

NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 3
Form N-CSR
August 08, 2005

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21153

Nuveen Maryland Dividend Advantage Municipal Fund 3

(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Address of principal executive offices) (Zip code)

Jessica R. Droeger
Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Name and address of agent for service)

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

Date of fiscal year end: May 31

Date of reporting period: May 31, 2005

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

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

ITEM 1. REPORTS TO STOCKHOLDERS.

ANNUAL REPORT MAY 31, 2005

Nuveen Investments
Municipal Closed-End
Exchange-Traded
Funds

NUVEEN MARYLAND PREMIUM INCOME MUNICIPAL FUND
NMY

NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND
NFM

NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 2
NZR

NUVEEN MARYLAND DIVIDEND ADVANTAGE MUNICIPAL FUND 3
NWI

NUVEEN VIRGINIA PREMIUM INCOME MUNICIPAL FUND
NPV

NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND
NGB

NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2
NNB

Photo of: Man, woman and child at the beach.
Photo of: A child.

DEPENDABLE, TAX-FREE INCOME BECAUSE IT'S NOT WHAT YOU EARN, IT'S WHAT YOU
KEEP. (R)

LOGO: NUVEEN INVESTMENTS

Photo of: Woman
Photo of: Man and child
Photo of: Woman

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OR

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if you get your Nuveen Fund dividends
and statements directly from Nuveen.

(Be sure to have the address sheet that accompanied this report handy. You'll
need it to complete the enrollment process.)

Logo: NUVEEN Investments

Photo of: Timothy R. Schwertfeger

Timothy R. Schwertfeger
Chairman of the Board

CHAIRMAN'S

LETTER TO SHAREHOLDERS

Once again, I am pleased to report that over the 12-month period covered by this report your Fund continued to provide you with monthly tax-free income and an attractive total return. For more details about the management strategy and performance of your Fund, please see the Portfolio Manager's Comments and Performance Overview sections of this report.

As I noted in my last letter to you, many market observers are wondering whether longer-term interest rates will soon begin to rise substantially, mirroring the rise that has taken place over the past year in shorter-term rates. If longer-term rates do begin to rise significantly, some have suggested that this would be a signal to begin adjusting your holdings of fixed-income investments.

Nobody knows what the market will do in the future. But from our experience, we do know that a well-balanced portfolio, structured and carefully monitored with the help of a trusted investment professional, can be an important component in helping you achieve your long-term financial goals. In fact, a well-diversified portfolio may actually help to reduce your overall

"IN FACT, A WELL-DIVERSIFIED PORTFOLIO MAY ACTUALLY HELP TO REDUCE YOUR OVERALL INVESTMENT RISK OVER THE LONG TERM."

investment risk over the long term. That is one reason why we believe that a municipal bond investment like your Nuveen Fund can be an important building block in a comprehensive investment program designed to perform well in a variety of market conditions.

As in past reports, I urge you to consider receiving future Fund reports and other Fund information by e-mail and the Internet. Not only will you be able to receive the information faster, but this also may help lower your Fund's

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expenses. Sign up is quick and easy - see the inside front cover of this report for instructions.

You may have heard that in April, 2005, The St. Paul Travelers Companies, Inc., which owned 79% of Nuveen Investments, Inc. (the parent of your Fund's investment adviser) completed a public offering of a substantial portion of its equity stake in Nuveen. At the same time, St. Paul Travelers also entered into agreements to sell the balance of its shares in Nuveen to us or to others at a future date.

These transactions had, and will have, no impact on the investment objectives or management of your Fund. However, taken as a whole they are considered to be an "assignment" of your Fund's investment management agreement. This means that you and your fellow Fund shareholders will be asked to formally approve the continuation of your Fund's management contract with Nuveen. We recently sent you more information about this process. Be sure to read the information carefully and return your completed proxy form by the date indicated.

At Nuveen Investments, our mission continues to be to assist you and your financial advisor by offering investment services and products that can help you to secure your financial objectives. We are grateful that you have chosen us as a partner as you pursue your financial goals, and we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,

/s/ Timothy R. Schwertfeger

Timothy R. Schwertfeger
Chairman of the Board

July 15, 2005

Nuveen Investments Maryland and Virginia Municipal Closed-End Exchange-Traded Funds (NMY, NFM, NZR, NWI, NPV, NGB, NNB)

PORTFOLIO MANAGER'S COMMENTS

Portfolio manager Paul Brennan reviews the economic and municipal market environments, key investment strategies and the annual performance of these Funds. Paul, who has 14 years of investment experience, including 8 years with Nuveen, has managed NMY and NPV since 1999; NFM, NZR, NGB and NNB since 2001; and NWI since 2002.

WHAT FACTORS AFFECTED THE U.S. ECONOMY AND MUNICIPAL MARKET DURING THE 12-MONTH REPORTING PERIOD ENDED MAY 31, 2005?

During this 12-month reporting period, the Federal Reserve implemented eight separate one-quarter-point increases in the fed funds rate. These increases, which were intended to help control economic growth and head off an increase in the rate of inflation, raised this short-term target rate to 3.00% from 1.00%. (On June 30, 2005, after the close of this reporting period, the fed funds rate was raised another quarter point to 3.25%.) As the Fed raised short-term rates, many market observers expected to see longer-term interest rates increase as well. However, yields on longer-term municipal bonds (as measured by the widely-followed Bond Buyer 25 Revenue Bond Index) actually declined by 61 basis points during this reporting period. This resulted in a flattening of the municipal market yield curve over the 12-month period.

The Fed's actions during this period seem to have helped the U.S. maintain a fairly steady economic expansion. After growing at an annualized rate of 3.3% in the second quarter of 2004, the U.S. gross domestic product (GDP) grew by 4.0% in the third quarter of 2004 and by 3.8% in both the fourth quarter of 2004 and the first quarter of 2005. The year-over-year increase in the Consumer Price Index (CPI) as of May 31, 2005, was a modest 2.8%, while unemployment in May 2005 dropped to 5.1% nationally, down from 5.6% in May 2004.

HOW ABOUT ECONOMIC AND MARKET CONDITIONS IN MARYLAND AND VIRGINIA?

Maryland's economy continued to expand at a slow but steady pace over the 12-month period, with good job growth across a variety of industries. Increased federal spending, tourism and ties to the Washington D.C. economy boosted the state's economy and offset the impact of declines in manufacturing, transportation and warehousing. As of May 2005, unemployment in Maryland was 4.2%, on par with May 2004 and well below the national average. Maryland is one of the few states that has managed to maintain

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healthy reserves despite a difficult budget environment. However, pressures remain, given the rapid growth in Medicaid and education expenditures. As of May 31, 2005, Maryland's general obligation debt, which is constitutionally limited to a maximum term of 15 years, carried Aaa/AAA/AAA ratings from Moody's, Standard & Poor's, and Fitch, respectively. For the 12 months ended May 31, 2005, Maryland issuers offered \$5.0 billion in new municipal debt, a decrease of 23% from the previous 12-month period.

Over the 12-month period, Virginia continued to outperform the national economy. Construction and professional and business services led employment growth and offset continuing job losses in manufacturing and telecommunications. Federal spending remained a key growth driver, accounting for a third of the job growth over the past year, with the strongest growth concentrated in northern Virginia. In May 2005, Virginia's unemployment rate was 3.6%, slightly below the 3.7% level of May 2004. As of May 31, 2005, Moody's, Standard & Poor's, and Fitch rated Virginia's general obligation debt at Aaa/AAA/AAA, respectively. During the 12-month reporting period ended May 31, 2005, new municipal issuance in Virginia increased 48% from that of the previous 12 months, totaling \$9.6 billion.

WHAT KEY STRATEGIES WERE USED TO MANAGE THE MARYLAND AND VIRGINIA FUNDS DURING THE 12 MONTHS ENDED MAY 31, 2005?

With many market participants anticipating higher interest rates throughout this reporting period, our focus continued to be on finding bonds that we believed would add immediate value to the Funds' portfolios while also offering the potential to perform well under a variety of future market scenarios.

Overall, our purchase activity in these Funds emphasized bonds in the intermediate part of the yield curve, that is, bonds that mature in 10 to 20 years. We believed that in Maryland and Virginia this part of the curve generally offered the most attractive opportunities and the best values during this period. We also placed an emphasis on purchasing premium bonds, which are bonds that at the time of purchase were trading above their par values because their coupons were higher than current interest rate levels. These bonds have been in great demand recently, since historically they have held their value better than current coupon bonds when interest rates rise.

The majority of our new purchases over this period included insured or highly rated bonds, reflecting the overall high credit quality of new issue supply. However, while the municipal markets in Maryland and Virginia did not provide many opportunities to purchase non-rated bonds, or bonds rated BBB and lower, during this period, we continued to look for these lower-rated issues. Lower-rated bonds were generally among the best performers during this period.

Some of the additions to the Maryland and Virginia Funds during this period were financed with the proceeds from sales of older pre-refunded bonds and other "defensive" bonds with shorter maturities, which tended to underperform in the generally bullish interest rate environment of the past 12 months.

As discussed in our last shareholder report, in late 2004 we began using forward interest rate swaps, a type of derivative financial instrument, in an attempt to reduce some of the interest rate risk in NFM, NZR, NWI and NNB. It is important to note that we did not use these hedges in an attempt to profit from correctly predicting the timing and direction of interest rate movements. Instead, our sole objective was to reduce these Funds' durations (and therefore their price sensitivity to interest rate changes) without having a negative impact on their income streams or common share dividends over the short term. The gain or loss from each Fund's hedging activity is reflected as an addition or subtraction to the Fund's net asset value (NAV) as the market value of each hedge fluctuates. The hedges were effective in helping to reduce the NAV volatility of these Funds over the course of this reporting period. However, they did have negative impacts on each Fund's total return during this period because declining long-term interest rates caused the value of the hedges to decline as the value of each Fund's portfolio rose.

HOW DID THE FUNDS PERFORM?

Individual results for these Funds, as well as for comparative indexes and averages, are presented in the accompanying table.

TOTAL RETURNS ON NET ASSET VALUE*

For periods ended 5/31/05

MARYLAND FUNDS	1-YEAR	5-YEAR	10-YEAR
NMY	12.52%	9.75%	7.24%
NFM	11.60%	NA	NA
NZR	12.22%	NA	NA
NWI	12.67%	NA	NA

VIRGINIA FUNDS	1-YEAR	5-YEAR	10-YEAR
NPV	12.13%	9.62%	7.55%

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NGB	14.46%	NA	NA
-----	-----	-----	-----
NNB	13.75%	NA	NA
-----	-----	-----	-----
Lehman Brothers Municipal Bond Index ¹	7.96%	7.30%	6.22%
-----	-----	-----	-----
Lipper Other States Municipal Debt Funds Average ²	12.61%	9.88%	7.10%
-----	-----	-----	-----

* Annualized

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.

For the 12 months ended May 31, 2005, the total returns on NAV for all seven of these Funds outperformed the return on the Lehman Brothers Municipal Bond Index. NWI, NGB and NNB also outperformed the average return for the Lipper Other States peer group, while NMY, NFM, NZR and NPV trailed the group average. Please keep in mind that the Lipper Other States average represents the overall average of returns for funds from 10 different states displaying a variety of economic and municipal market conditions. We believe that makes direct comparisons between the returns of specific state funds with a multi-state group average less meaningful.

One of the primary factors benefiting the 12-month performance of these Funds relative to that of the unleveraged, unmanaged Lehman Brothers index was the Funds' use of financial leverage. While leveraging can add volatility to a Fund's NAV and share price, especially during periods when interest rates rise, this strategy also can provide opportunities for additional income and total return for common shareholders when short-term interest rates remain relatively low and long-term rates fall.

As noted earlier, over most of this reporting period, longer-term rates tended to fall while shorter-term interest rates rose. As a result, bonds with longer effective maturities and longer durations generally performed better than securities with shorter effective maturities and shorter durations. Much of the performance differential between these seven Funds over this period was the result of this effective maturity and duration positioning.

All of the Funds in this report benefited during this period from their allocations to non-rated bonds, or to bonds rated BBB or lower. These bonds generally outperformed higher

- 1 The Lehman Brothers Municipal Bond Index is an unleveraged, unmanaged national index comprising a broad range of investment-grade municipal bonds. Results for the Lehman index do not reflect any expenses.
- 2 The Lipper Other States Municipal Debt Funds category average is calculated using the returns of all closed-end exchange-traded funds in this category for each period as follows: 1 year, 44 funds; 5 years, 19 funds; and 10 years, 17 funds. Fund and Lipper returns assume reinvestment of dividends.

rated securities as the economy improved. Some of the sectors with larger concentrations of these lower quality bonds that made positive contributions to the Funds' 12-month returns were healthcare (including hospitals and lifecare facilities) and higher education. In addition, bonds backed by the 1998 master tobacco settlement agreement also produced solid performance during this period, as the litigation environment improved and increased demand drove prices higher.

The performance of each of these Funds also was boosted to some extent by several advance refundings of their holdings during this period, which resulted in price appreciation as well as enhanced credit quality. At the same time, however, their holdings of other bonds that already had been pre-refunded tended to underperform the general municipal market, due primarily to the shorter effective maturities of these bonds.

Housing was another sector of the market that tended to underperform during this period, due largely to the increased risk of pre-payments and bond calls in the current interest rate environment. All of the Maryland Funds held housing bonds, with NFM having the largest exposure. Although these holdings were a good source of core income for the Funds, their performance had a negative impact on overall total return during this period.

HOW WERE THE FUNDS POSITIONED IN TERMS OF CREDIT QUALITY AND BOND CALLS AS OF MAY 31, 2005?

We continued to believe that, given the current geopolitical and economic climate, maintaining strong credit quality was an important requirement. As of May 31, 2005, all seven of these Funds continued to offer excellent credit quality, with allocations of bonds rated AAA/U.S. guaranteed and AA ranging from 70% in NFM to 71% in NMY, 78% in NZR and NGB, 79% in NWI, 82% in NNB, and 83% in NPV.

As of May 31, 2005, potential call exposure for the period June 2005 through the end of 2007 ranged from 1% in NNB to 2% in NWI, 3% in NZR, 4% in NFM, 5% in NGB, 8% in NPV and 17% in NMY. In NMY, we have continued to hold most of these callable bonds during the period, in part due to their strong collective performance potential. The number of actual bond calls in all of these Funds depends largely on future market interest rates.

DIVIDEND AND SHARE PRICE
INFORMATION

All seven of these Funds use leverage to enhance opportunities for additional income for common shareholders. The extent of this benefit is tied in part to the short-term rates the Funds pay their MuniPreferred(R) shareholders. During periods of low short-term rates, leveraged Funds generally pay lower dividends to their MuniPreferred shareholders, which can leave more earnings to support common share dividends. However, when short-term interest rates rise, as they did during this reporting period, the Funds' borrowing costs also rise. While leveraging still provided benefits for common shareholders, the extent of the benefit was reduced. As a result, NMY, NFM, NWI, NPV, NGB and NNB each experienced a single dividend cut over the 12-month period ended May 31, 2005,

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while the dividend of NZR remained stable during this period.

In addition, due to capital gains generated by normal portfolio activity, common shareholders of the following Funds received capital gains and/or net ordinary income distributions at the end of December 2004 as follows:

	LONG-TERM CAPITAL GAINS (PER SHARE)	ORDINARY INCOME (PER SHARE)
NZR	\$0.0575	\$0.0041
NWI	\$0.0076	--
NNB	\$0.1878	--

The relatively large distribution from NNB represented an important part of this Fund's total return for this period. For the most part, these distributions were generated by bond calls or by sales of appreciated securities. The proceeds of these calls or sales then were reinvested in bonds paying lower, current interest rates. This had a slight negative impact on the Fund's earning power and was a minor factor in the dividend reduction noted above.

All of the Funds in this report seek to pay stable monthly dividends at rates that reflect each Fund's past results and projected future performance. During certain periods, each Fund may pay dividends at a rate that may be more or less than the amount of net investment income actually earned by the Fund during the period. If a Fund has cumulatively earned more than it has paid in dividends, it holds the excess in reserve as undistributed net investment income (UNII) as part of the Fund's NAV. Conversely, if a Fund has cumulatively paid dividends in excess of its earnings, the excess constitutes negative UNII that is likewise reflected in the Fund's NAV. Each Fund will, over time, pay all of its net investment income as dividends to shareholders. As of May 31, 2005, all of the Funds in this report had positive UNII balances for both financial statement and tax purposes.

At the end of the reporting period, the Funds' share prices were trading at premiums or discounts to their NAVs as shown in the accompanying chart:

	5/31/05 PREMIUM/DISCOUNT	12-MONTH AVERAGE PREMIUM/DISCOUNT
NMY	+4.37%	+6.25%
NFM	+3.30%	+4.95%
NZR	-0.26%	-0.50%
NWI	-2.83%	-3.73%
NPV	+11.57%	+8.44%
NGB	+9.47%	+12.24%

NNB +6.62% +4.60%

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Nuveen Maryland Premium Income Municipal Fund
NMY

PERFORMANCE

OVERVIEW As of May 31, 2005

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	45%
AA	26%
A	13%
BBB	10%
BB or Lower	4%
NR	2%

Bar Chart:

2004-2005 MONTHLY TAX-FREE DIVIDENDS PER SHARE

Jun	0.076
Jul	0.076
Aug	0.076
Sep	0.076
Oct	0.076
Nov	0.076
Dec	0.076
Jan	0.076
Feb	0.076
Mar	0.073
Apr	0.073
May	0.073

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

6/1/04	14.6
	14.65
	14.85
	14.8
	14.8
	14.55
	14.58
	14.79
	14.35
	14.49
	14.55
	14.7
	14.72
	14.79
	14.9
	14.78

14.84
14.54
14.55
14.36
14.7
14.77
14.96
15
15.1
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15.03
15.03
15.11
15.16
15.34
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15.47
15.46
15.51
15.79
15.92
15.92
15.92
15.85
16.15
16.2
16.01
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16.2
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16.2
16.01
15.91
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16.11
16.01
16.05
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16.04
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16.24
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15.95
15.92
15.91
15.86
15.82
15.74
15.81
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16.53
16.38
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16.16
16.2
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 16.01
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 15.78
 15.77
 15.78

5/31/05

FUND SNAPSHOT

Common Share Price	\$15.78

Common Share Net Asset Value	\$15.12

Premium/(Discount) to NAV	4.37%

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Market Yield	5.55%
Taxable-Equivalent Yield ¹	8.10%
Net Assets Applicable to Common Shares (\$000)	\$160,496
Average Effective Maturity on Securities (Years)	16.34
Leverage-Adjusted Duration	8.39

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

	ON SHARE PRICE	ON NAV
1-Year	15.64%	12.52%
5-Year	9.48%	9.75%
10-Year	8.37%	7.24%

SECTORS
(as a % of total investments)

Tax Obligation/General	19.1%
Tax Obligation/Limited	15.6%
Healthcare	15.4%
Education and Civic Organizations	14.8%
U.S. Guaranteed	12.5%
Housing/Multifamily	10.1%
Utilities	6.1%
Other	6.4%

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 31.5%. When comparing this Fund to investments that generate qualified dividend income, the taxable-equivalent yield is lower.

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NFM

PERFORMANCE

OVERVIEW As of May 31, 2005

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	45%
AA	25%
A	13%
BBB	12%
BB or Lower	1%
NR	4%

Bar Chart:

2004-2005 MONTHLY TAX-FREE DIVIDENDS PER SHARE

Jun	0.0785
Jul	0.0785
Aug	0.0785
Sep	0.0785
Oct	0.0785
Nov	0.0785
Dec	0.0785
Jan	0.0785
Feb	0.0785
Mar	0.0755
Apr	0.0755
May	0.0755

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

6/1/04	15.55
	15.25
	15.1
	15.05
	15
	14.99
	14.6
	14.75
	14.6
	14.5
	14.54
	14.38
	14.37
	14.35
	14.27
	14.4
	14.37
	14.41
	14.15
	14.06
	14.16
	14.22
	14.4
	14.6
	14.67
	14.83
	14.68

14.87
14.83
14.75
14.82
14.78
15
14.9
14.83
14.89
14.86
14.9
14.99
15.3
15.47
15.69
15.69
15.71
15.75
15.55
15.69
15.73
15.6
15.55
15.47
15.4
15.36
15.6
15.75
15.85
16
16.01
16.08
16.03
15.75
16.12
16
15.95
16.15
15.85
15.9
15.75
15.89
15.69
15.7
15.84
15.67
15.65
15.63
15.62
15.66
15.74
15.7
16.09
15.9
15.99
15.92
16.12
15.85
15.92
15.91
15.95
16.2

16.35
16
16
16.2
16.2
16.05
15.95
16.1
16.1
16.25
16.15
16.15
15.94
16.04
16.35
16.38
16.12
16.14
16.15
16.15
16.07
16.44
16.16
15.95
16.17
15.75
15.61
15.63
15.63
15.63
15.55
15.62
15.33
15.36
15.44
15.51
15.49
15.2
15.06
14.96
14.87
15.1
15.13
14.95
15.05
15.05
15.07
15.07
15
15.12
15.21
15.19
15.18
15.35
15.36
15.45
15.55
15.5
15.5
15.75
15.65
15.62

15.78
15.96
16
16.2
16.2
16.2
16.08
15.98
16.2
16.3
16.26
16.26
16.3
16.14
16.1
16.05
16.08
16.09
16.14
16.15
16.15
15.99
16.11
15.93
16.07
16.1
16.14
16.01
16.2
16.13
16.2
16.24
16.12
15.96
16.03
16.05
16
16.16
16.08
16.51
16.4
16.4
16.3
16.3
16.27
16.15
16.17
16.45
16.5
16.22
16.38
16.25
16.1
15.82
15.64
15.6
15.39
15.3
15.55
15.6
15.84
16

	16.1
	16.1
	15.96
	15.92
	15.87
	15.85
	15.77
	15.65
	15.72
	15.72
	15.97
	15.7
	15.55
	15.52
	15.52
	15.34
	15.38
	15.38
	15.44
	15.44
	15.31
	15.44
	15.5
	15.62
	15.42
	15.32
	15.38
	15.38
	15.56
	15.56
	15.6
	15.7
	15.96
	15.99
	15.73
	15.77
	15.83
	15.85
	15.75
	15.79
5/31/05	15.63

FUND SNAPSHOT

Common Share Price	\$15.63

Common Share Net Asset Value	\$15.13

Premium/(Discount) to NAV	3.30%

Market Yield	5.80%

Taxable-Equivalent Yield ¹	8.47%

Net Assets Applicable to Common Shares (\$000)	\$63,051

Average Effective Maturity on Securities (Years)	18.46

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Leverage-Adjusted Duration 7.15

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

	ON SHARE PRICE	ON NAV
1-Year	6.22%	11.60%
Since Inception	6.68%	7.40%

SECTORS
(as a % of total investments)

Tax Obligation/General	18.9%
Tax Obligation/Limited	16.8%
Healthcare	16.6%
U.S. Guaranteed	15.6%
Education and Civic Organizations	10.5%
Housing/Multifamily	10.1%
Other	11.5%

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 31.5%. When comparing this Fund to investments that generate qualified dividend income, the taxable-equivalent yield is lower.

12

Nuveen Maryland Dividend Advantage Municipal Fund 2
NZR

PERFORMANCE
OVERVIEW As of May 31, 2005

Pie Chart:

CREDIT QUALITY
(as a % of total investments)

AAA/U.S. Guaranteed	49%
AA	29%
A	8%
BBB	10%
BB or Lower	1%
NR	3%

Bar Chart:

2004-2005 MONTHLY TAX-FREE DIVIDENDS PER SHARE2

Jun	0.073
Jul	0.073
Aug	0.073
Sep	0.073
Oct	0.073
Nov	0.073
Dec	0.073
Jan	0.073
Feb	0.073
Mar	0.073
Apr	0.073
May	0.073

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

6/1/04	14.2
	14.2
	14.15
	14.3
	14.21
	14.15
	14.16
	14.3
	14
	14.01
	14.04
	14.22
	14.04
	14.11
	14.06
	14.2
	14.25
	14.14
	14.25
	14.2
	14.18
	14.06
	14.12
	14.25
	14.36
	14.47
	14.3
	14.45
	14.49
	14.5
	14.8
	14.57
	14.66
	14.9
	14.88
	14.64
	14.68
	14.9
	14.9
	14.72

14.86
14.98
14.98
15
15.05
15.09
14.96
15.03
14.98
15
15
15
15
15.05
15.13
15
14.91
15.17
15.33
15.01
14.99
15.19
15.34
15.4
15.32
15.4
15.24
15.3
15.35
15.3
15.17
15.4
15.52
15.49
15.35
15.1
15.15
15
15.29
15.15
15.32
15.28
15.32
15.37
15.27
15.42
15.37
15.34
15.5
15.38
15.35
15.39
15.33
15.22
15.2
15.36
15.39
15.34
15.24
15.21
15.31
15.35

15.26
15.28
15.43
15.5
15.65
15.4
15.4
15.4
15.69
15.45
15.15
14.75
14.95
14.94
14.81
14.73
14.7
14.8
15.04
15.03
15.05
15.07
15
15.1
15
15.15
15.25
15.25
15.22
15.32
15.27
15.29
15.38
15.19
15.02
15.14
15.17
15.3
15.3
15.35
15.29
15.1
15.3
15.3
15.6
15.75
15.98
16.09
15.95
16.12
15.9
15.82
15.99
15.96
15.96
15.95
15.75
15.42
15.51
15.35
15.37
15.38

15.31
15.25
15.35
15.41
15.37
15.4
15.45
15.9
15.88
16
15.74
15.83
15.84
15.73
15.65
15.75
15.45
15.35
15.3
15.01
15.01
15.03
15.01
15.01
15.22
15.25
15.31
15.28
15.28
15.24
15.41
15.41
15.07
15.09
14.9
14.94
14.87
15.13
15.12
15.13
15.46
15.06
15.06
15.2
15.1
15.1
15.38
15.6
15.48
15.38
15.65
15.75
15.75
15.74
15.31
15.2
15.35
15.29
15.4
15.25
15.23
14.73

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	14.89
	14.83
	14.55
	14.67
	14.73
	14.74
	14.74
	14.7
	14.78
	14.84
	15.01
	15.06
	15.18
	15.28
	15.3
	15.22
	15.21
	15.35
	15.35
	15.37
	15.36
	15.52
	15.45
	15.18
	15.26
	15.29
	15.2
5/31/05	15.41

FUND SNAPSHOT

Common Share Price	\$15.41
Common Share Net Asset Value	\$15.45
Premium/(Discount) to NAV	-0.26%
Market Yield	5.68%
Taxable-Equivalent Yield ¹	8.29%
Net Assets Applicable to Common Shares (\$000)	\$64,500
Average Effective Maturity on Securities (Years)	16.91
Leverage-Adjusted Duration	7.60

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

	ON SHARE PRICE	ON NAV
1-Year	14.71%	12.22%
Since Inception	6.52%	7.97%

SECTORS
(as a % of total investments)

Tax Obligation/General	25.6%
-----	-----
U.S. Guaranteed	17.3%
-----	-----
Healthcare	14.5%
-----	-----
Education and Civic Organizations	12.3%
-----	-----
Tax Obligation/Limited	12.0%
-----	-----
Housing/Multifamily	8.0%
-----	-----
Other	10.3%
-----	-----

- 1 Taxable-equivalent yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31.5%. When comparing this Fund to investments that generate qualified dividend income, the taxable-equivalent yield is lower.
- 2 The Fund also paid shareholders capital gains and net ordinary income distributions in December 2004 of \$0.0616 per share.

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Nuveen Maryland Dividend Advantage Municipal Fund 3
NWI

PERFORMANCE
OVERVIEW As of May 31, 2005

Pie Chart:

CREDIT QUALITY
(as a % of total investments)

AAA/U.S. Guaranteed	41%
AA	38%
A	6%
BBB	12%
BB or Lower	1%
NR	2%

Bar Chart:

2004-2005 MONTHLY TAX-FREE DIVIDENDS PER SHARE²

Jun	0.0655
Jul	0.0655
Aug	0.0655
Sep	0.0655
Oct	0.0655
Nov	0.0655
Dec	0.0655

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Jan	0.0655
Feb	0.0655
Mar	0.0625
Apr	0.0625
May	0.0625

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

6/1/04	13.08
	13.31
	13.05
	13.18
	13.18
	13.25
	13.24
	13.35
	13.25
	13.2
	13.16
	13.08
	13.05
	13.02
	13.04
	13
	12.97
	13.02
	12.92
	13.11
	13.14
	13.43
	13.47
	13.52
	13.4
	13.48
	13.61
	13.76
	13.63
	13.75
	13.75
	13.51
	13.63
	13.68
	13.51
	13.46
	13.38
	13.4
	13.41
	13.49
	13.49
	13.62
	13.62
	13.79
	13.79
	13.8
	13.78
	13.79
	13.8
	13.83
	13.76

13.68
13.69
13.8
13.9
13.92
14
14.02
13.9
13.95
14
14.11
14.02
14.05
14
14.07
14.07
14.08
14.24
14.49
14.34
14.31
14.24
14.35
14.22
14.35
14.48
14.36
14.38
14.35
14.34
14.32
14.32
14.38
14.32
14.33
14.4
14.29
14.09
14.22
14.27
14.48
14.48
14.25
14.11
14.32
14.2
14.33
14.38
14.46
14.5
14.38
14.35
14.35
14.35
14.24
14.1
14.3
14.32
14.13
14.16
13.87
13.54

13.65
13.67
13.65
13.75
13.87
14.05
14.29
14.25
14.07
13.87
13.79
13.75
13.83
13.72
13.59
13.55
13.47
13.55
13.55
13.8
13.68
13.68
13.85
13.72
13.61
13.6
13.69
13.41
13.5
13.57
13.66
13.67
13.4
13.58
13.46
13.71
13.66
14
14.18
14.28
14.42
14.52
14.4
14.33
14.28
14.2
14.3
14.28
14.15
13.87
14.2
14.2
14.05
14.15
14.2
14.2
14.29
14.63
14.65
14.62
14.71
14.55

14.54
14.51
14.47
14.42
14.6
14.6
14.5
14.5
14.17
14.19
14.65
14.5
14.6
14.59
14.65
14.7
14.6
14.57
14.55
14.57
14.22
14.25
14.16
14.55
14.37
13.99
13.76
13.8
13.75
13.93
13.71
13.93
13.72
13.89
13.78
13.98
14.15
14.03
14.14
14.15
14.2
14.2
14.02
14.13
14.18
14.1
13.94
14.21
14.06
14.04
14.04
13.84
13.89
13.81
14.19
14.16
14.06
14.06
14.13
14.07
14.13
14.35

	14.14
	14.35
	14.21
	14.5
	14.4
	14.4
	14.55
	14.7
	14.65
	14.5
	14.45
	14.25
	14.53
	14.37
	14.43
	14.36
5/31/05	14.4

FUND SNAPSHOT

Common Share Price	\$14.40
Common Share Net Asset Value	\$14.82
Premium/(Discount) to NAV	-2.83%
Market Yield	5.21%
Taxable-Equivalent Yield ¹	7.61%
Net Assets Applicable to Common Shares (\$000)	\$79,443
Average Effective Maturity on Securities (Years)	18.11
Leverage-Adjusted Duration	7.69

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

	ON SHARE PRICE	ON NAV
1-Year	14.98%	12.67%
Since Inception	3.92%	6.73%

SECTORS
(as a % of total investments)

Tax Obligation/Limited	25.3%
Tax Obligation/General	18.7%
U.S. Guaranteed	13.7%

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Healthcare	11.7%
-----	-----
Education and Civic Organizations	10.2%
-----	-----
Housing/Multifamily	8.2%
-----	-----
Utilities	4.8%
-----	-----
Other	7.4%
-----	-----

- 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 31.5%. When comparing this Fund to investments that generate qualified dividend income, the taxable-equivalent yield is lower.
- 2 The Fund also paid shareholders a capital gains distribution in December 2004 of \$0.0076 per share.

14

Nuveen Virginia Premium Income Municipal Fund
NPV

PERFORMANCE

OVERVIEW As of May 31, 2005

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	54%
AA	29%
A	7%
BBB	6%
BB or Lower	1%
NR	3%

Bar Chart:

2004-2005 MONTHLY TAX-FREE DIVIDENDS PER SHARE

Jun	0.076
Jul	0.076
Aug	0.076
Sep	0.076
Oct	0.076
Nov	0.076
Dec	0.076
Jan	0.076
Feb	0.076
Mar	0.073
Apr	0.073
May	0.073

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

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Past performance is not predictive of future results.

6/1/04 15.05
15
15.14
15.43
15.5
15.47
15.12
15.15
15.05
14.92
15.2
14.89
14.79
14.63
14.89
14.9
14.97
15.25
14.98
14.87
15.1
15.35
15.3
15.56
15.65
15.56
15.55
15.75
15.8
15.7
15.4
15.38
15.44
15.4
15.43
15.4
15.53
15.35
15.4
15.35
15.36
15.55
15.55
15.46
15.64
15.65
15.68
15.73
15.94
16.22
16.25
16.07
16.26
16.26
16.14
16.25
16.06
16.28
16.07
15.92
16.33

16.33
16.12
16.32
16.24
16.46
16.41
16.65
16.67
16.39
16.58
16.45
16.43
16.4
16.43
16.5
16.75
16.8
16.65
16.34
16.45
16.3
16.52
16.9
16.87
16.93
16.75
16.97
16.99
16.98
16.99
16.99
17
16.99
17.28
17.5
17.5
17.31
17.45
17.5
17.6
17.9
17.94
17.85
17.69
17.6
17.46
17.73
18
18.01
18.08
17.69
17.35
17.44
17.44
17.35
17.19
17.3
17.4
18.1
17.98
18
18

18.05
17.74
17.65
17.9
17.65
17.52
17.5
17.5
17.69
17.82
17.72
17.68
17.99
17.9
17.95
17.81
17.5
17.7
17.92
17.89
17.78
17.7
17.4
17.32
17.7
17.42
17.57
17.75
17.65
17.7
17.73
17.67
17.72
17.75
17.81
17.53
17.6
17.9
17.91
17.75
17.65
17.61
17.55
17.5
17.51
17.42
17.55
17.8
17.75
17.78
17.9
18.2
17.9
18.01
17.85
18
18.37
17.92
17.82
17.65
17.55
17.67

17.39
17.58
17.56
17.62
17.55
17.7
17.77
17.64
17.64
17.58
17.51
17.73
17.83
17.52
17.64
17.53
17.25
17.23
17.15
17.15
16.76
16.6
16.6
16.75
16.6
16.57
16.5
16.32
16.5
16.5
16.54
16.55
16.46
16.5
16.55
16.5
16.37
16.55
16.65
16.5
16.49
16.51
16.52
16.32
16.52
16.45
16.51
16.51
16.62
16.66
16.7
16.96
16.79
16.56
16.97
17.15
17.18
17.18
17.32
17.54
17.63
17.77

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	17.76
	17.76
	18
	17.45
	17.29
	17.4
5/31/05	17.65

FUND SNAPSHOT

Common Share Price	\$17.65
Common Share Net Asset Value	\$15.82
Premium/(Discount) to NAV	11.57%
Market Yield	4.96%
Taxable-Equivalent Yield ¹	7.29%
Net Assets Applicable to Common Shares (\$000)	\$140,340
Average Effective Maturity on Securities (Years)	16.15
Leverage-Adjusted Duration	7.99

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

	ON SHARE PRICE	ON NAV
1-Year	24.54%	12.13%
5-Year	10.12%	9.62%
10-Year	8.98%	7.55%

SECTORS

(as a % of total investments)

Tax Obligation/Limited	19.3%
Healthcare	15.2%
Tax Obligation/General	14.7%
U.S. Guaranteed	12.7%
Transportation	8.4%
Utilities	7.9%
Education and Civic Organizations	7.4%
Water and Sewer	6.5%

 Other 7.9%

1 Taxable-equivalent yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32%. When comparing this Fund to investments that generate qualified dividend income, the taxable-equivalent yield is lower.

15

Nuveen Virginia Dividend Advantage Municipal Fund
 NGB

PERFORMANCE

OVERVIEW As of May 31, 2005

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	51%
AA	27%
A	8%
BBB	5%
BB or Lower	4%
NR	5%

Bar Chart:

2004-2005 MONTHLY TAX-FREE DIVIDENDS PER SHARE

Jun	0.0785
Jul	0.0785
Aug	0.0785
Sep	0.0785
Oct	0.0785
Nov	0.0785
Dec	0.0785
Jan	0.0785
Feb	0.0785
Mar	0.0755
Apr	0.0755
May	0.0755

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

6/1/04	14.97
	15.01
	15.07
	15.27
	15.3
	15.34
	15.3
	15.43
	15.08
	14.93
	14.9
	14.96

14.97
15.01
15
15.04
15
14.95
15.07
15.25
15.2
15.13
15.25
15.18
15.24
15.45
15.49
15.67
15.59
15.7
15.75
15.6
15.59
15.88
15.53
15.45
15.68
16.02
15.82
15.83
15.91
15.99
15.99
16.1
16.22
16.25
16.25
16.31
16.3
16.45
16.48
16.45
16.4
16.4
16.42
16.55
16.69
17.05
16.56
16.17
15.95
16
16.22
16.23
16.26
16.46
16.54
16.6
16.7
16.72
16.64
16.67
16.58
16.58

16.52
16.8
16.69
16.8
17
16.95
16.83
16.85
16.85
16.91
17
16.84
16.66
17.05
17.18
17
16.92
17.32
17.66
17.71
17.58
17.75
17.75
17.55
17.8
17.75
17.6
17.6
17.6
17.6
17.7
17.7
17.7
17.49
17.53
17.7
17.8
18
17.7
17.56
17.73
17.55
17.38
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 17.4
 17.2
 16.99

5/31/05

FUND SNAPSHOT

 Common Share Price \$16.99

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Common Share	
Net Asset Value	\$15.52

Premium/(Discount) to NAV	9.47%

Market Yield	5.33%

Taxable-Equivalent Yield ¹	7.84%

Net Assets Applicable to	
Common Shares (\$000)	\$48,474

Average Effective Maturity	
on Securities (Years)	16.49

Leverage-Adjusted Duration	7.92

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

	ON SHARE PRICE	ON NAV

1-Year	19.11%	14.46%

Since		
Inception	8.65%	8.06%

SECTORS
(as a % of total investments)

Tax Obligation/General	18.9%

Transportation	15.4%

U.S. Guaranteed	14.9%

Tax Obligation/Limited	13.6%

Education and Civic	
Organizations	9.1%

Healthcare	8.7%

Water and Sewer	5.5%

Other	13.9%

1 Taxable-equivalent yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32%. When comparing this Fund to investments that generate qualified dividend income, the taxable-equivalent yield is lower.

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Nuveen Virginia Dividend Advantage Municipal Fund 2
 NNB

PERFORMANCE

OVERVIEW As of May 31, 2005

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	48%
AA	34%
A	7%
BBB	5%
BB or Lower	2%
NR	4%

Bar Chart:

2004-2005 MONTHLY TAX-FREE DIVIDENDS PER SHARE²

Jun	0.0745
Jul	0.0745
Aug	0.0745
Sep	0.0745
Oct	0.0745
Nov	0.0745
Dec	0.0745
Jan	0.0745
Feb	0.0745
Mar	0.0715
Apr	0.0715
May	0.0715

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

6/1/04	14.95
	15.15
	14.9
	14.92
	14.97
	14.92
	15.05
	15.05
	14.8
	14.78
	15
	14.62
	14.66
	14.8
	14.82
	14.88
	14.9
	14.85
	14.97
	14.9
	15.12
	14.99
	15.2
	15.2
	15.05

15.14
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	16.89
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	16.72
	16.79
	16.88
	16.83
	16.7
	16.43
	16.42
	16.8
	16.64
	16.6
	16.65
	16.65
	16.85
	16.8
	16.65
	16.87
	16.74
5/31/05	16.74

FUND SNAPSHOT

Common Share Price	\$16.74

Common Share	
Net Asset Value	\$15.70

Premium/(Discount) to NAV	6.62%

Market Yield	5.13%

Taxable-Equivalent Yield1	7.54%

Net Assets Applicable to	
Common Shares (\$000)	\$89,626

Average Effective Maturity	

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on Securities (Years)	17.31

Leverage-Adjusted Duration	7.70

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

	ON SHARE PRICE	ON NAV

1-Year	21.96%	13.75%

Since Inception	9.23%	8.93%

SECTORS
(as a % of total investments)

Tax Obligation/General	25.4%

Tax Obligation/Limited	17.4%

Healthcare	12.9%

Water and Sewer	10.8%

U.S. Guaranteed	10.0%

Housing/Single Family	5.9%

Education and Civic Organizations	5.3%

Other	12.3%

- 1 Taxable-equivalent yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32%. When comparing this Fund to investments that generate qualified dividend income, the taxable-equivalent yield is lower.
- 2 The Fund also paid shareholders a capital gains distribution in December 2004 of \$0.1878 per share.

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Report of
INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

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

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NUVEEN VIRGINIA PREMIUM INCOME MUNICIPAL FUND
NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND
NUVEEN VIRGINIA DIVIDEND ADVANTAGE MUNICIPAL FUND 2

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Nuveen Maryland Premium Income Municipal Fund, Nuveen Maryland Dividend Advantage Municipal Fund, Nuveen Maryland Dividend Advantage Municipal Fund 2, Nuveen Maryland Dividend Advantage Municipal Fund 3, Nuveen Virginia Premium Income Municipal Fund, Nuveen Virginia Dividend Advantage Municipal Fund and Nuveen Virginia Dividend Advantage Municipal Fund 2 as of May 31, 2005, and the related statements of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for the periods indicated therein. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Funds' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of May 31, 2005, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Nuveen Maryland Premium Income Municipal Fund, Nuveen Maryland Dividend Advantage Municipal Fund, Nuveen Maryland Dividend Advantage Municipal Fund 2, Nuveen Maryland Dividend Advantage Municipal Fund 3, Nuveen Virginia Premium Income Municipal Fund, Nuveen Virginia Dividend Advantage Municipal Fund and Nuveen Virginia Dividend Advantage Municipal Fund 2 at May 31, 2005, the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for the periods indicated therein, in conformity with U.S. generally accepted accounting principles.

/s/Ernst & Young LLP

CHICAGO, ILLINOIS
JULY 14, 2005

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Nuveen Maryland Premium Income Municipal Fund (NMY)
 Portfolio of
 INVESTMENTS May 31, 2005

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO

	CONSUMER STAPLES - 2.0% (1.4% OF TOTAL INVESTMENTS)	
\$ 3,160	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33	5/12 at 100

	EDUCATION AND CIVIC ORGANIZATIONS - 21.7% (14.8% OF TOTAL INVESTMENTS)	
	Frederick County, Maryland, Educational Facilities Revenue Bonds, Mount St. Mary's College, Series 2001A:	
200	5.750%, 9/01/25	3/10 at 101
200	5.800%, 9/01/30	3/10 at 101
1,000	Hartford County, Maryland, Economic Development Revenue Bonds, Battelle Memorial Institute, Series 2004, 5.250%, 4/01/34	4/14 at 100
1,000	Maryland Economic Development Corporation, Student Housing Revenue Bonds, Collegiate Housing Foundation - Salisbury State University, Series 1999A, 6.000%, 6/01/19	6/09 at 102
2,250	Maryland Economic Development Corporation, Student Housing Revenue Bonds, Collegiate Housing Foundation - College Park, Series 1999A, 5.750%, 6/01/24	6/09 at 102
1,000	Maryland Economic Development Corporation, Student Housing Revenue Bonds, University of Maryland - Baltimore, Series 2003A, 5.625%, 10/01/23	10/13 at 100
	Maryland Economic Development Corporation, Utility Infrastructure Revenue Bonds, University of Maryland - College Park Project, Series 2001:	
1,000	5.375%, 7/01/15 - AMBAC Insured	7/11 at 100
1,000	5.375%, 7/01/16 - AMBAC Insured	7/11 at 100
	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Bullis School, Series 2000:	
750	5.250%, 7/01/25 - FSA Insured	1/11 at 101
500	5.250%, 7/01/30 - FSA Insured	1/11 at 101
1,500	Maryland Health and Higher Educational Facilities Authority, Revenue Refunding Bonds, Johns Hopkins University, Series 1997, 5.625%, 7/01/27	7/07 at 102
1,460	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Maryland Institute College of Art, Series 2001, 5.625%, 6/01/36	6/11 at 100
1,250	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Goucher College, Series 2004, 5.125%, 7/01/34	7/14 at 100

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9,445	Morgan State University, Maryland, Student Tuition and Fee Revenue Refunding Bonds, Academic Fees and Auxiliary Facilities, Series 1993, 6.100%, 7/01/20 - MBIA Insured	No Opt. C
	University of Maryland, Auxiliary Facility and Tuition Revenue Bonds, Series 2003A:	
5,645	5.000%, 4/01/15	4/13 at 100
2,680	5.000%, 4/01/19	4/13 at 100

HEALTHCARE - 22.6% (15.4% OF TOTAL INVESTMENTS)

2,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Kaiser Permanente System, Series 1998A, 5.375%, 7/01/15	6/09 at 101
750	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, University of Maryland Medical System, Series 2000, 6.750%, 7/01/30	7/10 at 101
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Johns Hopkins Hospital, Howard County General Hospital Acquisition, Series 1998, 5.000%, 7/01/19 - MBIA Insured	7/08 at 101
1,500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Greater Baltimore Medical Center, Series 2001, 5.000%, 7/01/34	7/11 at 100
1,500	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, University of Maryland Medical System, Series 2002, 6.000%, 7/01/22	7/12 at 100

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Nuveen Maryland Premium Income Municipal Fund (NMY) (continued)
Portfolio of INVESTMENTS May 31, 2005

PRINCIPAL AMOUNT (000)	DESCRIPTION(1)	OPTIONAL C PROVISIO
	HEALTHCARE (continued)	
\$ 3,250	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Carroll County General Hospital, Series 2002, 5.800%, 7/01/32	7/12 at 100
1,400	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Frederick Memorial Hospital, Series 2002, 5.125%, 7/01/35	7/12 at 100
3,250	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Union Hospital of Cecil County, Series 2002, 5.625%, 7/01/32	7/12 at 100
3,800	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Kennedy Krieger Institute, Series 2003,	7/13 at 100

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	5.500%, 7/01/33	
1,000	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, University of Maryland Medical System, Series 2004B, 5.000%, 7/01/24 - AMBAC Insured	7/13 at 100
1,750	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, MedStar Health, Series 2004, 5.375%, 8/15/24	8/14 at 100
1,540	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, LifeBridge Health System, Series 2004A, 5.125%, 7/01/34	7/14 at 100
1,525	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Calvert Memorial Hospital, Series 2004, 5.500%, 7/01/36	7/14 at 100
1,665	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Civista Medical Center, Series 2005, 5.000%, 7/01/37 - RAAI Insured	7/14 at 100
	Prince George's County, Maryland, Revenue Refunding and Project Bonds, Dimensions Health Corporation, Series 1994:	
825	5.000%, 7/01/05	No Opt. C
3,080	5.375%, 7/01/14	7/05 at 101
6,000	5.300%, 7/01/24	7/05 at 101

HOUSING/MULTIFAMILY - 14.8% (10.1% OF TOTAL INVESTMENTS)