76 | .86 | 1.26 | (.03) | — | 2.09 | (.73) | — | (.73) | — | 14.12 | 13.14 |
| 2009 | 13.07 | .88 | (.41) | (.13) | — | .34 | (.65) | — | (.65) | —* | 12.76 | 11.73 |
| 2008 | 14.20 | .91 | (1.15) | (.24) | — | (.48) | (.65) | — | (.65) | — | 13.07 | 13.30 |
| 2007 | 14.32 | .90 | (.10) | (.25) | — | .55 | (.67) | — | (.67) | — | 14.20 | 13.44 |

| | | | | | | | | | | | | |
|------|-------|-----|--------|--------|---|-----|-------|---|-------|---|-------|-------|
| 2006 | 14.62 | .88 | (.26) | (.19) | — | .43 | (.73) | — | (.73) | — | 14.32 | 13.52 |
|------|-------|-----|--------|--------|---|-----|-------|---|-------|---|-------|-------|

- (a) The amounts shown are based on Common share equivalents.
- (b) 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.

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| Total Returns | | Ratios/Supplemental Data | | | | | | | | | | |
|-----------------|---------------------------------|--|-------------|-----|--------|-----|-------------|--|--------|-----|-------------------------|--|
| | | Ratios to Average Net Assets Applicable to Common Shares Before Reimbursement(c) | | | | | | Ratios to Average Net Assets Applicable to Common Shares After Reimbursement(c)(d) | | | | |
| Based on Market | Based on Common Share Net Asset | Ending Net Assets Applicable to Common Shares (000) | Expenses(e) | | (Loss) | | Expenses(e) | | (Loss) | | Portfolio Turnover Rate | |
| Value(b) | Value(b) | | | | | | | | | | | |
| 8.75 | 7.60 | \$35,500 | 2.86 | %** | 4.97 | %** | 2.77 | %** | 5.07 | %** | 11 | |
| (5.84) | (1.90) | 33,852 | 2.22 | ** | 5.18 | ** | 2.06 | ** | 5.34 | ** | 7 | |
| 17.65 | 14.75 | 35,733 | 1.27 | | 6.11 | | 1.07 | | 6.31 | | 4 | |
| (4.99) | 4.09 | 32,829 | 1.40 | | 6.93 | | 1.11 | | 7.22 | | 5 | |
| (3.16) | (2.38) | 33,311 | 1.49 | | 6.32 | | 1.13 | | 6.68 | | 15 | |
| 4.52 | 3.59 | 35,976 | 1.39 | | 5.92 | | .96 | | 6.35 | | 14 | |
| .82 | 2.49 | 36,465 | 1.28 | | 5.88 | | .83 | | 6.33 | | 11 | |
| 8.68 | 8.27 | 43,474 | 3.00 | ** | 4.65 | ** | 3.00 | ** | 4.65 | ** | 9 | |
| (3.63) | (1.60) | 41,257 | 1.46 | ** | 5.85 | ** | 1.43 | ** | 5.88 | ** | 6 | |
| 18.58 | 16.66 | | | | | | | | | | | |