

Nuveen Mortgage Opportunity Term Fund
Form N-CSR
March 10, 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 811-22329

Nuveen Mortgage Opportunity Term Fund
(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: December 31

Date of reporting period: December 31, 2010

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

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments

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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.

Closed-End Funds

Nuveen Investments

Closed-End Funds

*Seeks Attractive Distribution and Return Potential from a Portfolio
Consisting Primarily of Mortgage-Backed Securities*

Annual Report

December 31, 2010

Nuveen Mortgage Opportunity Term Fund

JLS

Nuveen Mortgage Opportunity Term Fund 2

JMT

INVESTMENT ADVISER NAME CHANGE

Effective January 1, 2011, Nuveen Asset Management, the Funds' investment adviser, changed its name to Nuveen Fund Advisors, Inc. ("*Nuveen Fund Advisors*"). Concurrently, Nuveen Fund Advisors formed a wholly-owned subsidiary, Nuveen Asset Management, LLC, to house its portfolio management capabilities.

NUVEEN INVESTMENTS COMPLETES STRATEGIC COMBINATION WITH FAF ADVISORS

On December 31, 2010, Nuveen Investments completed the strategic combination between Nuveen Asset Management, LLC, the largest investment affiliate of Nuveen Investments, and FAF Advisors. As part of this transaction, U.S. Bancorp the parent of FAF Advisors received cash consideration and a 9.5% stake in Nuveen Investments in exchange for the long term investment business of FAF Advisors, including investment-management responsibilities for the non-money market mutual funds of the First American Funds family.

The approximately \$27 billion of mutual fund and institutional assets managed by FAF Advisors, along with the investment professionals managing these assets and other key personnel, have become part of Nuveen Asset Management, LLC. With these additions to Nuveen Asset Management, LLC, this affiliate now manages more than \$100 billion of assets across a broad range of strategies from municipal and taxable fixed income to traditional and specialized equity investments.

This combination does not affect the investment objectives or strategies of the Funds in this report.

Over time, Nuveen Investments expects that the combination will provide even more ways to meet the needs of investors who work with financial advisors and consultants by enhancing the multi-boutique model of Nuveen Investments, which also includes highly respected investment teams at HydePark, NWQ Investment Management, Santa Barbara Asset Management, Symphony Asset Management, Tradewinds Global Investors and Winslow Capital. Nuveen Investments managed approximately \$195 billion of assets as of December 31, 2010.

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Chairman's
Letter to Shareholders

Dear Shareholders,

The global economy recorded another year of recovery from the financial and economic crises of 2008, but many of the factors that caused the crises still weigh on the prospects for continued recovery. In the U.S., ongoing weakness in housing values is putting pressure on homeowners and mortgage lenders. Similarly, the strong earnings recovery for corporations and banks has not been translated into increased hiring or more active lending. In addition, media and analyst reports on the fiscal conditions of various state and local entities have raised concerns with some investors. Globally, deleveraging by private and public borrowers is inhibiting economic growth and this process is far from complete.

Encouragingly, a variety of constructive actions are being taken by governments around the world to stimulate further recovery. In the U.S., the recent passage of a stimulatory tax bill relieves some of the pressure on the Federal Reserve System to promote economic expansion through quantitative easing and offers the promise of faster economic growth. A number of European governments are undertaking programs that could significantly reduce their budget deficits. Governments across the emerging markets are implementing various steps to deal with global capital flows without undermining international trade and investment.

The success of these government actions could have an important impact on whether 2011 brings further economic recovery and financial market progress. One risk associated with the extraordinary efforts to strengthen U.S. economic growth is that the debt of the U.S. government will continue to grow to unprecedented levels. Another risk is that over time there could be upward pressures on asset values in the U.S. and abroad, because what happens in the U.S. impacts the rest of the world economy. We must hope that the progress made on the fiscal front in 2010 will continue into 2011. In this environment, your Nuveen investment team continues to seek sustainable investment opportunities and to remain alert to potential risks in a recovery still facing many headwinds. On your behalf, we monitor their activities to assure they maintain their investment disciplines.

As you will note elsewhere in this report, on January 1, 2011, Nuveen Investments completed the acquisition of FAF Advisors, Inc., the manager of the First American Funds. The acquisition adds highly respected and distinct investment teams to meet the needs of investors and their advisors and is designed to benefit all fund shareholders by creating a fund organization with the potential for further economies of scale and the ability to draw from even greater talent and expertise to meet these investor needs.

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 and Lead Independent Director
February 22, 2011

Portfolio Manager's Comments

Certain statements in this report are forward-looking statements. Discussions of specific investments are for illustration only and are not intended as recommendations of individual investments. The forward-looking statements and other views expressed herein are those of the portfolio manager as of the date of this report. Actual future results or occurrences may differ significantly from those anticipated in any forward-looking statements and the views expressed herein are subject to change at any time, due to numerous market and other factors. The Funds disclaim any obligation to update publicly or revise any forward-looking statements or views expressed herein.

Any reference to credit ratings for portfolio holdings denotes the highest rating assigned by a Nationally Recognized Statistical Rating Organization (NRSRO) such as Standard & Poor's, Moody's or Fitch. AAA, AA, A and BBB ratings are investment grade; BB, B, CCC, CC, C and D ratings are below investment grade. Holdings and ratings may change over time.

Nuveen Mortgage Opportunity Term Fund (JLS)
Nuveen Mortgage Opportunity Term Fund 2 (JMT)

The investment adviser for both Funds is Nuveen Fund Advisors, Inc., a wholly-owned subsidiary of Nuveen Investments. Nuveen Asset Management, LLC, a wholly-owned subsidiary of Nuveen Fund Advisors, is responsible for determining each Fund's overall investment strategy and monitoring the performance of Wellington Asset Management, LLP, the sub-adviser for both Funds.

Wellington Management has responsibility for implementing each Fund's direct investments in mortgage-backed securities and other permitted investments. Michael Garrett, serves as portfolio manager for the Funds. He has 18 years of corporate finance and investment management experience and joined Wellington in 1999.

Here Michael reviews general economic and market conditions, his management strategy and the performance of JLS for the full year, and of JMT for the period from its inception on 2/24/10 through 12/31/10.

What were the general market conditions during the reporting period ending December 31, 2010?

During this reporting period, the U.S. economy remained under considerable stress, and both the Federal Reserve and the federal government continued their efforts to improve the overall economic environment. For its part, the Fed held the benchmark fed funds rate in a target range of zero to 0.25% after cutting it to this record low level in December 2008. At its September 2010 meeting, the central bank renewed its commitment to keep the fed funds rate at "exceptionally low levels" for an "extended period." The Fed also stated that it was "prepared to take further policy actions as needed" to support economic recovery. The federal government continued to focus on implementing the economic stimulus package passed early in 2009 that was intended to provide job creation, tax relief, fiscal assistance to state and local governments, and expand unemployment benefits and other federal social welfare programs. Cognizant of the fragility of the financial system, in the fall of 2010 the Federal Reserve announced a second round of quantitative easing designed to help stimulate increased economic growth.

Recently, nearly all U.S. indicators of production, spending, and labor market activity have pointed toward an acceleration in economic growth. At the same time, inflation has remained relatively tame, as the Consumer Price Index rose just 1.5% year-over-year as of December 31, 2010. However, unemployment remained at historically high levels.

As of December 2010, the national unemployment rate was 9.4%. In addition, the housing market continued to show signs of weakness with the average home price in

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the Standard & Poor's/Case-Shiller Index of 20 large metro areas falling 1.6% over the twelve months ended November 2010 (the latest available figures at the time this report was prepared).

Concerns about the pace of economic recovery grew during the second and third quarters following a string of disappointing economic releases, including plummeting home sales and continued weakness in the labor market. Despite evidence of weaker growth, some riskier assets started to rebound at the beginning of the fourth quarter amid expectations of additional quantitative easing by the Federal Reserve. The much anticipated announcement came in November when the Fed embarked on another round of asset purchases, stating that they planned to buy up to \$600 billion of U.S. Treasury securities by the middle of 2011. However, news of the Fed's asset purchase program was overwhelmed by the re-emergence of sovereign debt concerns, resulting in a pullback in almost all risk markets. Contagion fears mounted and spreads widened as Ireland became the latest country to accept a bailout package due to its mounting banking problems and large fiscal deficits.

Investor sentiment showed a marked improvement heading into the end of the year as sovereign concerns subsided and stronger U.S. economic data reinforced expectations of a lasting U.S. recovery. Consumer confidence, retail sales, and manufacturing activity all surprised on the upside while a gradual improvement in jobless claims data also contributed to the positive tone. Markets received a further boost after the President and Congress agreed to extend the Bush-era tax cuts for two years.

During 2010, Agency Mortgage-Backed Securities was one of the top-performing investment-grade sectors, but trailed Commercial Mortgage-Backed Securities (CMBS). On a total and excess returns basis, CMBS beat other sectors by a wide margin responding to stabilizing fundamentals, strong supply/demand technicals and improving macroeconomic data. As a result, CMBS finished 2010 as the top-performing credit sector.

What key strategies were used to manage the Funds during this period?

Both Funds seek to generate attractive total returns by investing in a diverse portfolio of Mortgage-Backed Securities (MBS), consisting primarily of non-agency Residential MBS (RMBS) and CMBS. Under normal circumstances, both Funds will invest at least 80% of their managed assets in MBS, both directly and also indirectly through a private feeder fund that invests alongside the U.S. Treasury (UST) in a master fund organized to invest directly in MBS and other assets eligible under the UST's Public-Private Investment Program (PPIP). Both JLS and JMT are effectively leveraged through their investment in the PPIP fund, and may be leveraged directly as well up to a maximum effective leverage of 33% of total net assets. The Funds currently have a limited term of 10 years, at which time all net assets will be distributed to shareholders of record.

We are constructive on CMBS but continue to believe that the non-agency RMBS sector offers better relative value, and we have positioned the Funds accordingly. The Funds continue to be conservatively positioned with RMBS, with a bias to higher quality collateral to protect against downside risk in the event of a prolonged economic recovery and further deterioration in the mortgage market.

Non-agency residential mortgages continued to perform strongly during the period as negative foreclosure headlines were overshadowed by low supply and investors' search

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.

* JLS since inception return is from 11/25/09 and JMT since inception return is from 2/24/10. Returns for JLS are annualized, and for JMT are cumulative.

1. The Barclays Capital U.S. Aggregate Bond Index is an unmanaged index that includes all investment-grade, publicly issued, fixed-rate, dollar denominated, nonconvertible debt issues and commercial mortgage backed securities with maturities of at least one year and outstanding par values of \$150 million or more. Index returns do not include the effects of any sales charges or management fees. It is not possible to invest directly in this index.

for higher-yielding assets. We expect foreclosures and liquidations to pick up in 2011. Overall, modification activity has been a limited success to date. We continue to believe that spreads should move tighter, albeit at a slower pace than in 2009 and 2010, supported by attractive valuations, more favorable fundamentals and negative net issuance.

Commercial real estate fundamentals remain challenged with delinquencies moving up during the last part of 2010, ending the year at a record high of 9.2%. However, commercial real estate (CRE) is beginning to show initial signs of improvement across property types. Since the peak of the market in October 2007, CRE valuations have fallen approximately 42%. The precipitous decline in pricing occurred primarily over the course of 2009 with significant volatility experienced over the course of 2010. The Moody's/REAL Commercial Price Property Index is approximately 2% lower than it was at the end of 2009. The most recent release of the Index, in November 2010, measured a monthly increase of 1.3%. This latest advance marks the second consecutive month with a price increase, following three consecutive months of declines. We expect CRE valuations to experience continued volatility in the near term as they continue to bounce around a "rocky bottom" with the most dramatic declines behind us.

The Funds also entered into short U.S. Treasury futures contracts to hedge interest rate risk.

How did the Funds perform over this period?

The performance of JLS and JMT, as well as a general market index, is presented in the accompanying table.

Total Returns on Net Asset Value

For periods ended 12/31/10

Fund	1-Year	Since Inception*
JLS	16.06%	14.55%
Barclays Capital U.S. Aggregate Bond Index ¹	6.56%	4.51%
JMT	N/A	13.20%
	N/A	4.57%

Barclays Capital U.S. Aggregate Bond
Index¹

For the twelve-month period ended December 31, 2010, JLS outperformed the Barclays Capital Index based on favorable attribution from its allocation to non-agency RMBS and CMBS holdings. The non-agency RMBS sector was the largest contributor to total returns, with its Prime and Alt-A holdings contributing the most. The Fund's allocation to CMBS was also a strong contributor. In addition, the Fund benefited from the agency debt positions established early in the period for liquidity purposes. Agency MBS pass-throughs contributed negatively, albeit modestly, to total returns for the period.

For the approximately ten-month period ended December 31, 2010, JMT outperformed the Barclays Capital Index. The Fund generated total return from its allocation to non-agency RMBS and CMBS holdings, as well. The non-agency RMBS sector was the largest contributor to total returns, with its Prime and Alt-A holdings contributing the most. The Fund's allocation to CMBS was also a strong contributor. In addition, the Fund benefited from the agency debt positions established early in the period for liquidity purposes. Performance for the period was positive on an absolute returns basis across all sectors and asset classes.

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Distribution and Share Price Information

The following information regarding your Fund's distributions is current as of December 31, 2010, and likely will vary over time based on each Fund's investment activities and portfolio investment value changes.

During the twelve-month reporting period, the Funds' monthly distributions to shareholders remained stable. JMT declared its first monthly distribution to shareholders during May 2010.

During certain periods, the Funds may pay dividends at a rate that may be more or less than the amount of net investment income actually earned by the Funds during the period. If a Fund has cumulatively earned more than it has paid in dividends, it holds 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 earnings, the excess constitutes negative UNII that is likewise reflected in a Funds' NAV. As of December 31, 2010, both Funds had negative UNII balances for tax purposes and positive UNII balances for financial statement purposes.

The following table provides information regarding each Fund's distributions and total return performance for the fiscal year ended December 31, 2010. This information is intended to help you better understand whether the Funds' returns for the specified time period were sufficient to meet each Fund's distributions.

As of 12/31/10	JLS	JMT*
Inception date	11/25/09	2/24/10
Calendar year ended December 31, 2010:		
Per share distribution:		
From net investment income	\$ 1.71	\$ 1.13
From long-term capital gains	0.14	0.00
From short-term capital gains	0.10	0.21
Return of capital	0.02	0.00
Total per share distribution	\$ 1.97	\$ 1.34
Distribution rate on NAV	8.39%	7.84%**
Average annual total returns:		
1-Year on NAV	16.06%	N/A
Since inception on NAV	14.55%	13.20%

* For the period February 24, 2010 (commencement of operations) through December 31, 2010.

** Annualized.

Share Repurchases and Shares Price Information

Since the inception of the Funds' repurchase program, the Funds have not repurchased any of their outstanding common shares.

At December 31, 2010, the Funds' share prices were trading at (-) discounts to their NAVs as shown in the accompanying table.

Fund	12/31/10 (-) Discount	Twelve-Month Average (-) Discount
JLS	-0.51%	-0.28%
JMT	-4.91%	-2.40%*

* For the period February 24, 2010 (inception date) through December 31, 2010.

Nuveen Investments

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Fund Snapshot

Share Price	\$	25.50
Net Asset Value (NAV)	\$	25.63
Premium/(Discount) to NAV		-0.51%
Current Distribution Rate ¹		8.12%
Net Assets (000)	\$	405,755

Average Annual Total Returns

(Inception 11/25/09)

	On Share Price	On NAV
1-Year	10.47%	16.06%
Since Inception	9.46%	14.55%

Key Portfolio Statistics

Average Coupon	4.51%
Average Life (Years)	4.64
Spread Duration (Years) ²	2.23
Average Credit Quality ³	B1

Portfolio Allocation(as a % of total Fund investments)⁵

Mortgage-Backed Securities	73.6%
PPIP Limited Partnership ⁴	20.6%
Short-Term Investments	5.8%
JLS	

Performance

OVERVIEW

Nuveen Mortgage Opportunity Term Fund

as of December 31, 2010

Aggregate Sector Allocation (as a % of total investment exposure)^{5,7}

2010 Distributions Per Share⁶

Share Price Performance Weekly Closing Price

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 Current Distribution Rate is based on the Fund's current annualized monthly distribution divided by the Fund's current market price. The Fund's monthly distributions to its shareholders may be comprised of ordinary income, net realized capital gains and, if at the end of the calendar year the Fund's cumulative net ordinary income and net realized gains are less than the amount of the Fund's distributions, a return of capital for tax purposes.

2 Nominal spread duration is a measure of a mortgage-backed security's or fund's susceptibility to price changes resulting from changes in interest rates in the open market for that type of security or fund. The Fund's average spread duration is the market value weighted average of the spread duration of each fund portfolio investment, excluding cash equivalents, leverage and investments in derivatives. A bond's spread duration is defined as the projected percent price change of the bond given a 100 basis point move in its yield spread relative to a comparable maturity Treasury security. Spreads can "widen" or "tighten" relative to comparable duration Treasury securities. A "widening" occurs when spreads increase and would likely result in a price decline for a security (or portfolio) with positive spread duration. A "tightening" occurs when spreads decrease and would likely result in a price increase for a security (or portfolio) with positive spread duration. The Fund relies on holding-specific spread durations as projected and reported by the Fund's sub-adviser, Wellington Management Company, LLP ("Wellington Management"). The Fund's average spread duration reflects the spread durations of bonds held in the master fund (the "Master PPIP Fund"), in which the Fund has indirectly invested. Spread duration is merely a projection and may not accurately reflect a bond's or a fund's actual price changes as a result of changes in market interest rates.

3 The Fund's average credit quality is the market value weighted average of the numerical equivalent of the lower of either Standard & Poor's or Moody's credit rating, as available, of each rated bond. This figure excludes cash equivalents, leverage and investments in derivatives. The Fund's average credit quality includes the impact of the Fund's pro-rated indirect ownership of bonds held in the Master PPIP Fund. Holdings and their ratings will change over time. The average rating does not reflect the broader variation of ratings in the portfolio.

4 The Fund is a limited partner in a private feeder fund (the "Feeder PPIP Fund") organized by Wellington Management. The Feeder PPIP Fund invests all of its assets in the Master PPIP Fund that has been organized by Wellington Management to invest directly in mortgage-backed securities and other assets eligible for purchase under the Public-Private Investment Program ("PPIP") established by the U.S. Department of Treasury.

5 Excluding investments in derivatives.

6 The Fund paid shareholders a long-term capital gain distribution in September 2010 of \$0.2377 per share.

7 Investment exposure includes the Fund's pro rata investments in the Feeder PPIP Fund.

Nuveen Investments

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JMT

Performance

OVERVIEW

Nuveen Mortgage Opportunity Term Fund 2

as of December 31, 2010

Aggregate Sector Allocation (as a % of total investment exposure)^{5,6}

2010 Distributions Per Share

Share Price Performance Weekly Closing Price

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 Current Distribution Rate is based on the Fund's current annualized monthly distribution divided by the Fund's current market price. The Fund's monthly distributions to its shareholders may be comprised of ordinary income, net realized capital gains and, if at the end of the calendar year the Fund's cumulative net ordinary income and net realized gains are less than the amount of the Fund's distributions, a return of capital for tax purposes.

2 Nominal spread duration is a measure of a mortgage-backed security's or fund's susceptibility to price changes resulting from changes in interest rates in the open market for that type of security or fund. The Fund's average spread duration is the market value weighted average of the spread duration of each fund portfolio investment, excluding cash equivalents, leverage and investments in derivatives. A bond's spread duration is defined as the projected percent price change of the bond given a 100 basis point move in its yield spread relative to a comparable maturity Treasury security. Spreads can "widen" or "tighten" relative to comparable duration Treasury securities. A "widening" occurs when spreads increase and would likely result in a price decline for a security (or portfolio) with positive spread duration. A "tightening" occurs when spreads decrease and would likely result in a price increase for a security (or portfolio) with positive spread duration. The Fund relies on holding-specific spread durations as projected and reported by the Fund's sub-adviser, Wellington Management Company, LLP ("Wellington Management"). The Fund's average spread duration reflects the spread durations of bonds held in the master fund (the "Master PPIP Fund"), in which the Fund has indirectly invested. Spread duration is merely a projection and may not accurately reflect a bond's or a fund's actual price changes as a result of changes in market interest rates.

3 The Fund's average credit quality is the market value weighted average of the numerical equivalent of the lower of either Standard & Poor's or Moody's credit rating, as available, of each rated bond. This figure excludes cash equivalents, leverage and investments in derivatives. The Fund's average credit quality includes the impact of the Fund's pro-rated indirect ownership of bonds held in the Master PPIP Fund. Holdings and their ratings will change over time. The average rating does not reflect the broader variation of ratings in the portfolio.

4 The Fund is a limited partner in a private feeder fund (the "Feeder PPIP Fund") organized by Wellington Management. The Feeder PPIP Fund invests all of its assets in the Master PPIP Fund that has been organized by Wellington Management to invest directly in mortgage-backed securities and other assets eligible for purchase under the Public-Private Investment Program ("PPIP") established by the U.S. Department of Treasury.

5 Excluding investments in derivatives.

6 Investment exposure includes the Fund's pro rata investments in the Feeder PPIP Fund.

Fund Snapshot

Share Price	\$ 24.38
Net Asset Value (NAV)	\$ 25.64
Premium/(Discount) to NAV	-4.91%
Current Distribution Rate ¹	8.22%
Net Assets (000)	\$ 123,159

Cumulative Total Returns

(Inception 2/24/10)

	On Share Price	On NAV
Since Inception	3.07%	13.20%

Key Portfolio Statistics

Average Coupon	4.60%
Average Life (Years)	4.57
Spread Duration (Years) ²	1.89
Average Credit Quality ³	B2

Portfolio Allocation

(as a % of total Fund investments)⁵

Mortgage-Backed Securities	70.3%
PPIP Limited Partnership ⁴	23.4%
Short-Term Investments	6.3%

Nuveen Investments

Report of INDEPENDENT REGISTERED

PUBLIC ACCOUNTING FIRM

**To the Board of Trustees and Shareholders of
Nuveen Mortgage Opportunity Term Fund
Nuveen Mortgage Opportunity Term Fund 2:**

In our opinion, the accompanying statement of assets and liabilities, including the portfolio of investments, and the related statements of operations, of changes in net assets, of cash flows, and the financial highlights present fairly, in all material respects, the financial position of Nuveen Mortgage Opportunity Term Fund and Nuveen Mortgage Opportunity Term Fund 2 (the "Funds") at December 31, 2010, and the results of each of their operations, the changes in each of their net assets, each of their cash flows, and the financial highlights for the periods indicated in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements 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 are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2010 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

Chicago, IL
February 25, 2011

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JLS

Nuveen Mortgage Opportunity Term Fund

Portfolio of INVESTMENTS

December 31, 2010

Principal Amount (000)	Description (1)	Coupon	Maturity	Ratings (2)	Value
	Mortgage-Backed Securities	76.7%			
	Residential	76.7%			
\$ 4,807	ACE Securities Corporation, Asset Backed Pass-Through Certificates Series 2007-HE2	0.381%	12/25/36	Caa1	\$ 3,607,081
1,035	AH Mortgage Advance Trust, Series 2010-ADV2, 144A	8.830%	5/10/41	BBB	1,040,175
1,835	AmeriCredit Automobile Receivables Trust Series 2010-2 Class E, 144A	8.660%	10/10/17	BB	1,950,576
9,708	Asset Backed Funding Corporation, Asset Backed Certificates, Series 2006-OPT3	0.421%	11/25/36	Caa3	5,272,830
1,000	Asset Backed Funding Corporation, Asset-Backed Certificates Series 2006-OPT1	0.501%	9/25/36	A	511,508
2,130	Banc of America Commercial Mortgage Inc., Commercial Mortgage Pass-Through Certificates, Series 2006-6	5.390%	10/10/45	Aa2	2,098,335
1,205	Banc of America Commercial Mortgage Inc., Commercial Mortgage Pass-Through Certificates, Series 2007-4	5.809%	2/10/51	BBB	1,202,622
3,808		5.869%	6/25/47	CCC	3,154,634

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	Bear Stearns Adjustable Rate Mortgage Trust, Mortgage Pass-Through Certificate Series 2007-4				
7,247	Bear Stearns Adjustable Rate Mortgage Trust, Pass Through Certificates, Series 2006-4	5.477%	10/25/36	CCC	5,166,936
7,735	Bear Stearns Adustable Rate Mortgage Trust, Mortgage Pass-Through Certificate Series 2005-10	2.871%	10/25/35	BB	6,522,643
9,844	Bear Stearns Alt-A Trust, Mortgage Pass-Through Certificates, Series 2006-8	0.421%	6/25/46	CC	4,370,556
6,035	Bear Stearns ARM Trust, Mortgage Pass Through Certificates, Series 2007-1	5.284%	2/25/47	CCC	4,054,564
3,300	Bear Stearns Commercial Mortgage Trust, Commercial Mortgage Pass-Through Certificates, Series 2007-TOP28	5.835%	9/11/42	A+	3,505,652
5,000	Carrington Securities LP, Mortgage Loan Trust Assset-Backed Pass-Through Certificates Series 2007-HE1	0.411%	6/25/37	A+	3,656,050
4,744	Citigroup Mortgage Loan Trust Inc., Mortgage Pass-Through Certificates, Series 2007-AR4	5.463%	3/25/37	CCC	3,451,969
2,056	Citigroup Mortgage Loan Inc., Mortgage Pass Through Certificates, Series 2006-AR2	4.942%	3/25/36	Caa3	1,610,561

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5,683	Citigroup Mortgage Loan Trust Inc., Mortgage Pass-Through Certificates, Series 2005-3	2.988%	8/25/35	Caa2	4,213,542
4,594	Citigroup Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2006-AR7	5.622%	11/25/36	CCC	2,920,599
5,915	Citigroup Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2006-AR7	5.397%	11/25/36	CCC	3,655,481
3,554	Citigroup Mortgage Loan Trust, Mortgage Pass-Through Certificatesm Series 2007-AR8	5.704%	7/25/37	Caa3	2,627,152
1,477	Countrywide Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2005-J11	6.000%	10/25/35	CCC	1,137,242
653	Countrywide Alternative Loan Trust, Securitization Pass-Through Certificates Series 2007-HY5R	5.544%	3/25/47	B	640,982
4,500	Countrywide Asset-Backed Certificates Trust 2006-22	0.371%	5/25/37	A-	4,203,428
7,983	Countrywide Asset-Backed Certificates Trust, Series 2006-17	0.411%	3/25/47	B-	5,682,830
9,010	Countrywide Home Loans, Asset-Backed Certificates Trust, Series 2005-13	0.511%	4/25/36	BB-	8,026,813
5,468	Credit Suisse First Boston Mortgage Acceptance Corporation, Adjustable Rate Mortgage-Backed Pass Through Certificates	3.149%	3/25/36	CCC	3,751,509

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Series 2005-12

4,940	Dominos Pizza Master Issuer LLC, Series 2007-1, 144A	5.261%	4/25/37	BBB-	5,075,563
10,678	Fannie Mae Real Estate Mortgage Investment Conduit, Pass Through Certificates, (I/O)	6.379%	12/25/36	AAA	1,694,103
21,951	Fannie Mae Real Estate Mortgage Investment Conduit, Pass Through Certificates, (I/O)	6.039%	8/25/37	AAA	3,000,798

Nuveen Investments

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JLS

Nuveen Mortgage Opportunity Term Fund (continued)

Portfolio of Investments December 31, 2010

Principal Amount (000)	Description (1)	Coupon	Maturity	Ratings (2)	Value
	Residential (continued)				
\$ 17,300	Federal National Mortgage Association (MDR) (WI/DD)	6.000%	TBA	AAA	\$ 18,805,653
44	Federal National Mortgage Association 878334	6.000%	5/01/36	AAA	48,469
40	Federal National Mortgage Association 933166	6.000%	11/1/37	AAA	43,596
57	Federal National Mortgage Association 972305	6.000%	2/01/38	AAA	62,048
193	Federal National Mortgage Association 988936	6.000%	8/01/38	AAA	210,277
72	Federal National Mortgage Association AD0208	6.000%	8/01/39	AAA	78,695
5,641	First Horizon Alternative Mortgage Securities Trust, Mortgage Pass-Through Certificates Series 2006-FA3	6.000%	7/25/36	CCC	4,584,888
5,089	First Horizon Alternative Mortgage Securities, Mortgage Pass-Through Certificates, Series 2006-FA3	6.000%	7/25/36	CCC	4,385,793
412	First Horizon Mortgage Pass-Through Certificates Trust, Series 2007-AR1	5.829%	5/25/37	CCC	312,396
4,114	First Horizon Mortgage Pass-Through Trust, Mortgage Pass-Through Certificate Series 2007-AR2	5.749%	8/25/37	CC	3,145,149
8,392	Freddie Mac Multi-Class Certificates, (I/O)	6.410%	12/15/36	AAA	1,002,649

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19,918	Freddie Mac Multi-Class Certificates, Series 2415, (I/O)	6.040%	8/15/35	AAA	2,437,249
5,607	Freddie Mac Multi-Class Certificates, Series 3175, (I/O)	6.890%	6/15/36	AAA	793,602
17,642	Freddie Mac Multi-Class Certificates, Series 3255, (I/O)	6.447%	12/15/36	AAA	2,648,248
13,715	Freddie Mac Multi-Class Certificates, Series 3411, (I/O)	6.740%	8/15/36	AAA	1,752,347
17,508	Freddie Mac Multi-Class Certificates, Series 3591, (I/O)	6.140%	6/15/39	AAA	1,969,831
14,337	Freddie Mac Multi-Class Certificates, Series 3591, (I/O)	5.940%	10/15/39	AAA	1,489,396
30,372	Freddie Mac Multi-Class Certificates, Series 3623, (I/O)	5.960%	1/15/40	AAA	4,045,746
11,950	Freddie Mac Multi-Class Certificates, Series 3631, (I/O)	6.190%	2/15/40	AAA	1,435,172
14,007	Freddie Mac REMIC, (I/O)	6.397%	5/15/36	AAA	2,103,181
28,940	Freddie Mac REMIC, (I/O)	6.360%	7/15/36	AAA	3,885,103
2,870	Freddie Mac Structured Pass Through Certificates Series 2010-K006, 144A (3)	5.532%	12/26/46	AAA	2,534,210
5,150	GMAXM Mortgage Loan Trust, Mortgage Pass-Through Certificates Series 2005-AF2	6.000%	12/25/35	CC	4,012,177
4,541	Goldman Sachs Mortgage Securities Corporation, Home Equity Asset-Backed Certificates Trust 2007-1	0.341%	2/25/37	CCC	2,554,033
2,760	Goldman Sachs Mortgage Securities Corporation, Mortgage Pass-Through Certificates, Series 2006-FM3	0.491%	11/25/36	CCC	1,100,359
1,698	Government National Mortgage Association Pool, (I/O)	4.500%	10/20/39	AAA	516,520

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1,000	Greenwich Capital Commercial Funding Corporation, Commercial Mortgage Pass-Through Certificates, Series 2005-GG5	5.224%	4/10/37	Aaa	1,062,343
4,701	GSR Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2006-AR2	5.174%	4/25/36	CCC	3,528,197
6,582	GSR Mortgage Securities Corporation, Mortgage Pass-Through Certificates, Series 2007-AR2	5.591%	5/25/47	CCC	4,924,793
5,300	HSI Asset Securitization Corporation, Mortgage Pass-Through Certificates, Series 2006-HE1	0.371%	10/25/36	CCC	2,368,546
3,546	IndyMac INDA Mortgage Loan Trust 2006-AR1, Pass-Through Certificates	5.672%	8/25/36	AAA	3,414,262
6,735	IndyMac INDA Mortgage Loan Trust Series 2007-AR3	5.971%	7/25/37	CCC	5,378,021
7,525	JP Morgan Chase Commercial Mortgage Securities Corporation, Commercial Mortgage Pass-Through Certificates, Series 2005-LDP3	4.968%	8/15/42	A2	7,414,302
4,183	JP Morgan Chase Commercial Mortgage Securities Corporation, Commercial Mortgage Pass-Through Certificates, Series 2006-LDP8	5.440%	5/15/45	Aaa	4,247,960
1,380	JP Morgan Mortgage Trust, Mortgage Pass-Through Certificates, Series 2007-A4	5.278%	6/25/37	CCC	1,118,459
6,579	LB UBS Commercial Mortgage Trust Series 2007-C2, Pass Through	5.493%	2/15/40	BBB	6,351,487

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Certificates						
	LB-UBS Commercial Mortgage Trust, Commercial Mortgage Pass-Through Certificates, Series 2005-C5	5.017%	9/15/40	A+		2,667,522
2,600						
	Leaf II Receivables Funding LLC, 144A	5.000%	2/20/22	N/R		2,143,131
2,241						
	Leaf II Receivables Funding LLC, 144A	5.000%	1/20/19	N/R		1,315,347
1,381						
	Merrill Lynch Mortgage Backed Securities Trust, Mortgage Loan Asset Backed Notes, Series 2007-2	5.800%	8/25/36	Caa2		5,445,360
6,809						
	Merrill Lynch Mortgage Backed Securities Trust, Mortgage Loan Asset Backed Notes, Series 2007-3	5.352%	6/25/37	CCC		1,037,505
1,395						
	Merrill Lynch Mortgage Investors Trust, Mortgage Loan Asset Backed Certificates, Series 2007-MLN1	0.371%	3/25/37	CCC		862,060
1,239						
	Merrill Lynch Mortgage Investors Trust, Mortgage Loan Asset-Backed Certificates, 2005-A9	2.700%	12/25/35	B+		6,640,587
9,065						

Nuveen Investments

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Principal Amount (000)	Description (1)	Coupon	Maturity	Ratings (2)	Value
	Residential (continued)				
\$ 5,000	Merrill Lynch Mortgage Trust, Commercial Mortgage Pass-Through Certificates, Series 2005-LC1	5.331%	1/12/44	Aa2	\$ 4,740,803
2,368	Morgan Stanley Capital I Inc., Mortgage Pass-Through Certificates, Series 2006-7	6.141%	6/25/36	CCC	1,476,783
1,635	Morgan Stanley Capital I Trust, Commercial Mortgage Pass-Through Certificates, Series 2007-HQ13	5.569%	12/15/44	A+	1,681,633
4,600	Morgan Stanley Capital I Trust, Commercial Mortgage Pass-Through Certificates, Series 2007-TOP25	5.544%	11/12/49	Aa1	4,696,441
4,551	Morgan Stanley Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2006-3AR	3.302%	3/25/36	CCC	2,782,390
2,553	Nomura Asset Acceptance Corporation, Alternative Loan Trust Mortgage Pass-Through Certificates Series 2005-AR4	3.057%	8/25/35	Ba3	1,849,930
3,400	NovaStar Mortgage Funding Corporation, Home Equity Loan Asset-Backed Certificates, Series 2007-2	0.441%	9/25/37	CCC	1,078,851
5,000	Renaissance Home Equity Loan Trust Asset Backed Certificates, Series 2007-3	6.998%	9/25/37	CCC	2,853,578
3,365	Residential Accredit Loans Inc., RALI Mortgage Asset-Backed Pass-Through Certificates, Series 2005-QA6	3.358%	5/25/35	CCC	2,294,329

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7,768	Residential Asset Mortgage Products Inc, GMACM Mortgage Pass-Through Certificates Series 2005-AR5	3.141%	9/19/35	CCC	6,408,348
3,457	Residential Asset Securitization Trust 2006-A7CB	6.500%	7/25/36	Ca	2,015,772
5,255	Residential Funding Mortgage Securities I Inc., Mortgage Pass Through Certificates Series 2007-SA3	5.704%	7/27/37	CC	3,591,998
3,140	Residential Funding Mortgage Securities I Inc., Mortgage Pass Through Certificates, Series 2006-SA3	5.967%	9/25/36	CCC	2,428,369
4,448	Residential Funding Mortgage Securities I, Mortgage Pass-Through Securities Series 2006-S1	5.750%	1/25/36	CCC	3,874,537
4,763	Residential Funding Mortgage Securities I, Mortgage Pass Through Certificates, Series 2007-SA2	5.616%	4/25/37	Caa3	3,622,202
4,557	Residential Funding Mortgage Securities Inc. Mortgage Pass-Through Certificates Series 2006-SA2	5.832%	8/25/36	CCC	3,678,936
5,166	Sequoia Mortgage Trust, Mortgage Pass-Through Certificates, Series 2007-1	5.238%	2/20/47	CCC	4,204,790
3,956	Sonic Capital LLC, 144A	5.096%	12/20/31	Baa2	4,057,133
4,723	SunTrust Adjustable Rate Mortgage Loan Trust, Mortgage Pass-Through Certificate Series 2007-2	5.462%	4/25/37	CCC	3,616,232
1,384	SunTrust Adjustable Rate Mortgage Loan Trust, Mortgage Pass-Through Certificate Series 2007-4	5.861%	10/25/37	Caa1	1,162,946
2,683	SunTrust Adjustable Rate Mortgage Loan Trust, Mortgage Pass-Through Certificate Series 2007-4	5.776%	10/25/37	Caa1	2,176,863

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7,291	SunTrust Adjustable Rate Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2007-1	5.716%	2/25/37	CCC	5,433,504
625	Wachovia Bank Commercial Mortgage Trust, Commercial Mortgage Pass-Through Certificates, Series 2007-C31	5.509%	4/15/47	Aa2	638,330
1,229	Washington Mutual Mortgage Securities Corporation, Mortgage Pass-Through Certificates, Series 2003-MS9	7.476%	4/25/33	A	1,145,965
4,237	Washington Mutual Mortgage Securities Corporation, Mortgage Pass-Through Certificates, Series 2006-5	6.000%	7/25/36	Ca	2,589,077
6,170	Washington Mutual Mortgage Securities Corporation, Pass Through Certificates, Series 2006-AR	5.415%	12/25/36	CCC	4,762,086
2,233	Wells Fargo Alternative Loan Trust, Mortgage Asset-Backed Pass-Through Certificates Series 2007-PA6	6.230%	12/28/37	CCC	1,721,045
1,051	Wells fargo Mortgage Backed Securities Trust 2006-AR17, Mortgage Pass Through Certificates	4.978%	10/25/36	CCC	860,676
525	Wells Fargo Mortgage Backed Securities Trust, Mortgage Pass-Through Certificates Series 2006-AR16	5.492%	10/25/36	CCC	432,629
2,301	Wells Fargo Mortgage Securities Trust, Mortgage Pass Through Certificates, Series 2006-AR10	5.269%	7/25/36	CCC	1,830,954
626		5.937%	9/25/36	Caa1	576,256

Wells Fargo Mortgage
Securities Trust, Mortgage
Pass Through
Certificates,
Series 2006-AR12

Nuveen Investments
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Nuveen Mortgage Opportunity Term Fund (continued)

Portfolio of Investments December 31, 2010

Principal Amount (000)	Description (1)	Coupon	Maturity	Ratings (2)	Value
	Residential (continued)				
\$ 1,305	Wells Fargo Mortgage Securities Trust, Mortgage Pass Through Certificates, Series 2006-AR12	5.805%	9/25/36	Caa2	\$ 1,098,411
2,215	Wells Fargo Mortgage Securities Trust, Mortgage Pass Through Certificates, Series 2006-AR8	2.913%	4/25/36	BB	1,941,939
576,105	Total Residential				311,007,139
\$ 576,105	Total Mortgage-Backed Securities (cost \$292,172,231)				311,007,139
	PPIP Limited Partnership - 21.4%				
\$	Wellington Management Legacy Securities PPIF, LP, (3), (4)	N/A	N/A	N/A	\$ 86,931,662
\$	Total PPIP Limited Partnership (cost \$76,228,596)				86,931,662
Principal Amount (000)	Description (1)	Coupon	Maturity		Value
	Short-Term Investments				
\$ 24,776	Repurchase Agreement with State Street Bank, dated 12/31/10, repurchase price \$24,776,042, collateralized by \$24,360,000 U.S. Treasury Notes, 2.500%, due 4/30/15, value \$25,273,500	6.1% 0.040%	1/03/11		\$ 24,775,959

Total Short-Term Investments (cost \$24,775,959)	24,775,959
Total Investments (cost \$393,176,786) 104.2%	422,714,760
Other Assets Less Liabilities (4.2)% (5)	(16,959,487)
Net Assets 100%	\$ 405,755,273

Investments in Derivatives

Futures Contracts outstanding at December 31, 2010:

Type	Contract Position	Number of Contracts	Contract Expiration	Value	Unrealized Appreciation (Depreciation)
U.S. 2-Year Treasury Note	Short	(354)	3/11	\$ (77,492,813)	\$ 171,351

For Fund portfolio compliance purposes, the Fund's industry classifications refer to any one or more of the industry subclassifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry subclassifications into sectors for reporting ease.

(1) All percentages shown in the Portfolio of Investments are based on net assets.

(2) Ratings (not covered by the report of independent registered public accounting firm): 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.

(3) 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.

(4) Investment valued at fair value using methods determined in good faith by, or at the discretion of, the Board of Trustees.

(5) Other Assets Less Liabilities includes Unrealized Appreciation (Depreciation) of derivative instruments as noted in Investments in Derivatives.

PIIP Public-Private Investment Program.

TBA To be announced. Maturity date not known prior to settlement of this transaction.

MDR Denotes investment is subject to dollar roll transactions.

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

I/O Interest only security.

N/A Not applicable.

N/R Not rated.

144A Investment is exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These investments may only be resold in transactions exempt from registration, which are normally those transactions with qualified institutional buyers.

See accompanying notes to financial statements.

Nuveen Investments

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JMT

Nuveen Mortgage Opportunity Term Fund 2

Portfolio of INVESTMENTS

December 31, 2010

Principal Amount (000)	Description (1)	Coupon	Maturity	Ratings (2)	Value
	Mortgage-Backed Securities	73.7%			
	Residential	73.7%			
\$ 315	AH Mortgage Advance Trust, Series 2010-ADV2, 144A	8.830%	5/10/41	BBB	\$ 316,575
610	AmeriCredit Automobile Receivables Trust Series 2010-2 Class E, 144A	8.660%	10/10/17	BB	648,420
1,120	Banc of America Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2006-7	6.226%	10/25/36	CCC	787,320
1,370	Banc of America Commercial Mortgage Inc., Commercial Mortgage Pass-Through Certificates, Series 2006-6	5.390%	10/10/45	Aa2	1,349,633
1,205	Banc of America Commercial Mortgage Inc., Commercial Mortgage Pass-Through Certificates, Series 2007-4	5.809%	2/10/51	BBB	1,202,622
676	Bear Stearns Adjustable Rate Mortgage Trust, Mortgage Pass-Through Certificate Series 2006-2	5.750%	7/25/36	CCC	501,246
493	Bear Stearns Adjustable Rate Mortgage Trust, Mortgage Pass-Through Certificate Series 2007-4	5.869%	6/25/47	CCC	408,553
2,997	Bear Stearns Adjustable Rate Mortgage Trust, Pass Through Certificates,	5.477%	10/25/36	CCC	2,137,045

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Series 2006-4

2,895	Bear Stearns Adjustable Rate Mortgage Trust, Mortgage Pass-Through Certificate Series 2005-10	2.871%	10/25/35	BB	2,441,248
975	Bear Stearns Commercial Mortgage Trust, Commercial Mortgage Pass-Through Certificates, Series 2007-TOP28	5.835%	9/11/42	A+	1,035,761
899	Citicorp Mortgage Securities Inc., CitiMortgage Alternative Loan Trust, Senior and Subordinated REMIC Pass Through Certificates, Series 2007-A6	6.000%	6/25/37	Caa3	644,590
270	Citigroup Mortgage Loan Inc., Mortgage Pass Through Certificates, Series 2006-AR2	4.659%	3/25/36	Caa3	211,916
226	Citigroup Mortgage Loan Trust Inc., Mortgage Pass-Through Certificates, Series 2007-AR1	0.481%	1/25/37	CCC	121,610
878	Citigroup Mortgage Loan Trust Inc., Mortgage Pass-Through Certificates, Series 2005-3	2.986%	8/25/35	Caa2	650,961
798	Citigroup Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2007-AR8	5.781%	7/25/37	Caa3	589,589
650	Countrywide Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2005-85CB	5.250%	2/25/21	Caa1	600,419
983	Countrywide Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2006-25CB	0.861%	10/25/36	CCC	659,068
1,090	Countrywide Alternative Loan Trust, Mortgage Pass-Through	5.750%	5/25/36	CCC	725,877

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	Certificates, Series 2006-6CB				
	Countrywide Alternative Loan Trust, Mortgage Pass-Through				
1,103	Certificates, Series 2006-6CB	5.500%	5/25/36	CC	704,328
	Countrywide Alternative Trust, Mortgage Pass-Through				
1,345	Certificates, Series 2007-18CB	0.731%	8/25/37	CCC	893,264
	Countrywide Asset-Backed Certificates Trust, Series 2006-17				
2,996		0.411%	3/25/47	B-	2,132,660
	Countrywide CHL Mortgage Pass-Through Trust 2006-HYB1				
3,244		4.076%	3/20/36	CCC	1,965,218
	Countrywide CHL Mortgage Pass-Through Trust, Mortgage Pass-Through				
1,394	Certificates, Series 2006-19	6.000%	1/25/37	Caa2	1,249,990
	Countrywide Home Loans, Asset-Backed Certificates Trust, Series 2005-13				
845		0.511%	4/25/36	BB-	752,678
	Countrywide Home Loans, CHL Mortgage Pass-Through Certificates Trust 2007-21				
2,327		6.250%	2/25/38	CCC	2,101,071
	Countrywide Home Loans, Mortgage Pass Through Trust Series 2007-HY04				
854		5.837%	9/25/47	CCC	635,880
	Credit Suisse Mortgage Corporation, Series 2010 RR5, 144A, (3)				
1,500		5.467%	9/18/39	N/R	1,455,152
	Credit Suisse CSMC Mortgage-Backed Trust, Pass-Through				
2,289	Certificates Series 2007-3	5.746%	4/25/37	CCC	1,477,898
	Credit Suisse First Boston Mortgage Acceptance Corporation, Adjustable Rate				
	Mortgage-Backed Pass Through Certificates Series 2005-12				
890		3.218%	3/25/36	CCC	610,810
1,560		5.261%	4/25/37	BBB-	1,602,809

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Dominos Pizza Master
Issuer LLC, Series
2007-1, 144A

4,004	Fannie Mae Real Estate Mortgage Investment Conduit, Pass Through Certificates, (I/O)	6.379%	12/25/36	AAA	635,289
7,317	Fannie Mae Real Estate Mortgage Investment Conduit, Pass Through Certificates, (I/O)	6.047%	8/25/37	AAA	1,000,214
7,931	Fannie Mae REMIC Pass-Through Certificates, (I/O)	5.989%	2/25/40	AAA	1,003,714
5,800	Federal National Mortgage Association (MDR) (WI/DD)	5.000%	TBA	AAA	6,154,345
785	First Horizon Alternative Mortgage Securities Trust, Mortgage Pass-Through Certificates, Series 2007-FA2	5.500%	4/25/37	CCC	568,340
480	First Horizon Mortgage Pass-Through Certificates Trust, Series 2007-AR1	5.831%	5/25/37	CCC	364,143

Nuveen Investments

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JMT

Nuveen Mortgage Opportunity Term Fund 2 (continued)

Portfolio of Investments December 31, 2010

Principal Amount (000)	Description (1)	Coupon	Maturity	Ratings (2)	Value
	Residential (continued)				
\$ 280	First Horizon Mortgage Pass-Through Trust, Mortgage Pass-Through Certificate Series 2007-AR2	5.786%	8/25/37	CC	\$ 214,393
7,746	Freddie Mac Multi-Class Certificates, (I/O)	6.040%	8/15/35	AAA	947,819
5,124	Freddie Mac Multi-Class Certificates, (I/O)	6.740%	8/15/36	AAA	654,723
5,881	Freddie Mac Multi-Class Certificates, (I/O)	6.440%	12/15/36	AAA	882,749
8,169	Freddie Mac Multi-Class Certificates, (I/O)	6.410%	12/15/36	AAA	975,995
6,647	Freddie Mac Multi-Class Certificates, (I/O)	6.140%	6/15/39	AAA	747,806
9,144	Freddie Mac Multi-Class Certificates, (I/O)	5.960%	1/15/40	AAA	1,218,049
4,669	Freddie Mac REMIC, (I/O)	6.390%	5/15/36	AAA	701,060
835	Freddie Mac Structured Pass Through Certificates Series 2010-K006, 144A, (3)	5.358%	12/26/46	AAA	737,305
764	Goldman Sachs Mortgage Securities Corporation, GSR Mortgage Loan Trust, Mortgage Pass-Through Certificates Series 2007-AR1	5.652%	3/25/47	CCC	584,396
566	Government National Mortgage Association Pool	4.500%	10/20/39	AAA	172,173
1,500	Greenwich Capital Commercial Funding Corporation, Commercial Mortgage Pass Through Certificates Series 2007-GG9	5.475%	3/10/39	Aaa	1,501,407
2,571	GSR Mortgage Loan Trust, Mortgage Pass-	5.297%	4/25/36	CCC	1,929,240

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Through Certificates, Series 2006-AR2					
217	IndyMac INDA Mortgage Loan Trust 2006- AR1, Pass-Through Certificates	5.657%	8/25/36	AAA	209,124
2,518	IndyMac INDA Mortgage Loan Trust Series 2007-AR3	5.966%	7/25/37	CCC	2,010,355
1,081	IndyMac INDX Mortgage Loan Trust 2006-AR3	3.276%	3/25/36	CC	612,048
3,221	IndyMac INDX Mortgage Loan Trust, Series 2005-AR23	2.695%	11/25/35	CCC	2,339,726
1,357	IndyMac INDX Mortgage Loan Trust, Series 2006-AR27	0.451%	10/25/36	CCC	764,018
790	J.P. Morgan Mortgage Acquisition Trust, Asset-Backed Pass-Through Certificates. Series 2006-WMC2	0.345%	7/25/36	CCC	620,763
354	J.P. Morgan Mortgage Trust, Mortgage Pass-Through Certificates, Series 2007-S3	6.000%	8/25/37	CCC	316,813
957	J.P. Morgan Mortgage Trust, Mortgage Pass-Through Certificates, Series 2006-A4	5.595%	6/25/36	Caa2	722,313
1,575	JP Morgan Chase Commercial Mortgage Securities Corporation, Commercial Mortgage Pass-Through Certificates, Series 2005-LDP3	4.968%	8/15/42	A2	1,551,831
870	JP Morgan Chase Commercial Mortgage Securities Corporation, Commercial Mortgage Pass-Through Certificates, Series 2006-CB16	5.593%	5/12/45	Aa3	860,123
676	JP Morgan Chase Commercial Mortgage Securities Corporation, Commercial Mortgage Pass-Through	6.068%	2/12/51	A1	703,854

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	Certificates, Series 2008-C2				
535	JP Morgan Mortgage Acquisition Trust, Asset-Backed Pass Through Certificates, Series 2007-CH3	0.403%	3/25/37	Caa1	390,241
408	JP Morgan Mortgage Trust, Mortgage Pass-Through Certificates, Series 2007-A4	5.278%	6/25/37	CCC	330,679
841	Leaf II Receivables Funding LLC. , 144A	5.000%	2/20/22	N/R	803,704
461	Leaf II Receivables Funding LLC, 144A	5.000%	1/20/19	N/R	439,084
2,427	Merrill Lynch Mortgage Backed Securities Trust, Mortgage Loan Asset Backed Notes, Series 2007-2	5.800%	8/25/36	Caa2	1,940,833
199	Merrill Lynch Mortgage Backed Securities Trust, Mortgage Loan Asset Backed Notes, Series 2007-3	5.352%	6/25/37	CCC	148,215
50	Merrill Lynch Mortgage Investors Trust, Mortgage Loan Asset-Backed Certificates, 2005-A9	2.700%	12/25/35		