

BLACKROCK MUNICIPAL INCOME TRUST II  
Form N-CSRS  
May 03, 2017

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 811-21126

Name of Fund: BlackRock Municipal Income Trust II (BLE)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Municipal Income  
Trust II, 55 East 52<sup>nd</sup> Street, New York, NY 10055

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 08/31/2017

Date of reporting period: 02/28/2017

Item 1 Report to Stockholders

**SEMI-ANNUAL REPORT (UNAUDITED)**

**BlackRock Municipal Bond Trust (BBK)**

**BlackRock Municipal Income Investment Quality Trust (BAF)**

**BlackRock Municipal Income Quality Trust (BYM)**

**BlackRock Municipal Income Trust II (BLE)**

**BlackRock MuniHoldings Investment Quality Fund (MFL)**

**BlackRock MuniVest Fund, Inc. (MVF)**

**Not FDIC Insured   May Lose Value   No Bank Guarantee**

## The Markets in Review

Dear Shareholder,

Risk assets, such as stocks and high yield bonds, enjoyed strong performance in the 12 months ended February 28, 2017. It was a different story for higher-quality assets such as U.S. Treasuries, which generated muted returns after struggling in the latter part of 2016 as reflationary expectations in the United States helped drive a pick-up in global growth and investors braced for higher interest rates.

Markets showed great resilience during the period. Big surprises such as the United Kingdom's vote to leave the European Union and the outcome of the U.S. presidential election brought spikes in equity market volatility, but they were ultimately short-lived. Instead, investors used the sell-offs to seize upon buying opportunities, allowing markets to quickly rebound. We believe this reinforces the case for taking the long view rather than reacting to short-term market noise.

The global reflationary theme—rising nominal growth, wages and inflation—was the dominant driver of asset returns during the period, outweighing significant political upheavals and uncertainty. This trend accelerated after the U.S. election and continued into the beginning of 2017, stoked by expectations for an extra boost to U.S. growth via fiscal policy.

Although economic momentum is gaining traction, the capacity for rapid global growth is restrained by structural factors including an aging population, low productivity growth and excess savings. A tempered economic growth trend and high valuations across most assets have set the stage for muted investment returns going forward.

Equity markets still have room to move, although the disparity between winners and losers is widening, making selectivity increasingly important. Fixed income investors are also facing challenges as bond markets recalibrate to accommodate rising rates and higher inflation expectations. And in a world where political risk and policy uncertainty abound, there is no lack of potential catalysts for higher volatility.

In this environment, investors need to think globally, extend their scope across a broad array of asset classes and be nimble as market conditions change. We encourage you to talk with your financial advisor and visit [blackrock.com](http://blackrock.com) for further insight about investing in today's markets.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Rob Kapito

President, BlackRock Advisors, LLC

### Total Returns as of February 28, 2017

|   | 6-month | 12-month |
|---|---------|----------|
| U.S. large cap equities<br>(S&P 500® Index)                             | 10.01%  | 24.98%   |
| U.S. small cap equities<br>(Russell 2000® Index)                        | 12.61   | 36.11    |
| International equities<br>(MSCI Europe, Australasia,<br>Far East Index) | 4.90    | 15.75    |
| Emerging market equities<br>(MSCI Emerging Markets Index)               | 5.51    | 29.46    |
|   | 0.22    | 0.39     |

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|   |        |        |
|---|--------|--------|
| 3-month Treasury bills<br>(BofA Merrill Lynch 3-Month<br>U.S. Treasury Bill Index)                |        |        |
| U.S. Treasury securities<br>(BofA Merrill Lynch<br>10-Year U.S. Treasury<br>Index)                | (6.17) | (4.09) |
| U.S. investment grade bonds<br>(Bloomberg Barclays U.S.<br>Aggregate Bond Index)                  | (2.19) | 1.42   |
| Tax-exempt municipal<br>bonds (S&P Municipal<br>Bond Index)                                       | (2.51) | 0.76   |
| U.S. high yield bonds<br>(Bloomberg Barclays U.S. Corporate High Yield 2% Issuer<br>Capped Index) | 5.43   | 21.83  |

Past performance is no guarantee of future results. Index performance is shown for illustrative purposes only. You cannot invest directly in an index.

## Table of Contents

|   | Page |
|---|------|
| <u>The Markets in Review</u>                | 2    |
| <b>Semi-Annual Report:</b>                  |      |
| <u>Municipal Market Overview</u>            | 4    |
| <u>The Benefits and Risks of Leveraging</u> | 5    |
| <u>Derivative Financial Instruments</u>     | 5    |
| <u>Trust Summaries</u>                      | 6    |
| Financial Statements:                       |      |
| <u>Schedules of Investments</u>             | 18   |
| <u>Statements of Assets and Liabilities</u> | 56   |
| <u>Statements of Operations</u>             | 58   |
| <u>Statements of Changes in Net Assets</u>  | 60   |
| <u>Statements of Cash Flows</u>             | 62   |
| <u>Financial Highlights</u>                 | 64   |
| <u>Notes to Financial Statements</u>        | 70   |
| <u>Officers and Trustees</u>                | 81   |
| <u>Additional Information</u>               | 82   |

## Municipal Market Overview

For the Reporting Period Ended February 28, 2017

### Municipal Market Conditions

Municipal bonds generated modestly positive performance for the period, in spite of vastly rising interest rates as a result of generally stronger economic data, signs of inflation pressures, Federal Reserve ( Fed ) monetary policy normalization, and market expectations for pro-growth fiscal policy. However, ongoing reassurance from the Fed that rates would be increased gradually and would likely remain low overall resulted in strong demand for fixed income investments. Investors favored the income, relative yield, and stability of municipal bonds amid bouts of interest rate volatility (bond prices rise as rates fall) resulting from the United Kingdom's decision to leave the European Union, the contentious U.S. election, and widening central bank divergence i.e., policy easing outside the United States while the Fed slowly commences policy tightening. During the 12 months ended February 28, 2017, municipal bond funds garnered net inflows of approximately \$22 billion (based on data from the Investment Company Institute).

For the same 12-month period, total new issuance remained robust from a historical perspective at \$443 billion (significantly above the \$393 billion issued in the prior 12-month period). A noteworthy portion of new supply during this period was attributable to refinancing activity (roughly 60%) as issuers continued to take advantage of low interest rates and a flatter yield curve to reduce their borrowing costs.

S&P Municipal Bond Index  
Total Returns as of February 28, 2017  
6 months: (2.51)%  
12 months: 0.76%

### A Closer Look at Yields

From February 29, 2016 to February 28, 2017, yields on AAA-rated 30-year municipal bonds increased by 25 basis points ( bps ) from 2.80% to 3.05%, while 10-year rates rose by 53 bps from 1.76% to 2.29% and 5-year rates increased 57 bps from 0.93% to 1.50% (as measured by Thomson Municipal Market Data). The municipal yield curve modestly flattened over the 12-month period with the spread between 2- and 30-year maturities flattening by 17 bps and the spread between 10- and 30-year maturities flattening by 28 bps.

During the same time period, on a relative basis, tax-exempt municipal bonds broadly outperformed U.S. Treasuries with the greatest outperformance experienced in the long-end of the yield curve. In absolute terms, the positive performance of municipal bonds was driven largely by a supply/demand imbalance within the municipal market as investors sought income and incremental yield in an environment where opportunities became increasingly scarce. More broadly, municipal bonds came under pressure post the November U.S. election as a result of uncertainty surrounding potential tax-reform, erasing a bulk of year-to-date performance and influencing a strong pattern of mutual fund inflows to turn negative in the closing months of the period. The asset class is known for its lower relative volatility and preservation of principal with an emphasis on income as tax rates rise.

### Financial Conditions of Municipal Issuers

The majority of municipal credits remain strong, despite well-publicized distress among a few issuers. Four of the five states with the largest amount of debt outstanding California, New York, Texas and Florida have exhibited markedly improved credit fundamentals during the slow national recovery. However, several states with the largest unfunded pension liabilities have seen their bond prices decline noticeably and remain vulnerable to additional price deterioration. On the local level, Chicago's credit quality downgrade is an outlier relative to other cities due to its larger pension liability and inadequate funding remedies. BlackRock maintains the view that municipal bond defaults will remain minimal and in the periphery while the overall market is fundamentally sound. We continue to advocate careful credit research and believe that a thoughtful approach to structure and security selection remains imperative amid uncertainty in a modestly improving economic environment.

The opinions expressed are those of BlackRock as of February 28, 2017, and are subject to change at any time due to changes in market or economic conditions. The comments should not be construed as a recommendation of any individual holdings or market sectors. Investing involves risk including loss of principal. Bond

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values fluctuate in price so the value of your investment can go down depending on market conditions. Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. There may be less information on the financial condition of municipal issuers than for public corporations. The market for municipal bonds may be less liquid than for taxable bonds. Some investors may be subject to Alternative Minimum Tax (AMT). Capital gains distributions, if any, are taxable.

The Standard & Poor's Municipal Bond Index, a broad, market value-weighted index, seeks to measure the performance of the U.S. municipal bond market. All bonds in the index are exempt from U.S. federal income taxes or subject to the alternative minimum tax. Past performance is no guarantee of future results. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an index.



## The Benefits and Risks of Leveraging

The Trusts may utilize leverage to seek to enhance the distribution rate on, and net asset value ( NAV ) of, their common shares ( Common Shares ). However, these objectives cannot be achieved in all interest rate environments.

In general, the concept of leveraging is based on the premise that the financing cost of leverage, which is based on short-term interest rates, is normally lower than the income earned by a Trust on its longer-term portfolio investments purchased with the proceeds from leverage. To the extent that the total assets of the Trusts (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, the Trusts' shareholders benefit from the incremental net income. The interest earned on securities purchased with the proceeds from leverage is paid to shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share NAV.

To illustrate these concepts, assume a Trust's Common Shares capitalization is \$100 million and it utilizes leverage for an additional \$30 million, creating a total value of \$130 million available for investment in longer-term income securities. If prevailing short-term interest rates are 3% and longer-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, a Trust's financing costs on the \$30 million of proceeds obtained from leverage are based on the lower short-term interest rates. At the same time, the securities purchased by a Trust with the proceeds from leverage earn income based on longer-term interest rates. In this case, a Trust's financing cost of leverage is significantly lower than the income earned on a Trust's longer-term investments acquired from leverage proceeds, and therefore the holders of Common Shares ( Common Shareholders ) are the beneficiaries of the incremental net income.

However, in order to benefit Common Shareholders, the return on assets purchased with leverage proceeds must exceed the ongoing costs associated with the leverage. If interest and other costs of leverage exceed the Trusts' return on assets purchased with leverage proceeds, income to shareholders is lower than if the Trusts had not used leverage. Furthermore, the value of the Trusts' portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the value of the Trusts' obligations under their respective leverage arrangements generally does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Trusts' NAVs positively or

negatively. Changes in the future direction of interest rates are very difficult to predict accurately, and there is no assurance that a Trust's intended leveraging strategy will be successful.

The use of leverage also generally causes greater changes in each Trust's NAV, market price and dividend rates than comparable portfolios without leverage. In a declining market, leverage is likely to cause a greater decline in the NAV and market price of a Trust's Common Shares than if the Trust were not leveraged. In addition, each Trust may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause the Trusts to incur losses. The use of leverage may limit a Trust's ability to invest in certain types of securities or use certain types of hedging strategies. Each Trust incurs expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares. Moreover, to the extent the calculation of the Trusts' investment advisory fees includes assets purchased with the proceeds of leverage, the investment advisory fees payable to the Trusts' investment adviser will be higher than if the Trusts did not use leverage.

To obtain leverage, each Trust has issued Variable Rate Demand Preferred Shares ( VRDP Shares ) and Variable Rate Muni Term Preferred Shares ( VMTP Shares ) (collectively, Preferred Shares ) and/or leveraged its assets through the use of tender option bond trusts ( TOB Trusts ) as described in the Notes to Financial Statements.

Under the Investment Company Act of 1940, as amended (the 1940 Act ), each Trust is permitted to issue debt up to ~~33~~50% of its total managed assets or equity securities (e.g., Preferred Shares) up to 50% of its total managed assets. A Trust may voluntarily elect to limit its leverage to less than the maximum amount permitted under the 1940 Act. In addition, a Trust may also be subject to certain asset coverage, leverage or portfolio composition requirements imposed by the Preferred Shares' governing instruments or by agencies rating the Preferred Shares, which may be more stringent than those imposed by the 1940 Act.

If a Trust segregates or designates on its books and records cash or liquid assets having a value not less than the value of a Trust's obligations under the TOB Trust (including accrued interest), a TOB Trust is not considered a senior security and is not subject to the foregoing limitations and requirements under the 1940 Act.

## Derivative Financial Instruments

The Trusts may invest in various derivative financial instruments. These instruments are used to obtain exposure to a security, commodity, index, market, and/or other asset without owning or taking physical custody of securities, commodities and/or other referenced assets or to manage market, equity, credit, interest rate, foreign currency exchange rate, commodity and/or other risks. Derivative financial instruments may give rise to a form of economic leverage and involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the

transaction or illiquidity of the instrument. The Trusts' successful use of a derivative financial instrument depends on the investment adviser's ability to predict pertinent market movements accurately, which cannot be assured. The use of these instruments may result in losses greater than if they had not been used, may limit the amount of appreciation a Trust can realize on an investment and/or may result in lower distributions paid to shareholders. The Trusts' investments in these instruments, if any, are discussed in detail in the Notes to Financial Statements.

## Trust Summary as of February 28, 2017

BlackRock Municipal Bond Trust

## Trust Overview

BlackRock Municipal Bond Trust s (BBK) (the Trust ) investment objective is to provide current income exempt from regular U.S. federal income tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from regular U.S. federal income taxes (except that the interest may be subject to the U.S. federal alternative minimum tax). The Trust invests, under normal market conditions, at least 80% of its managed assets in municipal bonds that are investment grade quality or, if unrated, determined to be of comparable quality by the investment adviser at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

## Trust Information

|  |                |
|--|----------------|
| Symbol on New York Stock Exchange ( NYSE )                                   | BBK            |
| Initial Offering Date  | April 30, 2002 |
| Yield on Closing Market Price as of February 28, 2017 (\$15.55) <sup>1</sup> | 5.79%          |
| Tax Equivalent Yield <sup>2</sup>  | 10.23%         |
| Current Monthly Distribution per Common Share <sup>3</sup>                   | \$0.0750       |
| Current Annualized Distribution per Common Share <sup>3</sup>                | \$0.9000       |
| Economic Leverage as of February 28, 2017 <sup>4</sup>                       | 38%            |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum marginal U.S. federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

<sup>3</sup> The monthly distribution per Common Share, declared on March 1, 2017, was decreased to \$0.0635 per share. The yield on closing market price, current monthly distribution per Common Share and current annualized distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

<sup>4</sup> Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

## Performance

Returns for the six months ended February 28, 2017 were as follows:

|  | Returns Based On |         |
|--|------------------|---------|
|  | Market Price     | NAV     |
| BBK <sup>1,2</sup>   | (10.01)%         | (7.82)% |
| Lipper General & Insured Municipal Debt Funds (Leveraged) <sup>3</sup> . . . . . | (6.50)%          | (5.12)% |

<sup>1</sup> All returns reflect reinvestment of dividends and/or distributions.

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- <sup>2</sup> The Trust moved from a premium to NAV to a discount during the period, which accounts for the difference between performance based on price and performance based on NAV.
- <sup>3</sup> Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Trust's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. Municipal bonds initially traded lower through September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The downturn accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. While the municipal market subsequently retraced some of its losses in the second half of the period, the modest rally was insufficient to make up for the earlier downturn.

In this environment, the Trust's positions in longer-dated and longer-duration bonds were the largest detractors from performance. (Duration is a measure of interest rate sensitivity.) Exposure to lower-coupon and zero-coupon bonds, which experienced greater price deterioration than the market as a whole, also detracted from returns. Conversely, positions in pre-refunded issues benefited performance as their low duration and higher quality enabled them to hold up better than longer-duration bonds.

Positions in the transportation, education and utilities sectors, which were among the weaker performing sectors for the period, negatively impacted performance. The Trust's exposure to school district bonds, which were adversely affected by their longer duration, was an additional detractor.

The Trust sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Trust's positioning had a positive effect on returns.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

## BlackRock Municipal Bond Trust

## Market Price and Net Asset Value Per Share Summary

|                 | 2/28/17 | 8/31/16 | Change   | High    | Low     |
|-----------------|---------|---------|----------|---------|---------|
| Market Price    | \$15.55 | \$18.22 | (14.65)% | \$18.55 | \$14.78 |
| Net Asset Value | \$15.64 | \$17.89 | (12.58)% | \$17.89 | \$15.30 |

## Market Price and Net Asset Value History For the Past Five Years

## Overview of the Trust's Total Investments\*

| Sector Allocation                            | 2/28/17 | 8/31/16 |
|--|---------|---------|
| Health                                       | 23%     | 24%     |
| County/City/Special District/School District | 19      | 17      |
| Transportation                               | 15      | 15      |
| Education                                    | 14      | 14      |
| Utilities                                    | 12      | 13      |
| State  | 8       | 9       |
| Corporate                                    | 5       | 5       |
| Tobacco                                      | 3       | 2       |
| Housing                                      | 1       | 1       |

For Trust compliance purposes, the Trust's sector classifications refer to one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Call/Maturity Schedule<sup>3</sup>

Calendar Year Ended December 31,

|      |    |
|------|----|
| 2017 | 4% |
| 2018 | 6  |
| 2019 | 4  |
| 2020 | 7  |
| 2021 | 11 |

<sup>3</sup> Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

Credit Quality Allocation<sup>1</sup>

|                  | 2/28/17 | 8/31/16 |
|------------------|---------|---------|
| AAA/Aaa          | 4%      | 4%      |
| AA/Aa            | 31      | 47      |
| A                | 26      | 27      |
| BBB/Baa          | 13      | 11      |
| BB/Ba            | 6       | 5       |
| B                | 1       | 1       |
| N/R <sup>2</sup> | 19      | 5       |

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<sup>1</sup> For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P's or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

<sup>2</sup> The investment adviser evaluates the credit quality of unrated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment adviser has deemed certain of these unrated securities as investment grade quality. As of February 28, 2017 and August 31, 2016, the market value of unrated securities deemed by the investment adviser to be investment grade represents less than 1% and 3%, respectively, of the Trust's total investments.

\* Excludes short-term securities.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

7

Trust Summary as of February 28, 2017

BlackRock Municipal Income Investment Quality Trust

**Trust Overview**

BlackRock Municipal Income Investment Quality Trust s (BAF) (the Trust ) investment objective is to provide current income exempt from U.S. federal income tax, including the alternative minimum tax and Florida intangible property tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its managed assets in municipal bonds exempt from U.S. federal income taxes, including the alternative minimum tax. The Trust also invests at least 80% of its managed assets in municipal bonds that are investment grade quality at the time of investment or, if unrated, determined to be of comparable quality by the investment adviser at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives. Due to the repeal of the Florida intangible personal property tax, in September 2008, the Board gave approval to permit the Trust the flexibility to invest in municipal obligations regardless of geographic location since municipal obligations issued by any state or municipality that provides income exempt from regular U.S. federal income tax would now satisfy the foregoing objective and policy.

No assurance can be given that the Trust s investment objective will be achieved.

**Trust Information**

|  |                  |
|--|------------------|
| Symbol on NYSE   | BAF              |
| Initial Offering Date  | October 31, 2002 |
| Yield on Closing Market Price as of February 28, 2017 (\$14.50) <sup>1</sup> | 5.67%            |
| Tax Equivalent Yield <sup>2</sup>  | 10.02%           |
| Current Monthly Distribution per Common Share <sup>3</sup>                   | \$0.0685         |
| Current Annualized Distribution per Common Share <sup>3</sup>                | \$0.8220         |
| Economic Leverage as of February 28, 2017 <sup>4</sup>                       | 39%              |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum marginal U.S. federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

<sup>3</sup> The distribution rate is not constant and is subject to change.

<sup>4</sup> Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

**Performance**

Returns for the six months ended February 28, 2017 were as follows:

|  | Returns Based On |         |
|--|------------------|---------|
|  | Market Price     | NAV     |
| BAF <sup>1,2</sup>   | (5.56)%          | (4.36)% |
| Lipper General & Insured Municipal Debt Funds (Leveraged) <sup>3</sup> . . . . . | (6.50)%          | (5.12)% |

<sup>1</sup> All returns reflect reinvestment of dividends and/or distributions.

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<sup>2</sup> The Trust's discount to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.

<sup>3</sup> Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Trust's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. Municipal bonds initially traded lower through September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The downturn accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. While the municipal market subsequently retraced some of its losses in the second half of the period, the modest rally was insufficient to make up for the earlier downturn.

The Trust continued to employ leverage, which helped augment income. However, since leverage also amplifies the effect of market movements, it was a net detractor from overall performance.

Positions in longer-dated maturities, which have higher interest rate sensitivity, generally experienced the largest price declines. The Trust's exposure to 4% coupon bonds also detracted, as lower coupons typically underperform in a rising rate environment. Positions in high-quality, short-duration bonds such as pre-refunded securities performed relatively well compared to longer-duration positions. (Duration is a measure of interest rate sensitivity.)

From a sector allocation perspective, the Trust's exposure to the transportation and utilities sectors were the largest detractors.

The Trust sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Trust's positioning had a positive effect on returns.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.



## BlackRock Municipal Income Investment Quality Trust

## Market Price and Net Asset Value Per Share Summary

|                 | 2/28/17 | 8/31/16 | Change  | High     | Low      |
|-----------------|---------|---------|---------|----------|----------|
| Market Price    | \$14.50 | \$15.79 | (8.17)% | \$ 16.30 | \$ 13.68 |
| Net Asset Value | \$15.40 | \$16.56 | (7.00)% | \$ 16.56 | \$ 15.07 |

## Market Price and Net Asset Value History For the Past Five Years

## Overview of the Trust's Total Investments\*

| Sector Allocation                            | 2/28/17 | 8/31/16 |
|--|---------|---------|
| Transportation                               | 31%     | 28%     |
| County/City/Special District/School District | 29      | 27      |
| Utilities                                    | 14      | 17      |
| Health                                       | 13      | 14      |
| State  | 5       | 6       |
| Education                                    | 5       | 5       |
| Tobacco                                      | 1       | 1       |
| Corporate                                    | 1       | 1       |
| Housing                                      | 1       | 1       |

For Trust compliance purposes, the Trust's sector classifications refer to one or

more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Call/Maturity Schedule<sup>2</sup>

| Calendar Year Ended December 31, |     |
|----------------------------------|-----|
| 2017                             |     |
| 2018                             | 13% |
| 2019                             | 18  |
| 2020                             | 3   |
| 2021                             | 29  |

<sup>2</sup> Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

Credit Quality Allocation<sup>1</sup>

|         | 2/28/17 | 8/31/16 |
|---------|---------|---------|
| AAA/Aaa | 3%      | 3%      |
| AA/Aa   | 72      | 74      |
| A       | 19      | 19      |
| BBB/Baa | 5       | 4       |
| N/R     | 1       |         |

## Edgar Filing: BLACKROCK MUNICIPAL INCOME TRUST II - Form N-CSRS

<sup>1</sup> For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

\* Excludes short-term securities.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

9

## Trust Summary as of February 28, 2017

## BlackRock Municipal Income Quality Trust

## Trust Overview

BlackRock Municipal Income Quality Trust s (BYM) (the Trust ) investment objective is to provide current income exempt from U.S. federal income taxes, including the alternative minimum tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its managed assets in municipal bonds exempt from U.S. federal income taxes, including the U.S. federal alternative minimum tax. The Trust also invests at least 80% of its managed assets in municipal bonds that are investment grade quality at the time of investment or, if unrated, determined to be of comparable quality by the investment adviser at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

## Trust Information

|  |                  |
|--|------------------|
| Symbol on NYSE   | BYM              |
| Initial Offering Date  | October 31, 2002 |
| Yield on Closing Market Price as of February 28, 2017 (\$14.04) <sup>1</sup> | 5.64%            |
| Tax Equivalent Yield <sup>2</sup>  | 9.96%            |
| Current Monthly Distribution per Common Share <sup>3</sup>                   | \$0.0660         |
| Current Annualized Distribution per Common Share <sup>3</sup>                | \$0.7920         |
| Economic Leverage as of February 28, 2017 <sup>4</sup>                       | 39%              |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum marginal U.S. federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

<sup>3</sup> The distribution rate is not constant and is subject to change.

<sup>4</sup> Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

## Performance

Returns for the six months ended February 28, 2017 were as follows:

|  | Returns Based On |         |
|--|------------------|---------|
|  | Market Price     | NAV     |
| BYM <sup>1,2</sup>   | (7.19)%          | (5.44)% |
| Lipper General & Insured Municipal Debt Funds (Leveraged) <sup>3</sup> | (6.50)%          | (5.12)% |

<sup>1</sup> All returns reflect reinvestment of dividends and/or distributions.

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<sup>2</sup> The Trust's discount to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.

<sup>3</sup> Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Trust's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. Municipal bonds initially traded lower through September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The downturn accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. While the municipal market subsequently retraced some of its losses in the second half of the period, the modest rally was insufficient to make up for the earlier downturn.

Positions in longer-dated maturities, which have higher interest rate sensitivity, generally experienced the largest price declines. Conversely, the Trust's positions in high-quality, short-dated issues performed relatively well and helped mitigate the impact of the market downturn. The Trust's holdings in zero-coupon bonds also detracted, as their longer durations accentuated negative price performance in a rising rate environment. (Duration is a measure of interest-rate sensitivity.)

The Trust continued to employ leverage, which helped augment income. However, since leverage also amplifies the effect of market movements, it was a net detractor from overall performance.

Holdings in tax-backed (state) issues underperformed. The health care sector also lagged, reflecting the increased uncertainty surrounding the future of the Affordable Care Act following the November 2016 election.

The Trust sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Trust's positioning had a positive effect on returns.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

## BlackRock Municipal Income Quality Trust

## Market Price and Net Asset Value Per Share Summary

|                 | 2/28/17 | 8/31/16 | Change  | High     | Low      |
|-----------------|---------|---------|---------|----------|----------|
| Market Price    | \$14.04 | \$15.55 | (9.71)% | \$ 15.79 | \$ 13.50 |
| Net Asset Value | \$14.92 | \$16.22 | (8.01)% | \$ 16.22 | \$ 14.64 |

## Market Price and Net Asset Value History For the Past Five Years

## Overview of the Trust's Total Investments\*

| Sector Allocation                            | 2/28/17 | 8/31/16 |
|--|---------|---------|
| Transportation                               | 30%     | 28%     |
| County/City/Special District/School District | 23      | 25      |
| Utilities                                    | 12      | 12      |
| Health                                       | 11      | 11      |
| Education                                    | 9       | 7       |
| State  | 9       | 11      |
| Tobacco                                      | 3       | 3       |
| Corporate                                    | 2       | 2       |
| Housing                                      | 1       | 1       |

For Trust compliance purposes, the Trust's sector classifications refer to one or

more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Call/Maturity Schedule<sup>2</sup>

| Calendar Year Ended December 31, |    |
|----------------------------------|----|
| 2017                             | 8% |
| 2018                             | 15 |
| 2019                             | 8  |
| 2020                             | 8  |
| 2021                             | 8  |

<sup>2</sup> Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

Credit Quality Allocation<sup>1</sup>

|         | 2/28/17 | 8/31/16 |
|---------|---------|---------|
| AAA/Aaa | 13%     | 14%     |
| AA/Aa   | 55      | 54      |
| A       | 25      | 24      |
| BBB/Baa | 6       | 7       |
| N/R     | 1       | 1       |

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<sup>1</sup> For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

\* Excludes short-term securities.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

11

## Trust Summary as of February 28, 2017

## BlackRock Municipal Income Trust II

## Trust Overview

BlackRock Municipal Income Trust II s (BLE) (the Trust ) investment objective is to provide current income exempt from regular U.S. federal income tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from U.S. federal income taxes (except that the interest may be subject to the U.S. federal alternative minimum tax). The Trust invests, under normal market conditions, at least 80% of its managed assets in municipal bonds that are investment grade quality at the time of investment or, if unrated, determined to be of comparable quality by the investment adviser at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust s investment objective will be achieved.

## Trust Information

|  |               |
|--|---------------|
| Symbol on NYSE MKT   | BLE           |
| Initial Offering Date  | July 30, 2002 |
| Yield on Closing Market Price as of February 28, 2017 (\$14.86) <sup>1</sup> | 5.94%         |
| Tax Equivalent Yield <sup>2</sup>  | 10.49%        |
| Current Monthly Distribution per Common Share <sup>3</sup>                   | \$0.0735      |
| Current Annualized Distribution per Common Share <sup>3</sup>                | \$0.8820      |
| Economic Leverage as of February 28, 2017 <sup>4</sup>                       | 39%           |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum marginal U.S. federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

<sup>3</sup> The distribution rate is not constant and is subject to change.

<sup>4</sup> Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

## Performance

Returns for the six months ended February 28, 2017 were as follows:

|  | Returns Based On |         |
|--|------------------|---------|
|  | Market Price     | NAV     |
| BLE <sup>1,2</sup>   | (6.32)%          | (4.72)% |
| Lipper General & Insured Municipal Debt Funds (Leveraged) <sup>3</sup> | (6.50)%          | (5.12)% |

<sup>1</sup> All returns reflect reinvestment of dividends and/or distributions.

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<sup>2</sup> The Trust moved from a premium to NAV to a discount during the period, which accounts for the difference between performance based on price and performance based on NAV.

<sup>3</sup> Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Trust's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. Municipal bonds initially traded lower through September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The downturn accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. While the municipal market subsequently retraced some of its losses in the second half of the period, the modest rally was insufficient to make up for the earlier downturn.

The Trust continued to employ leverage, which helped augment income. However, since leverage also amplifies the effect of market movements, it was a net detractor from overall performance.

Positions in longer-dated, lower-rated investment-grade bonds in the transportation, utilities and health care sectors generally experienced the largest declines. Conversely, holdings in higher-quality, short-dated issues produced better relative performance and helped mitigate the impact of the market downturn.

The Trust sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Trust's positioning had a positive effect on returns.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.



## Market Price and Net Asset Value Per Share Summary

|                 | 2/28/17  | 8/31/16  | Change  | High     | Low      |
|-----------------|----------|----------|---------|----------|----------|
| Market Price    | \$ 14.86 | \$ 16.34 | (9.06)% | \$ 16.38 | \$ 13.87 |
| Net Asset Value | \$ 14.91 | \$ 16.12 | (7.51)% | \$ 16.12 | \$ 14.59 |

## Market Price and Net Asset Value History For the Past Five Years

## Overview of the Trust's Total Investments\*

| Sector Allocation                            | 2/28/17 | 8/31/16 |
|--|---------|---------|
| Transportation                               | 23%     | 22%     |
| Utilities                                    | 16      | 17      |
| County/City/Special District/School District | 14      | 13      |
| Health                                       | 12      | 12      |
| State  | 10      | 11      |
| Education                                    | 10      | 10      |
| Corporate                                    | 7       | 7       |
| Tobacco                                      | 7       | 7       |
| Housing                                      | 1       | 1       |

For Trust compliance purposes, the Trust's sector classifications refer to one or

more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Call/Maturity Schedule<sup>3</sup>

| Calendar Year Ended December 31, |     |
|----------------------------------|-----|
| 2017                             | 10% |
| 2018                             | 5   |
| 2019                             | 17  |
| 2020                             | 13  |
| 2021                             | 15  |

<sup>3</sup> Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

Credit Quality Allocation<sup>1</sup>

|                  | 2/28/17 | 8/31/16 |
|------------------|---------|---------|
| AAA/Aaa          | 7%      | 7%      |
| AA/Aa            | 42      | 43      |
| A                | 19      | 20      |
| BBB/Baa          | 18      | 17      |
| BB/Ba            | 4       | 4       |
| B                | 2       | 2       |
| N/R <sup>2</sup> | 8       | 7       |

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<sup>1</sup> For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

<sup>2</sup> The investment adviser evaluates the credit quality of unrated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment adviser has deemed certain of these unrated securities as investment grade quality. As of February 28, 2017 and August 31, 2016, the market value of unrated securities deemed by the investment adviser to be investment grade represents 1% and 2%, respectively, of the Trust's total investments.

\* Excludes short-term securities.

## Trust Summary as of February 28, 2017

BlackRock MuniHoldings Investment Quality Fund

## Trust Overview

BlackRock MuniHoldings Investment Quality Fund s (MFL) (the Trust ) investment objective is to provide shareholders with current income exempt from U.S. federal income tax and to provide shareholders with the opportunity to own shares the value of which is exempt from Florida intangible personal property tax. The Trust seeks to achieve its investment objective by investing primarily in long-term, investment grade (as rated or, if unrated, determined to be of comparable quality by the investment adviser at the time of investment) municipal obligations exempt from U.S. federal income taxes (except that the interest may be subject to the U.S. federal alternative minimum tax). Under normal market conditions, the Trust invests at least 80% of its assets in municipal obligations with remaining maturities of one year or more at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives. Due to the repeal of the Florida intangible personal property tax, in September 2008, the Board gave approval to permit the Trust the flexibility to invest in municipal obligations regardless of geographic location since municipal obligations issued by any state or municipality that provides income exempt from regular U.S. federal income tax would now satisfy the foregoing objective and policy.

No assurance can be given that the Trust s investment objective will be achieved.

## Trust Information

|  |                    |
|--|--------------------|
| Symbol on NYSE   | MFL                |
| Initial Offering Date  | September 26, 1997 |
| Yield on Closing Market Price as of February 28, 2017 (\$14.48) <sup>1</sup> | 5.93%              |
| Tax Equivalent Yield <sup>2</sup>  | 10.48%             |
| Current Monthly Distribution per Common Share <sup>3</sup>                   | \$0.0715           |
| Current Annualized Distribution per Common Share <sup>3</sup>                | \$0.8580           |
| Economic Leverage as of February 28, 2017 <sup>4</sup>                       | 42%                |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum marginal U.S. federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

<sup>3</sup> The distribution rate is not constant and is subject to change.

<sup>4</sup> Represents VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

## Performance

Returns for the six months ended February 28, 2017 were as follows:

|  | Returns Based On |         |
|--|------------------|---------|
|  | Market Price     | NAV     |
| MFL <sup>1,2</sup>   | (5.99)%          | (4.95)% |
| Lipper General & Insured Municipal Debt Funds (Leveraged) <sup>3</sup> . . . . . | (6.50)%          | (5.12)% |

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- <sup>1</sup> All returns reflect reinvestment of dividends and/or distributions.
- <sup>2</sup> The Trust moved to a discount to NAV during the period, which accounts for the difference between performance based on price and performance based on NAV.
- <sup>3</sup> Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Trust's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. Municipal bonds initially traded lower through September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The downturn accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. While the municipal market subsequently retraced some of its losses in the second half of the period, the modest rally was insufficient to make up for the earlier downturn.

Positions in longer-dated maturities detracted from performance due to their higher degree of interest rate sensitivity. Conversely, positions in shorter-dated issues held up better in the down market.

The Trust's holdings in higher-rated securities (those rated AA and AAA), which were more affected by rising rates due to their lower yield spreads, detracted from returns. Lower-rated investment-grade bonds performed somewhat better, as high-yield products experienced stronger demand.

The Trust continued to employ leverage, which helped augment income. However, since leverage also amplifies the effect of market movements, it was a net detractor from overall performance.

The Trust sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Trust's positioning had a positive effect on returns. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

## BlackRock MuniHoldings Investment Quality Fund

## Market Price and Net Asset Value Per Share Summary

|                 | 2/28/17 | 8/31/16 | Change  | High    | Low     |
|-----------------|---------|---------|---------|---------|---------|
| Market Price    | \$14.48 | \$15.86 | (8.70)% | \$16.16 | \$13.52 |
| Net Asset Value | \$14.64 | \$15.86 | (7.69)% | \$15.86 | \$14.32 |

## Market Price and Net Asset Value History For the Past Five Years

## Overview of the Trust's Total Investments\*

| Sector Allocation                            | 2/28/17 | 8/31/16 |
|--|---------|---------|
| Transportation                               | 39%     | 37%     |
| Health                                       | 16      | 12      |
| Utilities                                    | 14      | 14      |
| County/City/Special District/School District | 12      | 12      |
| State  | 12      | 14      |
| Education                                    | 5       | 9       |
| Tobacco                                      | 1       | 1       |
| Housing                                      | 1       | 1       |
| Corporate <sup>1</sup>                       |         |         |

<sup>1</sup> Represents less than 1% of total investments.

For Trust compliance purposes, the Trust's sector classifications refer to one or

more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Call/Maturity Schedule<sup>3</sup>

Calendar Year Ended December 31,

|      |    |
|------|----|
| 2017 | 1% |
| 2018 | 10 |
| 2019 | 21 |
| 2020 | 4  |
| 2021 | 18 |

<sup>3</sup> Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

Credit Quality Allocation<sup>2</sup>

|         | 2/28/17 | 8/31/16 |
|---------|---------|---------|
| AAA/Aaa | 8%      | 6%      |
| AA/Aa   | 62      | 65      |
| A       | 28      | 25      |
| BBB/Baa | 2       | 4       |

<sup>2</sup> For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P's or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of

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BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

\* Excludes short-term securities.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

15

## Trust Summary as of February 28, 2017

BlackRock MuniVest Fund, Inc.

**Trust Overview**

BlackRock MuniVest Fund, Inc.'s (MVF) (the Trust) investment objective is to provide shareholders with as high a level of current income exempt from U.S. federal income taxes as is consistent with its investment policies and prudent investment management. The Trust seeks to achieve its investment objective by investing at least 80% of an aggregate of the Trust's net assets (including proceeds from the issuance of any preferred stock) and the proceeds of any borrowing for investment purposes, in municipal obligations exempt from U.S. federal income taxes (except that the interest may be subject to the U.S. federal alternative minimum tax). Under normal market conditions, the Trust primarily invests in long term municipal obligations rated investment grade at the time of investment (or, if unrated, are considered by the Trust's investment adviser to be of comparable quality at the time of investment) and in long term municipal obligations with maturities of more than ten years at the time of investment. The Trust may invest up to 20% of its total assets in securities rated below investment grade or deemed equivalent at the time of purchase. The Trust may invest directly in such securities or synthetically through the use of derivatives.

No assurance can be given that the Trust's investment objective will be achieved.

**Trust Information**

|  |                    |
|--|--------------------|
| Symbol on NYSE MKT   | MVF                |
| Initial Offering Date  | September 29, 1988 |
| Yield on Closing Market Price as of February 28, 2017 (\$10.00) <sup>1</sup> | 5.94%              |
| Tax Equivalent Yield <sup>2</sup>  | 10.49%             |
| Current Monthly Distribution per Common Share <sup>3</sup>                   | \$0.0495           |
| Current Annualized Distribution per Common Share <sup>3</sup>                | \$0.5940           |
| Economic Leverage as of February 28, 2017 <sup>4</sup>                       | 39%                |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum marginal U.S. federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

<sup>3</sup> The monthly distribution per Common Share, declared on March 1, 2017, was decreased to \$0.046 per share. The yield on closing market price, current monthly distribution per Common Share and current annualized distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

<sup>4</sup> Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 5.

**Performance**

Returns for the six months ended February 28, 2017 were as follows:

|  | Returns Based On |         |
|--|------------------|---------|
|  | Market Price     | NAV     |
| MVF <sup>1,2</sup>   | (4.28)%          | (4.46)% |
| Lipper General & Insured Municipal Debt Funds (Leveraged) <sup>3</sup> | (6.50)%          | (5.12)% |

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- <sup>1</sup> All returns reflect reinvestment of dividends and/or distributions.
- <sup>2</sup> The Trust's premium to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.
- <sup>3</sup> Average return.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. The following discussion relates to the Trust's absolute performance based on NAV:

Municipal bonds lost ground in the six-month reporting period. Municipal bonds initially traded lower through September and October due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The downturn accelerated in November once Donald Trump's election victory caused investors to adjust their expectations in favor of stronger growth and tighter Fed policy. While the municipal market subsequently retraced some of its losses in the second half of the period, the modest rally was insufficient to make up for the earlier downturn.

At the sector level, hospital and transportation issues represented the largest detractors from Trust performance due to their higher weightings in the portfolio. Lower-rated bonds also underperformed, as investors responded to market weakness by gravitating to higher-quality issues. Reinvestment was a further drag on results, since the proceeds of higher-yielding bonds that matured or were called needed to be reinvested at materially lower prevailing rates. Positions in zero-coupon bonds, which have longer durations relative to standard coupon bonds, also lagged.

The Trust continued to employ leverage, which helped augment income. However, since leverage also amplifies the effect of market movements, it was a net detractor from overall performance.

The Trust sought to manage interest rate risk using U.S. Treasury futures. Given that Treasury yields rose as prices fell, this aspect of the Trust's positioning had a positive effect on returns. Positions in pre-refunded issues also benefited performance as their low duration (interest rate sensitivity) enabled them to hold up better than longer-duration bonds at a time of rising yields. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.



## Market Price and Net Asset Value Per Share Summary

|                 | 2/28/17  | 8/31/16  | Change  | High     | Low     |
|-----------------|----------|----------|---------|----------|---------|
| Market Price    | \$ 10.00 | \$ 10.77 | (7.15)% | \$ 10.95 | \$ 9.51 |
| Net Asset Value | \$ 9.62  | \$ 10.38 | (7.32)% | \$ 10.38 | \$ 9.48 |

## Market Price and Net Asset Value History For the Past Five Years

## Overview of the Trust's Total Investments\*

| Sector Allocation                            | 2/28/17 | 8/31/16 |
|--|---------|---------|
| Health                                       | 24%     | 26%     |
| Transportation                               | 23      | 24      |
| County/City/Special District/School District | 12      | 10      |
| Education                                    | 10      | 10      |
| Corporate                                    | 9       | 9       |
| State  | 7       | 7       |
| Utilities                                    | 6       | 6       |
| Housing                                      | 4       | 4       |
| Tobacco                                      | 5       | 4       |

For Trust compliance purposes, the Trust's sector classifications refer to one or

more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Call/Maturity Schedule<sup>3</sup>

Calendar Year Ended December 31,

|      |     |
|------|-----|
| 2017 | 11% |
| 2018 | 14  |
| 2019 | 19  |
| 2020 | 15  |
| 2021 | 5   |

<sup>3</sup> Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

| Credit Quality Allocation <sup>1</sup> | 2/28/17 | 8/31/16 |
|--|---------|---------|
| AAA/Aaa                                | 9%      | 9%      |
| AA/Aa                                  | 43      | 40      |
| A                                      | 19      | 23      |
| BBB/Baa                                | 14      | 14      |
| BB/Ba                                  | 4       | 3       |
| B                                      | 1       | 2       |
| N/R <sup>2</sup>                       | 10      | 9       |

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<sup>1</sup> For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P's or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings

<sup>2</sup> The investment adviser evaluates the credit quality of unrated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment adviser has deemed certain of these unrated securities as investment grade quality. As of February 28, 2017 and August 31, 2016, the market value of unrated securities deemed by the investment adviser to be investment grade each represents 2% of the Trust's total investments.

\* Excludes short-term securities.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

17

## Schedule of Investments February 28, 2017 (Unaudited)

## BlackRock Municipal Bond Trust (BBK)

(Percentages shown are based on Net Assets)

|   | Par        |              |
|---|------------|--------------|
|   | (000)      | Value        |
| <b>Municipal Bonds</b>  |            |              |
| <b>Arizona 9.4%</b>   |            |              |
| Arizona Health Facilities Authority, Refunding RB, Phoenix Children's Hospital, Series A, 5.00%, 2/01/42                        | \$ 2,200   | \$ 2,316,490 |
| City of Phoenix Arizona IDA, Refunding RB, Basis Schools, Inc. Projects, 5.00%, 7/01/45 (a)                                     | 460        | 455,837      |
| County of Maricopa Arizona IDA, Refunding RB, Banner Health Obligation Group, Series A: 3.25%, 1/01/37                          | 1,805      | 1,701,194    |
| 4.00%, 1/01/38  | 1,250      | 1,259,063    |
| County of Pinal Arizona Electric District No.3, Refunding RB:   |            |              |
| 4.75%, 7/01/21 (b)  | 680        | 775,928      |
| 4.75%, 7/01/31  | 3,070      | 3,354,435    |
| Salt Verde Financial Corp., RB, Senior:   |            |              |
| 5.00%, 12/01/32   | 1,500      | 1,696,590    |
| 5.00%, 12/01/37   | 2,065      | 2,347,926    |
| University Medical Center Corp., RB, 6.50%, 7/01/19 (b)   | 500        | 561,865      |
| University Medical Center Corp., Refunding RB, 6.00%, 7/01/21 (b)   | 900        | 1,072,107    |
|   |            | 15,541,435   |
| <b>Arkansas 3.4%</b>  |            |              |
| City of Benton Arkansas, RB, 4.00%, 6/01/39   | 905        | 922,105      |
| City of Fort Smith Arkansas Water & Sewer Revenue, Refunding RB, 4.00%, 10/01/40  | 840        | 858,379      |
| City of Hot Springs Arkansas, RB, Wastewater, 5.00%, 12/01/38   | 1,200      | 1,322,616    |
| City of Little Rock Arkansas, RB, 4.00%, 7/01/41  | 2,025      | 2,061,045    |
| County of Pulaski Arkansas Public Facilities Board, RB, 5.00%, 12/01/42   | 465        | 510,021      |
|   |            | 5,674,166    |
| <b>California 21.7%</b>   |            |              |
| California Health Facilities Financing Authority, RB, Sutter Health:  |            |              |
| Series A, 3.25%, 11/15/36   | 420        | 393,700      |
| Series B, 5.88%, 8/15/31  | 1,900      | 2,167,102    |
| California Health Facilities Financing Authority, Refunding RB, Adventist Health System West, Series A, 3.00%, 3/01/39          | 710        | 586,609      |
| California HFA, RB, Home Mortgage, Series G, AMT, 5.05%, 2/01/29  | 2,285      | 2,287,605    |
| California Infrastructure & Economic Development Bank, Refunding RB, 4.00%, 11/01/45  | 1,550      | 1,565,330    |
| California Statewide Communities Development Authority, RB, Loma Linda University Medical Center, Series A, 5.25%, 12/01/56 (a) | 225        | 236,428      |
| Carlsbad California Unified School District, GO, Election of 2006, Series B, 0.00%, 5/01/34 (c)                                 | 1,000      | 1,060,480    |
| City of San Jose California, Refunding ARB, Series A-1, AMT, 5.75%, 3/01/34   | 2,000      | 2,267,320    |
| Hartnell Community College District California, GO, CAB, Election of 2002, Series D, 0.00%, 8/01/34 (c)                         | 1,650      | 1,608,932    |
|   | <b>Par</b> |              |
|   | (000)      | Value        |
| <b>Municipal Bonds</b>  |            |              |
| <b>California (continued)</b>   |            |              |
| Norwalk-La Mirada Unified School District, GO, Refunding, CAB, Election of 2002, Series E (AGC), 0.00%, 8/01/38 (d)             | \$ 8,000   | \$ 3,032,080 |
| Palomar Community College District, GO, CAB, Election of 2006, Series B:  |            |              |
| 0.00%, 8/01/30 (d)  | 1,500      | 922,800      |
| 0.00%, 8/01/33 (d)  | 4,000      | 1,595,800    |
| 0.00%, 8/01/39 (c)  | 2,605      | 2,227,431    |
| San Diego Community College District, GO, CAB, Election of 2002, 0.00%, 8/01/33 (c)   | 2,800      | 3,141,488    |
| State of California, GO, Refunding, Various Purposes:   |            |              |
| 5.00%, 2/01/38  | 3,000      | 3,351,030    |
| 4.00%, 10/01/44   | 1,080      | 1,102,680    |
| State of California, GO, Various Purposes:  |            |              |
| 5.75%, 4/01/31  | 2,000      | 2,186,320    |
| 6.00%, 3/01/33  | 1,000      | 1,132,950    |
| 6.50%, 4/01/33  | 1,950      | 2,170,798    |
| 5.50%, 3/01/40  | 2,350      | 2,613,270    |

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|   |       |            |
|---|-------|------------|
|   |       | 35,650,153 |
| <b>Colorado 0.7%</b>  |       |            |
| Colorado Health Facilities Authority, RB, Catholic Health Initiatives, Series D, 6.25%, 10/01/33                                | 1,070 | 1,142,610  |
| <b>Connecticut 1.1%</b>   |       |            |
| Connecticut State Health & Educational Facility Authority, Refunding RB, Lawrence & Memorial Hospital, Series F, 5.00%, 7/01/36 | 550   | 586,591    |
| South Central Connecticut Regional Water Authority, Refunding RB, Thirty Second, Series B, 4.00%, 8/01/36                       | 1,235 | 1,269,185  |
|   |       | 1,855,776  |
| <b>Delaware 2.8%</b>  |       |            |
| County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Power LLC Project, 6.00%, 10/01/40                                | 1,200 | 1,289,856  |
| Delaware Transportation Authority, RB:<br>5.00%, 6/01/45  | 2,000 | 2,234,720  |
| 5.00%, 6/01/55  | 950   | 1,032,203  |
|   |       | 4,556,779  |
| <b>Florida 3.8%</b>   |       |            |
| Capital Trust Agency Inc., RB, M/F Housing, The Gardens Apartment Project, Series A, 4.75%, 7/01/40                             | 600   | 600,786    |
| County of Miami-Dade Florida, RB, AMT, Seaport Department, Series B, 6.00%, 10/01/31  | 4,135 | 4,877,232  |
| County of Orange Florida Health Facilities Authority, Refunding RB, Mayflower Retirement Center, 5.00%, 6/01/36                 | 125   | 130,390    |
| Stevens Plantation Community Development District, RB, Special Assessment, Series A, 7.10%, 5/01/35 (e)(f)                      | 860   | 601,596    |
|   |       | 6,210,004  |

### Portfolio Abbreviations

|   |  |  |
|---|--|--|
| <p><b>AGC</b> Assured Guarantee Corp.</p> <p><b>AGM</b> Assured Guaranty Municipal Corp.</p> <p><b>AMBAC</b> American Municipal Bond Assurance Corp.</p> <p><b>AMT</b> Alternative Minimum Tax (subject to)</p> <p><b>ARB</b> Airport Revenue Bonds</p> <p><b>BAM</b> Build America Mutual Assurance Co.</p> <p><b>BARB</b> Building Aid Revenue Bonds</p> <p><b>BHAC</b> Berkshire Hathaway Assurance Corp.</p> <p><b>CAB</b> Capital Appreciation Bonds</p> | <p><b>COP</b> Certificates of Participation</p> <p><b>EDA</b> Economic Development Authority</p> <p><b>EDC</b> Economic Development Corp.</p> <p><b>ERB</b> Education Revenue Bonds</p> <p><b>GARB</b> General Airport Revenue Bonds</p> <p><b>GO</b> General Obligation Bonds</p> <p><b>HFA</b> Housing Finance Agency</p> <p><b>HRB</b> Housing Revenue Bonds</p> <p><b>IDA</b> Industrial Development Authority</p> | <p><b>IDB</b> Industrial Development Board</p> <p><b>ISD</b> Independent School District</p> <p><b>LRB</b> Lease Revenue Bonds</p> <p><b>M/F</b> Multi-Family</p> <p><b>NPFGC</b> National Public Finance Guarantee Corp.</p> <p><b>PILOT</b> Payment in Lieu of Taxes</p> <p><b>PSF-GTD</b> Permanent School Fund Guaranteed</p> <p><b>RB</b> Revenue Bonds</p> <p><b>S/F</b> Single-Family</p> |
|---|--|--|

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Bond Trust (BBK)

|   | Par          |              |
|---|--------------|--------------|
|   | (000)        | Value        |
| <b>Municipal Bonds</b>  |              |              |
| <b>Hawaii 0.3%</b>  |              |              |
| Hawaii State Department of Budget & Finance, Refunding RB, Special Purpose, Senior Living, Kahala Nui, 5.25%, 11/15/37                                  | \$ 400       | \$ 423,824   |
| <b>Idaho 0.3%</b>   |              |              |
| Idaho Health Facilities Authority, RB, St. Lukes Health System Project, Series A, 5.00%, 3/01/39  | 500          | 536,610      |
| <b>Illinois 4.1%</b>  |              |              |
| City of Chicago Illinois, Refunding ARB, O Hare International Airport Passenger Facility Charge, Series B, AMT, 4.00%, 1/01/29                          | 1,600        | 1,628,144    |
| City of Chicago Illinois Midway International Airport, Refunding GARB, 2nd Lien, Series A, 5.00%, 1/01/41   | 870          | 922,644      |
| City of Chicago Illinois Transit Authority, RB, Sales Tax Receipts, 5.25%, 12/01/40   | 665          | 709,256      |
| Illinois Finance Authority, Refunding RB:   |              |              |
| OSF Healthcare System, 6.00%, 5/15/39   | 360          | 395,967      |
| Roosevelt University Project, 6.50%, 4/01/44  | 1,000        | 1,043,140    |
| Railsplitter Tobacco Settlement Authority, RB, 6.00%, 6/01/28   | 1,150        | 1,306,848    |
| State of Illinois, GO, 5.00%, 2/01/39   | 665          | 663,218      |
|   |              | 6,669,217    |
| <b>Iowa 0.3%</b>  |              |              |
| Iowa Higher Education Loan Authority, RB, Private College Facility, Grinnell College Project, 4.00%, 12/01/36   | 425          | 444,571      |
| <b>Kansas 3.3%</b>  |              |              |
| County of Johnson Kansas Unified School District No. 512 Shawnee Mission, GO, Refunding, Series B, 3.00%, 10/01/37                                      | 1,210        | 1,076,380    |
| County of Seward Kansas Unified School District No. 480 Liberal, GO, Refunding, 5.00%, 9/01/39  | 4,000        | 4,436,611    |
|   |              | 5,512,991    |
| <b>Kentucky 2.9%</b>  |              |              |
| County of Louisville & Jefferson Kentucky Metropolitan Government, Refunding RB, Norton Healthcare, Inc., 4.00%, 10/01/35                               | 930          | 921,537      |
| Kentucky Bond Development Corp., Refunding RB, Saint Elizabeth Medical Center, Inc., 4.00%, 5/01/35   | 550          | 559,713      |
| Kentucky Economic Development Finance Authority, RB, Catholic Health Initiatives, Series A, 5.38%, 1/01/40  | 1,830        | 1,916,120    |
| Kentucky Public Transportation Infrastructure Authority, RB, Downtown Crossing Project, Convertible CAB, 1st Tier, Series C (c):                        |              |              |
| 0.00%, 7/01/34  | 500          | 415,510      |
| 0.00%, 7/01/39  | 830          | 675,354      |
| 0.00%, 7/01/43  | 270          | 220,123      |
|   |              | 4,708,357    |
| <b>Louisiana 1.6%</b>   |              |              |
| City of Alexandria Louisiana Utilities, RB, 5.00%, 5/01/39  | 860          | 940,040      |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp. Project, Series A-1, 6.50%, 11/01/35 | 1,050        | 1,198,334    |
| Louisiana Public Facilities Authority, RB, Belle Chasse Educational Foundation Project, 6.50%, 5/01/31  | 400          | 441,144      |
|   |              | 2,579,518    |
|   | <b>Par</b>   |              |
|   | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>  |              |              |
| <b>Maryland 0.9%</b>  |              |              |
| County of Anne Arundel Maryland Consolidated, RB, Special Taxing District, Villages at Two Rivers Project:  |              |              |
| 5.13%, 7/01/36  | \$ 170       | \$ 168,915   |
| 5.25%, 7/01/44  | 170          | 168,113      |
| County of Montgomery Maryland, RB, Trinity Health Credit Group, 5.00%, 12/01/45   | 1,000        | 1,107,680    |

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|   |           |           |
|---|-----------|-----------|
|   | 1,444,708 |           |
| <b>Massachusetts 3.8%</b>   |           |           |
| Massachusetts Development Finance Agency, RB:   |           |           |
| Dana-Farber Cancer Institute Issue, Series N, 5.00%, 12/01/46   | 390       | 430,182   |
| Emerson College Issue, Series A, 5.25%, 1/01/42   | 565       | 622,444   |
| Emerson College Issue, Series A, 5.00%, 1/01/47   | 630       | 676,563   |
| Massachusetts Development Finance Agency, Refunding RB:   |           |           |
| Boston College Issue, Series T, 3.63%, 7/01/39  | 310       | 306,010   |
| Boston College Issue, Series T, 4.00%, 7/01/42  | 1,790     | 1,824,923 |
| Emmanuel College Issue, Series A, 4.00%, 10/01/46   | 865       | 805,315   |
| International Charter School, 5.00%, 4/15/40  | 400       | 417,904   |
| WGBH Educational Foundation Issue, 3.00%, 1/01/42   | 1,415     | 1,186,746 |
|   |           | 6,270,087 |
| <b>Michigan 2.4%</b>  |           |           |
| Michigan Finance Authority, RB, Detroit Water & Sewage Disposal System, Senior Lien, Series 2014 C-2, AMT, 5.00%, 7/01/44 |           |           |
|   | 240       | 251,547   |
| Michigan Finance Authority, Refunding RB, Henry Ford Health System, 4.00%, 11/15/46                                       | 1,540     | 1,492,999 |
| Michigan State Hospital Finance Authority, Refunding RB, Trinity Health Credit Group, Series C, 4.00%, 12/01/32           | 2,100     | 2,144,877 |
| State of Michigan Building Authority, Refunding RB, Facilities Program, Series I, 6.25%, 10/15/38                         | 40        | 43,056    |
|   |           | 3,932,479 |
| <b>Minnesota 4.6%</b>   |           |           |
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38                    |           |           |
|   | 3,890     | 4,197,232 |
| City of St. Cloud Minnesota, Refunding RB, CentraCare Health System, Series A, 3.25%, 5/01/39                             | 435       | 396,903   |
| Minneapolis-St. Paul Metropolitan Airports Commission, Refunding ARB, Sub Series D, AMT, 5.00%, 1/01/41                   | 290       | 318,588   |
| Minnesota Higher Education Facilities Authority, RB:  |           |           |
| Augsburg College, Series B, 4.25%, 5/01/40  | 1,185     | 1,185,214 |
| College of St. Benedict, Series 8-K, 5.00%, 3/01/37   | 660       | 718,885   |
| College of St. Benedict, Series 8-K, 4.00%, 3/01/43   | 385       | 384,380   |
| Minnesota Higher Education Facilities Authority, Refunding RB, University of St. Thomas, Series 8-L, 4.00%, 4/01/39       | 380       | 388,132   |
|   |           | 7,589,334 |
| <b>Mississippi 2.0%</b>   |           |           |
| County of Warren Mississippi, RB, Gulf Opportunity Zone Bonds, International Paper Co. Project, Series A, 5.38%, 12/01/35 |           |           |
|   | 400       | 439,636   |
| Mississippi Development Bank, RB, Special Obligation:   |           |           |
| CAB, Hinds Community College District (AGM), 5.00%, 4/01/36   | 845       | 907,910   |
| County of Jackson Limited Tax Note (AGC), 5.50%, 7/01/32  | 1,750     | 1,890,665 |
|   |           | 3,238,211 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Bond Trust (BBK)

|  | Par          |              |
|--|--------------|--------------|
|  | (000)        | Value        |
| <b>Municipal Bonds</b>   |              |              |
| <b>Missouri 3.2%</b>   |              |              |
| Missouri Development Finance Board, RB, Annual Appropriation Sewer System, Series B, 5.00%, 11/01/41                                   | \$ 900       | \$ 955,314   |
| Missouri State Health & Educational Facilities Authority, RB:  |              |              |
| A.T. Still University of Health Sciences, 5.25%, 10/01/31  | 500          | 556,130      |
| A.T. Still University of Health Sciences, 4.25%, 10/01/32  | 320          | 334,010      |
| A.T. Still University of Health Sciences, 5.00%, 10/01/39  | 500          | 548,420      |
| Heartland Regional Medical Center, 4.13%, 2/15/43  | 300          | 306,480      |
| University of Central Missouri, Series C-2, 5.00%, 10/01/34  | 1,000        | 1,105,550    |
| Missouri State Health & Educational Facilities Authority, Refunding RB, Kansas City University of Medicine and Biosciences, Series A:  |              |              |
| 5.00%, 6/01/42   | 540          | 595,560      |
| 5.00%, 6/01/47   | 770          | 845,699      |
|  |              | 5,247,163    |
| <b>Montana 0.7%</b>  |              |              |
| County of Cascade Montana High School District A Great Falls, GO:  |              |              |
| 4.00%, 7/01/34   | 570          | 602,650      |
| 4.00%, 7/01/35   | 550          | 579,040      |
|  |              | 1,181,690    |
| <b>Nebraska 4.7%</b>   |              |              |
| Central Plains Energy Project Nebraska, RB, Gas Project No. 3, 5.00%, 9/01/42  | 600          | 634,866      |
| County of Douglas Nebraska Hospital Authority No. 3, Refunding RB, Health Facilities Nebraska Methodist Health System, 5.00%, 11/01/45 |              |              |
|  | 400          | 429,356      |
| County of Sarpy Nebraska Hospital Authority No. 1, Refunding RB, Nebraska Medicine:  |              |              |
| 3.00%, 5/15/46   | 1,925        | 1,580,540    |
| 4.00%, 5/15/51   | 975          | 976,443      |
| Gretna Public Schools, GO, Refunding, School Building, 3.00%, 12/15/39   | 920          | 782,718      |
| Lincoln Airport Authority, Refunding RB, Series A, 4.00%, 7/01/40  | 520          | 530,338      |
| Nebraska Public Power District, Refunding RB, Series A:  |              |              |
| 5.00%, 1/01/32   | 250          | 277,002      |
| 4.00%, 1/01/44   | 400          | 404,196      |
| Public Power Generation Agency, Refunding RB:  |              |              |
| 3.13%, 1/01/35   | 1,155        | 1,020,027    |
| 3.25%, 1/01/36   | 1,295        | 1,151,514    |
|  |              | 7,787,000    |
| <b>Nevada 1.3%</b>   |              |              |
| City of Las Vegas Nevada, RB, Special Assessment, No. 809 Summerlin Area, 5.65%, 6/01/23   | 1,050        | 1,024,285    |
| County of Clark Nevada, Refunding ARB, Department of Aviation, Subordinate Lien, Series A-2, 4.25%, 7/01/36                            | 1,000        | 1,036,990    |
|  |              | 2,061,275    |
| <b>New Hampshire 0.2%</b>  |              |              |
| New Hampshire Health and Education Facilities Authority Act, Refunding RB, Southern New Hampshire Medical Center, 3.50%, 10/01/34      |              |              |
|  | 285          | 270,927      |
| <b>New Jersey 12.3%</b>  |              |              |
| County of Atlantic New Jersey Improvement Authority, RB, Stockton University Atlantic City, Series A (AGM), 4.00%, 7/01/46             |              |              |
|  | 850          | 855,244      |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |              |              |
| <b>New Jersey (continued)</b>  |              |              |
| County of Middlesex New Jersey Improvement Authority, RB, Heldrich Center Hotel, Sub-Series B, 6.25%, 1/01/37 (e)(f)                   | \$ 915       | \$ 35,767    |
| New Jersey EDA, RB, AMT:   |              |              |
| Continental Airlines, Inc. Project, Series B, 5.63%, 11/15/30  | 660          | 717,182      |
| Goethals Bridge Replacement Project (AGM), 5.13%, 7/01/42  | 200          | 217,392      |

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|   |       |            |
|---|-------|------------|
| New Jersey EDA, Refunding RB, Special Assessment, Kapkowski Road Landfill Project, 6.50%, 4/01/28                                     | 7,500 | 8,663,175  |
| New Jersey Educational Facilities Authority, Refunding RB, College of New Jersey, 3.50%, 7/01/31                                      | 900   | 891,549    |
| New Jersey Health Care Facilities Financing Authority, Refunding RB, Series A:<br>RWJ Barnabas Health Obligated Group, 4.00%, 7/01/43 | 1,945 | 1,947,937  |
| St. Barnabas Health Care System, 4.63%, 7/01/21 (b)   | 510   | 578,116    |
| St. Barnabas Health Care System, 5.63%, 7/01/21 (b)   | 1,700 | 1,998,350  |
| St. Barnabas Health Care System, 5.00%, 7/01/25   | 500   | 558,420    |
| New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series AA, 6.50%, 10/01/38   | 45    | 46,376     |
| New Jersey State Turnpike Authority, RB, Series E, 5.00%, 1/01/45   | 1,860 | 2,065,958  |
| New Jersey Transportation Trust Fund Authority, RB:<br>CAB, Transportation System, Series A, 0.00%, 12/15/35 (d)                      | 1,000 | 372,030    |
| Transportation Program, Series AA, 5.00%, 6/15/45   | 900   | 899,937    |
| Transportation Program, Series AA, 5.00%, 6/15/46   | 400   | 399,360    |
|   |       | 20,246,793 |
| <b>New Mexico 1.1%</b>  |       |            |
| New Mexico Finance Authority, RB, Senior Lien Public Project Revolving Fund ,Series A (g):<br>3.25%, 6/01/33                          | 545   | 534,214    |
| 3.25%, 6/01/34  | 840   | 817,463    |
| New Mexico Hospital Equipment Loan Council, Refunding RB, Presbyterian Healthcare Services, 5.00%, 8/01/44                            | 450   | 498,524    |
|   |       | 1,850,201  |
| <b>New York 7.5%</b>  |       |            |
| City of New York New York, GO, Fiscal 2014, Sub-Series A-1, 5.00%, 8/01/35  | 940   | 1,052,010  |
| City of New York New York Industrial Development Agency, RB, PILOT, Queens Baseball Stadium (AMBAC), 5.00%, 1/01/39                   | 925   | 927,072    |
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, Series A, 4.75%, 6/15/30             | 2,435 | 2,460,787  |
| Counties of New York Tobacco Trust IV, Refunding RB, Settlement Pass-Through Turbo, Series A, 6.25%, 6/01/41 (a)                      | 900   | 934,668    |
| Counties of New York Tobacco Trust VI, Refunding RB, Tobacco Settlement Pass-Through, 4.00%, 6/01/51                                  | 500   | 459,620    |
| County of Nassau New York, GO, Series A, 5.00%, 1/15/30   | 750   | 875,962    |
| Erie Tobacco Asset Securitization Corp., Refunding RB, Asset-Backed, Series A, 5.00%, 6/01/45   | 1,160 | 1,115,294  |
| Metropolitan Transportation Authority Hudson Rail Yards Trust Obligations, Refunding RB, Series A, 5.00%, 11/15/56                    | 850   | 915,118    |

See Notes to Financial Statements.



## Schedule of Investments (continued)

## BlackRock Municipal Bond Trust (BBK)

|   | Par        |              |
|---|------------|--------------|
|   | (000)      | Value        |
| <b>Municipal Bonds</b>  |            |              |
| <b>New York (continued)</b>   |            |              |
| New York City Water & Sewer System, Refunding RB, Series A, 4.75%, 6/15/17 (b)(g)   | \$ 565     | \$ 571,944   |
| New York Liberty Development Corp., Refunding RB:   |            |              |
| 2nd Priority, Bank of America Tower at One Bryant Park Project, Class 3, 6.38%, 7/15/49   | 800        | 871,056      |
| 3 World Trade Center Project, Class 2, 5.38%, 11/15/40 (a)  | 405        | 439,636      |
| New York Transportation Development Corp., Refunding RB, American Airlines, Inc., AMT, 5.00%, 8/01/31                                   | 1,295      | 1,348,069    |
| Niagara Area Development Corp., Refunding RB, Solid Waste Disposal Facility, Covanta Energy Project, Series A, AMT, 5.25%, 11/01/42 (a) | 400        | 402,556      |
|   |            | 12,373,792   |
| <b>North Carolina 0.3%</b>  |            |              |
| City of Raleigh North Carolina Combined Enterprise System Revenue, Refunding RB, Series B, 3.00%, 3/01/37                               | 550        | 512,903      |
| <b>North Dakota 0.5%</b>  |            |              |
| City of Fargo North Dakota, GO, Series D, 4.00%, 5/01/37  | 225        | 231,156      |
| County of Burleigh North Dakota, Refunding RB, St. Alexius Medical Center Project, Series A, 5.00%, 7/01/21 (b)                         | 480        | 550,349      |
|   |            | 781,505      |
| <b>Ohio 1.2%</b>  |            |              |
| City of Dayton Ohio Airport Revenue, Refunding ARB, James M Cox Dayton International Airport, AMT, 4.00%, 12/01/32                      | 2,000      | 2,030,260    |
| <b>Oklahoma 3.0%</b>  |            |              |
| Norman Oklahoma Regional Hospital Authority, Refunding RB, 4.00%, 9/01/37   | 1,855      | 1,847,283    |
| Oklahoma City Public Property Authority, Refunding RB, 5.00%, 10/01/39  | 720        | 791,107      |
| Oklahoma Development Finance Authority, RB, State System of Higher Education Master Real Property, Series F, 4.00%, 6/01/36             | 670        | 686,663      |
| Oklahoma Municipal Power Authority, RB, Power Supply System, Series A, 4.00%, 1/01/38   | 620        | 629,344      |
| Oklahoma Water Resources Board, RB, Clean Water Program, 4.00%, 4/01/40   | 990        | 1,027,422    |
|   |            | 4,981,819    |
| <b>Oregon 3.6%</b>  |            |              |
| County of Lane Oregon School District No. 19 Springfield, GO, CAB, Series B, 0.00%, 6/15/40 (d)   | 1,000      | 384,660      |
| Klamath Falls Intercommunity Hospital Authority, Refunding RB, Sky Lakes Medical Center Project: 3.00%, 9/01/35                         | 705        | 619,342      |
| 3.00%, 9/01/41  | 350        | 292,744      |
| Oregon Health & Science University, RB, Series A, 4.00%, 7/01/37  | 675        | 694,001      |
| Oregon Health & Science University, Refunding RB, Series B, 4.00%, 7/01/46  | 575        | 579,439      |
| State of Oregon Facilities Authority, Refunding RB, Legacy Health Project, Series A, 4.00%, 6/01/41                                     | 1,630      | 1,648,810    |
| State of Oregon State Facilities Authority, Refunding RB, University of Portland Project, Series A, 5.00%, 4/01/45                      | 1,475      | 1,634,079    |
|   |            | 5,853,075    |
| <b>Pennsylvania 4.5%</b>  |            |              |
| County of Allegheny Pennsylvania IDA, Refunding RB, U.S. Steel Corp. Project, 6.55%, 12/01/27   | 1,695      | 1,638,031    |
|   | <b>Par</b> |              |
|   | (000)      | Value        |
| <b>Municipal Bonds</b>  |            |              |
| <b>Pennsylvania (continued)</b>   |            |              |
| Delaware River Port Authority, RB:  |            |              |
| 4.50%, 1/01/32  | \$ 1,500   | \$ 1,622,745 |
| Series D (AGM), 5.00%, 1/01/40  | 2,600      | 2,828,670    |
| Pottsville Hospital Authority, Refunding RB, Lehigh Valley Health Network, Series B, 5.00%, 7/01/45                                     | 1,250      | 1,351,863    |
|   |            | 7,441,309    |
| <b>Puerto Rico 0.9%</b>   |            |              |

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### Children's Trust Fund, Refunding RB, Tobacco Settlement Asset-Backed Bonds:

|                |     |         |
|----------------|-----|---------|
| 5.50%, 5/15/39 | 940 | 943,572 |
| 5.63%, 5/15/43 | 515 | 515,669 |

1,459,241

### Rhode Island 4.7%

#### Rhode Island Commerce Corp., RB, Airport Corporation:

|                |     |         |
|----------------|-----|---------|
| 5.00%, 7/01/41 | 270 | 296,600 |
| 5.00%, 7/01/46 | 335 | 366,624 |

|  |     |         |
|--|-----|---------|
| Rhode Island Health & Educational Building Corp., Refunding RB, University of Rhode Island, Series B, 4.00%, 9/15/34 | 660 | 679,543 |
|--|-----|---------|

|   |       |           |
|---|-------|-----------|
| Rhode Island Turnpike & Bridge Authority, Refunding RB, Series A, 5.00%, 10/01/40 | 1,540 | 1,721,058 |
|---|-------|-----------|

|   |     |         |
|---|-----|---------|
| State of Rhode Island, COP, School for the Deaf Project, Series C (AGC), 5.38%, 4/01/28 | 900 | 963,540 |
|---|-----|---------|

#### Tobacco Settlement Financing Corp., Refunding RB:

|                          |       |           |
|--------------------------|-------|-----------|
| Series A, 5.00%, 6/01/40 | 1,000 | 1,043,920 |
|--------------------------|-------|-----------|

|                          |       |           |
|--------------------------|-------|-----------|
| Series B, 4.50%, 6/01/45 | 2,730 | 2,628,389 |
|--------------------------|-------|-----------|

7,699,674

### South Dakota 1.0%

|   |       |           |
|---|-------|-----------|
| Dakota Valley School District No. 61-8, GO, Refunding, 3.00%, 7/15/39 | 1,920 | 1,662,490 |
|---|-------|-----------|

### Tennessee 4.2%

|  |       |           |
|--|-------|-----------|
| Chattanooga Health Educational & Housing Facility Board, RB, Catholic Health Initiatives, Series A, 5.25%, 1/01/40 | 1,950 | 2,023,262 |
|--|-------|-----------|

|  |     |         |
|--|-----|---------|
| County of Chattanooga-Hamilton Tennessee Hospital Authority, Refunding RB, 5.00%, 10/01/44 | 875 | 914,856 |
|--|-----|---------|

|  |       |           |
|--|-------|-----------|
| County of Knox Tennessee Health Educational & Housing Facility Board, RB, University Health System, Inc., 4.00%, 9/01/40 | 2,040 | 2,006,381 |
|--|-------|-----------|

|   |     |         |
|---|-----|---------|
| County of Memphis-Shelby Tennessee Sports Authority, Inc., Refunding RB, Memphis Arena Project, Series A, 5.38%, 11/01/28 | 275 | 302,324 |
|---|-----|---------|

|  |     |         |
|--|-----|---------|
| Johnson City Health & Educational Facilities Board, RB, Mountain States Health, Series A, 5.00%, 8/15/42 | 800 | 846,144 |
|--|-----|---------|

|  |     |         |
|--|-----|---------|
| Metropolitan Government of Nashville & Davidson County Health & Educational Facilities Board, RB, Vanderbilt University Medical Center, Series A, 5.00%, 7/01/40 | 675 | 744,302 |
|--|-----|---------|

|  |     |         |
|--|-----|---------|
| Metropolitan Government of Nashville & Davidson County Health & Educational Facilities Board, Refunding RB, Lipscomb University Project, Series A, 5.00%, 10/01/45 | 135 | 146,221 |
|--|-----|---------|

6,983,490

### Texas 8.6%

|  |        |           |
|--|--------|-----------|
| County of Harris Texas Houston Sports Authority, Refunding RB, CAB, Senior Lien, Series G (NPFGC), 0.00%, 11/15/41 (d) | 11,690 | 3,313,647 |
|--|--------|-----------|

|  |       |           |
|--|-------|-----------|
| County of Matagorda Texas Navigation District No. 1, Refunding RB, Central Power & Light Co., Project, Series A, 6.30%, 11/01/29 | 1,500 | 1,639,815 |
|--|-------|-----------|

|   |        |           |
|---|--------|-----------|
| County of Midland Texas Fresh Water Supply District No. 1, RB, CAB, City of Midland Project, Series A, 0.00%, 9/15/38 (d) | 10,760 | 4,249,770 |
|---|--------|-----------|

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Bond Trust (BBK)

|   | Par          |              |
|---|--------------|--------------|
|   | (000)        | Value        |
| <b>Municipal Bonds</b>  |              |              |
| <b>Texas (continued)</b>  |              |              |
| Leander ISD, CAB, Series D, 0.00%, 8/15/35 (d)  | \$ 4,000     | \$ 1,870,440 |
| Red River Education Financing Corp., RB, Texas Christian University Project, 5.25%, 3/15/38                                   | 760          | 855,707      |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien, LBJ Infrastructure Group LLC, 7.00%, 6/30/40       | 2,000        | 2,283,460    |
|   |              | 14,212,839   |
| <b>Utah 0.2%</b>  |              |              |
| Utah State Charter School Finance Authority, Refunding RB, Mountainville Academy, 4.00%, 4/15/42                              | 400          | 400,724      |
| <b>Vermont 1.0%</b>   |              |              |
| University of Vermont & State Agricultural College, Refunding RB, 4.00%, 10/01/37   | 800          | 815,736      |
| Vermont Student Assistance Corp., RB, Series A, 4.13%, 6/15/30  | 875          | 894,136      |
|   |              | 1,709,872    |
| <b>Virginia 0.8%</b>  |              |              |
| Ballston Quarter Community Development Authority, Tax Allocation Bonds, Series A, 5.38%, 3/01/36                              | 490          | 471,478      |
| Virginia Small Business Financing Authority, RB, Senior Lien, Elizabeth River Crossings OpCo LLC Project, AMT, 6.00%, 1/01/37 | 725          | 812,384      |
|   |              | 1,283,862    |
| <b>West Virginia 0.6%</b>   |              |              |
| County of Berkeley West Virginia Public Service Sewer District, Refunding RB, (BAM):  |              |              |
| 5.00%, 6/01/36  | 385          | 424,863      |
| 3.38%, 6/01/46  | 580          | 520,086      |
|   |              | 944,949      |
| <b>Wisconsin 2.0%</b>   |              |              |
| Public Finance Authority, Refunding RB, National Gypsum Co., AMT, 4.00%, 8/01/35  | 280          | 261,884      |
| <b>Wisconsin Health &amp; Educational Facilities Authority, Refunding RB:</b>   |              |              |
| Medical College of Wisconsin, Inc., 4.00%, 12/01/46   | 600          | 602,364      |
| The Monroe Clinic, Inc., 3.00%, 2/15/35   | 1,055        | 925,678      |
| The Monroe Clinic, Inc., 4.00%, 2/15/38   | 770          | 768,907      |
| WPPI Energy Power Supply Systems, Refunding RB, Series A, 5.00%, 7/01/37  | 665          | 735,651      |
|   |              | 3,294,484    |
| <b>Total Municipal Bonds 137.5%</b>   |              | 226,252,167  |
| <b>Municipal Bonds Transferred to Tender Option Bond Trusts (h)</b>   |              |              |
| <b>Colorado 2.4%</b>  |              |              |
| Colorado Health Facilities Authority, RB, Catholic Health, Series C-7 (AGM), 5.00%, 5/01/18 (b)                               | 3,750        | 3,932,888    |
| <b>Connecticut 1.7%</b>   |              |              |
| Connecticut State Health & Educational Facility Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/45         | 2,611        | 2,866,404    |
| <b>Georgia 2.7%</b>   |              |              |
| City of Atlanta Georgia Water & Wastewater Revenue, Refunding RB, 5.00%, 11/01/43   | 4,003        | 4,511,365    |
|   | <b>Par</b>   |              |
| <b>Municipal Bonds Transferred to Tender Option Bond Trusts (h)</b>   |              |              |
|   | <b>(000)</b> | <b>Value</b> |
| <b>New Jersey 0.9%</b>  |              |              |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (i)                       | \$ 1,400     | \$ 1,423,875 |
| <b>New York 13.1%</b>   |              |              |
| City of New York New York, GO, Fiscal 2015, Series B, 4.00%, 8/01/32  | 3,990        | 4,240,093    |
| City of New York New York Municipal Water Finance Authority, RB, Water & Sewer System, Fiscal 2009, Series A:                 |              |              |

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|  |       |             |
|--|-------|-------------|
| 5.75%, 6/15/18 (b)   | 104   | 109,801     |
| 5.75%, 6/15/40   | 346   | 367,223     |
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution: |       |             |
| Fiscal 2013, Series CC, 5.00%, 6/15/47   | 6,000 | 6,633,391   |
| Series FF-2, 5.50%, 6/15/40  | 405   | 442,673     |
| Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (i)   | 2,500 | 2,840,843   |
| New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43          |       |             |
|  | 2,505 | 2,832,567   |
| State of New York Dormitory Authority, RB, New York University, Series A, 5.00%, 7/01/18 (b)                             | 2,199 | 2,320,549   |
| State of New York Thruway Authority, Refunding RB, Transportation, Personal Income Tax, Series A, 5.00%, 3/15/31         |       |             |
|  | 1,560 | 1,773,829   |
|  |       | 21,560,969  |
| <b>Ohio 2.1%</b>   |       |             |
| County of Montgomery Ohio, RB, Catholic Health, Series C-1 (AGM), 5.00%, 4/28/18 (b)                                     |       |             |
|  | 1,260 | 1,320,581   |
| Ohio Higher Educational Facility Commission, RB, Cleveland Clinic Health, Series A, 5.25%, 1/01/33                       |       |             |
|  | 2,000 | 2,060,740   |
|  |       | 3,381,321   |
| <b>Texas 1.1%</b>  |       |             |
| City of San Antonio Texas Public Service Board, RB, Electric & Gas Systems, Junior Lien, 5.00%, 2/01/43                  |       |             |
|  | 1,580 | 1,762,142   |
| <b>Total Municipal Bonds Transferred to Tender Option Bond Trusts 24.0%</b>  |       |             |
|  |       | 39,438,964  |
| <b>Total Long-Term Investments</b>   |       |             |
| <b>(Cost \$253,567,656) 161.5%</b>   |       | 265,691,131 |

| Short-Term Securities  | Shares  |                |
|--|---------|----------------|
| BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.50% (j)(k) | 187,622 | 187,660        |
| <b>Total Short-Term Securities</b>                                     |         |                |
| <b>(Cost \$187,641) 0.1%</b>   |         | 187,660        |
| <b>Total Investments (Cost \$253,755,297) 161.6%</b>                   |         |                |
|  |         | 265,878,791    |
| <b>Other Assets Less Liabilities 0.6%</b>                              |         |                |
|  |         | 999,078        |
| <b>Liability for TOB Trust Certificates, Including Interest</b>        |         |                |
| <b>Expense and Fees Payable (13.6)%</b>                                |         | (22,442,176)   |
| <b>VMTP Shares at Liquidation Value (48.6)%</b>                        |         | (79,900,000)   |
| <b>Net Assets Applicable to Common Shares 100.0%</b>                   |         |                |
|  |         | \$ 164,535,693 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock Municipal Bond Trust (BBK)

## Notes to Schedule of Investments

- (a) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (b) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate as of period end.
- (d) Zero-coupon bond.
- (e) Non-income producing security.
- (f) Issuer filed for bankruptcy and/or is in default.
- (g) When-issued security.
- (h) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Trust. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (i) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Trust could ultimately be required to pay under the agreements, which expire between February 15, 2019 to June 15, 2019, is \$2,411,645. See Note 4 of the Notes to Financial Statements for details.
- (j) During the six months ended February 28, 2017, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate  | Shares Held<br>at August 31,<br>2016 | Net<br>Activity | Shares Held<br>at February 28,<br>2017 | Value at<br>February 28,<br>2017 | Income   | Net<br>Realized<br>Gain <sup>1</sup> | Change in<br>Unrealized<br>Appreciation |
|--|--------------------------------------|-----------------|--|----------------------------------|----------|--------------------------------------|---|
| BlackRock Liquidity Funds, MuniCash, Institutional Class | 2,139,553                            | (1,951,931)     | 187,622                                | \$ 187,660                       | \$ 6,585 | \$ 966                               | \$ 19                                   |

<sup>1</sup> Includes net capital gain distributions.

- (k) Current yield as of period end.

## Derivative Financial Instruments Outstanding as of Period End

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Futures Contracts

|              |                            |            |                | Unrealized                  |  |
|--------------|----------------------------|------------|----------------|-----------------------------|--|
| Contracts    |                            |            |                |                             |  |
| Short        | Issue                      | Expiration | Notional Value | Appreciation (Depreciation) |  |
| (25)         | 5-Year U.S. Treasury Note  | June 2017  | \$ 2,942,578   | \$ 3,047                    |  |
| (88)         | 10-Year U.S. Treasury Note | June 2017  | \$ 10,962,875  | 4,911                       |  |
| (103)        | Long U.S. Treasury Bond    | June 2017  | \$ 15,620,594  | (68,963)                    |  |
| (19)         | Ultra U.S. Treasury Bond   | June 2017  | \$ 3,073,844   | (20,298)                    |  |
| <b>Total</b> |                            |            |                | <b>\$ (81,303)</b>          |  |

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets            | Derivative Financial Instruments         | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total     |
|-------------------|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|-----------|
| Futures contracts | Net unrealized appreciation <sup>1</sup> |                     |                  |                  |                                     | \$ 7,958                |                 | \$ 7,958  |
| Liabilities       | Derivative Financial Instruments         |                     |                  |                  |                                     |                         |                 |           |
| Futures contracts | Net unrealized depreciation <sup>1</sup> |                     |                  |                  |                                     | \$ 89,261               |                 | \$ 89,261 |

<sup>1</sup> Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended February 28, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

|   | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total        |
|---|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|--------------|
| <b>Net Realized Gain (Loss) from:</b>                           |                     |                  |                  |                                     |                         |                 |              |
| Futures contracts   |                     |                  |                  |                                     | \$ 1,024,535            |                 | \$ 1,024,535 |
| <b>Net Change in Unrealized Appreciation (Depreciation) on:</b> |                     |                  |                  |                                     |                         |                 |              |
| Futures contracts   |                     |                  |                  |                                     | \$ (95,168)             |                 | \$ (95,168)  |

See Notes to Financial Statements.

## Schedule of Investments (concluded)

BlackRock Municipal Bond Trust (BBK)

## Average Quarterly Balances of Outstanding Derivative Financial Instruments

## Futures contracts:

|   |                         |
|---|-------------------------|
| Average notional value of contracts – long  | \$ 241,875 <sup>1</sup> |
| Average notional value of contracts – short | \$ 19,797,797           |

<sup>1</sup> Actual amounts for the period are shown due to limited outstanding derivative financial instruments as of each quarter end.

For more information about the Trust's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

## Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

|   | Level 1     | Level 2        | Level 3 | Total          |
|---|-------------|----------------|---------|----------------|
| <b>Assets:</b>                                |             |                |         |                |
| Investments:                                  |             |                |         |                |
| Long-Term Investments <sup>1</sup>            |             | \$ 265,691,131 |         | \$ 265,691,131 |
| Short-Term Securities                         | \$ 187,660  |                |         | 187,660        |
| <b>Total</b>                                  | \$ 187,660  | \$ 265,691,131 |         | \$ 265,878,791 |
| Derivative Financial Instruments <sup>2</sup> |             |                |         |                |
| <b>Assets:</b>                                |             |                |         |                |
| Interest rate contracts                       | \$ 7,958    |                |         | \$ 7,958       |
| <b>Liabilities:</b>                           |             |                |         |                |
| Interest rate contracts                       | (89,261)    |                |         | (89,261)       |
| <b>Total</b>                                  | \$ (81,303) |                |         | \$ (81,303)    |

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

<sup>2</sup> Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|                                  | Level 1 | Level 2          | Level 3 | Total            |
|----------------------------------|---------|------------------|---------|------------------|
| <b>Liabilities:</b>              |         |                  |         |                  |
| TOB Trust Certificates           |         | \$ (22,403,733)  |         | \$ (22,403,733)  |
| VMTP Shares at Liquidation Value |         | (79,900,000)     |         | (79,900,000)     |
| <b>Total</b>                     |         | \$ (102,303,733) |         | \$ (102,303,733) |

During the six months ended February 28, 2017, there were no transfers between levels.

See Notes to Financial Statements.





## Schedule of Investments February 28, 2017 (Unaudited)

## BlackRock Municipal Income Investment Quality Trust (BAF)

(Percentages shown are based on Net Assets)

|  | Par          |              |
|--|--------------|--------------|
|  | (000)        | Value        |
| <b>Municipal Bonds</b>   |              |              |
| <b>Alabama 1.9%</b>  |              |              |
| City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC) (a):           |              |              |
| 6.00%, 6/01/19   | \$ 1,000     | \$ 1,109,060 |
| 6.13%, 6/01/19   | 1,000        | 1,111,840    |
| City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A, 5.38%, 12/01/35     | 335          | 371,870      |
|  |              | 2,592,770    |
| <b>California 14.8%</b>  |              |              |
| California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/18 (a)    |              |              |
|  | 2,005        | 2,145,149    |
| California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42                        | 1,120        | 1,274,437    |
| City of Los Angeles California Department of Water & Power, RB, Power System, Sub-Series A-1, 5.25%, 7/01/38         | 1,175        | 1,241,047    |
| County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 7/01/18 (a)                                      | 1,400        | 1,487,234    |
| Kern Community College District, GO, Safety, Repair & Improvement, Series C, 5.50%, 11/01/33                         | 1,025        | 1,207,409    |
| Los Angeles Municipal Improvement Corp., Refunding LRB, Real Property, Series B (AGC), 5.50%, 4/01/19 (a)            | 3,210        | 3,511,066    |
| Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/21 (a)                            | 1,000        | 1,177,500    |
| San Diego Public Facilities Financing Authority Water, Refunding RB, Series B (AGC), 5.38%, 8/01/19 (a)              | 1,125        | 1,242,281    |
| State of California Public Works Board, LRB, Various Capital Projects, Series I:                                     |              |              |
| 5.50%, 11/01/30  | 1,000        | 1,187,470    |
| 5.50%, 11/01/31  | 1,500        | 1,775,115    |
| State of California Public Works Board, RB, Department of Corrections & Rehabilitation, Series F, 5.25%, 9/01/33     | 505          | 591,244      |
| Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/40               | 380          | 445,288      |
| University of California, Refunding RB, The Regents of Medical Center, Series J, 5.25%, 5/15/38                      | 2,355        | 2,705,047    |
|  |              | 19,990,287   |
| <b>Colorado 3.9%</b>   |              |              |
| City & County of Denver Colorado Airport System, ARB, Sub-System, Series B, 5.25%, 11/15/32                          |              |              |
|  | 3,250        | 3,734,965    |
| Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/19 (a)           | 1,425        | 1,578,302    |
|  |              | 5,313,267    |
| <b>Florida 9.4%</b>  |              |              |
| City of Jacksonville Florida, RB, Series A, 5.25%, 10/01/31  |              |              |
|  | 4,525        | 5,110,264    |
| City of Jacksonville Florida, Refunding RB, Series A, 5.25%, 10/01/33  | 205          | 235,301      |
| County of Miami-Dade Florida, RB, Seaport Department, Series A, 6.00%, 10/01/38                                      | 4,215        | 5,024,406    |
| Orange County Health Facilities Authority, Refunding RB, Presbyterian Retirement Communities Project, 5.00%, 8/01/41 | 1,305        | 1,378,237    |
| Reedy Creek Improvement District, GO, Series A, 5.25%, 6/01/32   | 745          | 858,784      |
|  |              | 12,606,992   |
| <b>Georgia 2.2%</b>  |              |              |
| City of Atlanta Georgia Department of Aviation, Refunding GARB, Series C, 6.00%, 1/01/30                             |              |              |
|  | 2,500        | 2,913,300    |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |              |              |
| <b>Illinois 20.8%</b>  |              |              |
| City of Chicago Illinois, Refunding GARB, O Hare International Airport, 3rd Lien, Series C (AGC), 5.25%, 1/01/30     |              |              |
|  | \$ 1,000     | \$ 1,087,580 |
| City of Chicago Illinois O Hare International Airport, GARB, 3rd Lien:   |              |              |
| Series A, 5.75%, 1/01/39   | 825          | 928,406      |
| Series C, 6.50%, 1/01/21 (a)   | 3,740        | 4,464,849    |

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|  |       |            |
|--|-------|------------|
| City of Chicago Illinois Transit Authority, RB:  |       |            |
| Federal Transit Administration, Section 5309, Series A (AGC), 6.00%, 12/01/18 (a)  | 1,300 | 1,414,257  |
| Sales Tax Receipts, 5.25%, 12/01/36  | 3,185 | 3,404,128  |
| Sales Tax Receipts, 5.25%, 12/01/40  | 3,000 | 3,199,650  |
| City of Chicago Illinois Transit Authority, Refunding RB, Federal Transit Administration, Section 5309 (AGM), 5.00%, 6/01/28 |       |            |
|  | 3,000 | 3,145,680  |
| City of Chicago Illinois Wastewater Transmission, RB, 2nd Lien, 5.00%, 1/01/42   |       |            |
|  | 1,480 | 1,556,457  |
| County of Cook Illinois Community College District No. 508, GO, City College of Chicago:                                     |       |            |
| 5.50%, 12/01/38  | 855   | 918,715    |
| 5.25%, 12/01/43  | 1,430 | 1,511,424  |
| Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41   |       |            |
|  | 1,885 | 2,140,681  |
| Railsplitter Tobacco Settlement Authority, RB:   |       |            |
| 5.50%, 6/01/23   | 915   | 1,033,008  |
| 6.00%, 6/01/28   | 260   | 295,461    |
| State of Illinois, GO:   |       |            |
| 5.25%, 2/01/31   | 610   | 627,074    |
| 5.25%, 2/01/32   | 1,000 | 1,023,250  |
| 5.50%, 7/01/33   | 1,000 | 1,042,810  |
| 5.50%, 7/01/38   | 270   | 280,808    |
|  |       | 28,074,238 |
| <b>Indiana 1.9%</b>  |       |            |
| Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC):                           |       |            |
| 5.50%, 1/01/19 (a)   | 470   | 508,672    |
| 5.50%, 1/01/38   | 1,945 | 2,077,668  |
|  |       | 2,586,340  |
| <b>Kentucky 0.7%</b>   |       |            |
| Kentucky State Property & Building Commission, Refunding RB, Project No. 93, (AGC):  |       |            |
| 5.25%, 2/01/19 (a)   | 800   | 863,960    |
| 5.25%, 2/01/27   | 100   | 107,124    |
|  |       | 971,084    |
| <b>Louisiana 1.0%</b>  |       |            |
| City of New Orleans Louisiana Aviation Board, Refunding GARB, Restructuring (AGC):   |       |            |
| Series A-1, 6.00%, 1/01/23   | 375   | 405,746    |
| Series A-2, 6.00%, 1/01/23   | 150   | 162,012    |
| Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.50%, 5/15/29                                     |       |            |
|  | 790   | 834,833    |
|  |       | 1,402,591  |
| <b>Massachusetts 1.0%</b>  |       |            |
| Massachusetts Development Finance Agency, RB, Emerson College Issue, Series A, 5.00%, 1/01/47                                |       |            |
|  | 695   | 746,367    |
| Massachusetts Development Finance Agency, Refunding RB, Emmanuel College Issue, Series A, 5.00%, 10/01/35                    |       |            |
|  | 500   | 533,330    |
|  |       | 1,279,697  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Income Investment Quality Trust (BAF)

|  | Par          |              |
|--|--------------|--------------|
|  | (000)        | Value        |
| <b>Municipal Bonds</b>   |              |              |
| <b>Michigan 2.4%</b>   |              |              |
| City of Detroit Michigan Water Supply System Revenue, RB, 2nd Lien, Series B (AGM):  |              |              |
| 6.25%, 7/01/19 (a)   | \$ 1,695     | \$ 1,895,383 |
| 6.25%, 7/01/36   | 5            | 5,397        |
| Royal Oak Michigan Hospital Finance Authority, Refunding RB, William Beaumont Hospital, Series V,<br>8.25%, 9/01/18 (a)                    | 1,205        | 1,336,092    |
|  |              | 3,236,872    |
| <b>Minnesota 3.0%</b>  |              |              |
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC):   |              |              |
| 6.50%, 11/15/18 (a)  | 565          | 618,019      |
| 6.50%, 11/15/38  | 3,115        | 3,361,023    |
|  |              | 3,979,042    |
| <b>Mississippi 1.8%</b>  |              |              |
| Mississippi Development Bank, RB, Jackson Water & Sewer System Project (AGM), 6.88%, 12/01/40  |              |              |
|  | 1,000        | 1,274,670    |
| Mississippi State University Educational Building Corp., Refunding RB, Mississippi State University<br>Improvement Project, 5.25%, 8/01/38 | 1,000        | 1,141,240    |
|  |              | 2,415,910    |
| <b>Nevada 5.8%</b>   |              |              |
| County of Clark Nevada, GO, Limited Tax, 5.00%, 6/01/38  |              |              |
|  | 5,410        | 5,636,625    |
| County of Clark Nevada Water Reclamation District, GO, Series A, 5.25%, 7/01/19 (a)  | 2,000        | 2,193,280    |
|  |              | 7,829,905    |
| <b>New Jersey 5.0%</b>   |              |              |
| New Jersey Health Care Facilities Financing Authority, RB, Virtua Health, Series A (AGC), 5.50%,<br>7/01/38                                |              |              |
|  | 1,300        | 1,402,310    |
| New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29  | 1,540        | 1,594,716    |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System:   |              |              |
| Series A (AGC), 5.50%, 12/15/38  | 2,000        | 2,108,500    |
| Series AA, 5.50%, 6/15/39  | 1,620        | 1,685,335    |
|  |              | 6,790,861    |
| <b>New York 4.5%</b>   |              |              |
| City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-4 (AGC),<br>5.50%, 1/15/29                           |              |              |
|  | 2,465        | 2,654,509    |
| Metropolitan Transportation Authority, RB:   |              |              |
| Series A, 5.25%, 11/15/38  | 1,565        | 1,776,166    |
| Series A-1, 5.25%, 11/15/39  | 1,000        | 1,136,510    |
| Westchester Tobacco Asset Securitization, Refunding RB, Sub-Series C, 4.00%, 6/01/42   | 435          | 432,581      |
|  |              | 5,999,766    |
| <b>Ohio 0.4%</b>   |              |              |
| State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1, 5.25%, 2/15/31                                    |              |              |
|  | 470          | 537,553      |
| <b>Oregon 0.2%</b>   |              |              |
| Clackamas County School District No 12 North Clackamas, GO, Series A, 0.00%, 6/15/38 (b)(c)  |              |              |
|  | 510          | 200,955      |
| <b>Pennsylvania 2.6%</b>   |              |              |
| Pennsylvania Turnpike Commission, RB, Series C, 5.00%, 12/01/43  |              |              |
|  | 1,720        | 1,901,236    |
| Township of Bristol Pennsylvania School District, GO, 5.25%, 6/01/37   | 1,500        | 1,656,945    |
|  |              | 3,558,181    |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |              |              |
| <b>South Carolina 1.6%</b>   |              |              |
| County of Charleston South Carolina, RB, Special Source, 5.25%, 12/01/38   |              |              |
|  | \$ 1,525     | \$ 1,750,502 |

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|  |       |             |
|--|-------|-------------|
| State of South Carolina Public Service Authority, Refunding RB, Series C, 5.00%, 12/01/46  | 375   | 407,355     |
|  |       | 2,157,857   |
| <b>Texas 13.2%</b>   |       |             |
| Austin Community College District Public Facility Corp., RB, Educational Facilities Project, Round Rock Campus, 5.25%, 8/01/18 (a) | 1,000 | 1,062,130   |
| City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 3/01/37   | 980   | 1,110,771   |
| City of Frisco Texas ISD, GO, School Building (AGC), 5.50%, 8/15/41  | 3,365 | 3,673,806   |
| City of Houston Texas Combined Utility System Revenue, Refunding RB, Combined 1st Lien, Series A (AGC):                            |       |             |
| 5.38%, 5/15/19 (a)   | 945   | 1,034,208   |
| 6.00%, 5/15/19 (a)   | 2,465 | 2,731,319   |
| 6.00%, 5/15/19 (a)   | 2,100 | 2,326,884   |
| 6.00%, 11/15/35  | 135   | 149,187     |
| 6.00%, 11/15/36  | 115   | 127,085     |
| 5.38%, 11/15/38  | 55    | 59,339      |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC):                |       |             |
| 6.50%, 1/01/19 (a)   | 205   | 225,164     |
| 6.50%, 7/01/37   | 795   | 854,689     |
| Lower Colorado River Authority, Refunding RB, 5.50%, 5/15/33   | 1,000 | 1,148,660   |
| North Texas Tollway Authority, Refunding RB, 1st Tier: (AGM), 6.00%, 1/01/43   | 1,000 | 1,141,990   |
| Series K-1 (AGC), 5.75%, 1/01/19 (a)   | 1,500 | 1,628,805   |
| Red River Education Financing Corp., RB, Texas Christian University Project, 5.25%, 3/15/38  | 440   | 495,409     |
|  |       | 17,769,446  |
| <b>Virginia 1.1%</b>   |       |             |
| City of Lexington Virginia IDA, RB, Washington & Lee University, 5.00%, 1/01/43  | 370   | 408,721     |
| Virginia Public School Authority, RB, Fluvanna County School Financing, 6.50%, 12/01/18 (a)  | 1,000 | 1,097,480   |
|  |       | 1,506,201   |
| <b>Washington 1.5%</b>   |       |             |
| City of Seattle Washington Municipal Light & Power, Refunding RB, Series A, 5.25%, 2/01/36   | 1,025 | 1,145,294   |
| State of Washington, GO, Various Purposes, Series B, 5.25%, 2/01/36  | 795   | 894,049     |
|  |       | 2,039,343   |
| <b>Wisconsin 0.9%</b>  |       |             |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Medical College of Wisconsin, Inc., 4.00%, 12/01/46             | 1,170 | 1,174,428   |
| <b>Total Municipal Bonds 101.6%</b>  |       | 136,926,886 |
| <b>Municipal Bonds Transferred to Tender Option Bond Trusts (d)</b>  |       |             |
| <b>Alabama 0.8%</b>  |       |             |
| Auburn University, Refunding RB, Series A, 4.00%, 6/01/41  | 1,000 | 1,028,040   |

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Income Investment Quality Trust (BAF)

|  | Par        |              |
|--|------------|--------------|
|  | (000)      | Value        |
| <b>Municipal Bonds Transferred to Tender Option Bond Trusts (d)</b>  |            |              |
| <b>California 11.3%</b>  |            |              |
| Sacramento Area Flood Control Agency, Refunding RB, Consolidated Capital Assessment District No.2, 5.00%, 10/01/43                                 | \$ 2,775   | \$ 3,152,761 |
| San Marcos Unified School District, GO, Election of 2010, Series A, 5.25%, 8/01/31   | 10,680     | 12,088,371   |
|  |            | 15,241,132   |
| <b>Connecticut 1.1%</b>  |            |              |
| Connecticut State Health & Educational Facility Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/45                              | 1,306      | 1,433,202    |
| <b>District of Columbia 0.6%</b>   |            |              |
| District of Columbia Water & Sewer Authority, Refunding RB, Senior Lien, Series A, 6.00%, 10/01/18 (a)(e)  | 759        | 820,592      |
| <b>Illinois 7.5%</b>   |            |              |
| State of Illinois Toll Highway Authority, RB, Senior: Priority, Series A, 5.00%, 1/01/40   | 825        | 908,949      |
| Priority, Series B, 5.50%, 1/01/18 (a)   | 2,999      | 3,117,975    |
| Priority, Series C, 5.00%, 1/01/38   | 2,252      | 2,472,321    |
| Series B, 5.00%, 1/01/40   | 3,329      | 3,684,186    |
|  |            | 10,183,431   |
| <b>Michigan 2.2%</b>   |            |              |
| Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 5.00%, 10/15/45   | 2,650      | 2,920,962    |
| <b>Nevada 5.0%</b>   |            |              |
| County of Clark Nevada Water Reclamation District, GO, Limited Tax, 6.00%, 7/01/18 (a)   | 2,000      | 2,137,360    |
| Las Vegas Valley Water District, GO, Refunding, Series C, 5.00%, 6/01/28   | 4,100      | 4,610,942    |
|  |            | 6,748,302    |
| <b>New Jersey 6.5%</b>   |            |              |
| New Jersey EDA, RB, School Facilities Construction (AGC) (a): 6.00%, 12/15/18  | 986        | 1,075,599    |
| 6.00%, 12/15/18  | 14         | 15,221       |
| New Jersey State Turnpike Authority, RB, Series A, 5.00%, 1/01/38 (e)  | 6,020      | 6,693,036    |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (e)  | 1,000      | 1,017,053    |
|  |            | 8,800,909    |
| <b>New York 14.3%</b>  |            |              |
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution: Series BB, 5.25%, 6/15/44 | 4,993      | 5,664,030    |
| Series FF, 5.00%, 6/15/45  | 3,019      | 3,339,099    |
| City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-3, 5.25%, 1/15/39  | 900        | 961,495      |
| Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (e)   | 1,000      | 1,136,337    |
|  | <b>Par</b> |              |
| <b>Municipal Bonds Transferred to Tender Option Bond Trusts (d)</b>  |            |              |
| <b>New York (continued)</b>  |            |              |
| Metropolitan Transportation Authority, Refunding RB, Series C-1, 5.25%, 11/15/56   | \$ 2,540   | \$ 2,887,041 |
| New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43                                    | 2,955      | 3,341,412    |
| New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (e)  | 1,740      | 1,985,861    |
|  |            | 19,315,275   |
| <b>North Carolina 2.0%</b>   |            |              |
| North Carolina Capital Facilities Finance Agency, Refunding RB, Duke University Project, Series B, 5.00%, 10/01/55                                 | 2,400      | 2,693,448    |

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### Pennsylvania 2.0%

|  |       |           |
|--|-------|-----------|
| County of Westmoreland Pennsylvania Municipal Authority, Refunding RB, (BAM), 5.00%, 8/15/38 | 1,349 | 1,491,695 |
| Pennsylvania Turnpike Commission, RB, Sub-Series A, 5.50%, 12/01/42                          | 1,094 | 1,250,543 |

2,742,238

### Texas 5.6%

|   |       |           |
|---|-------|-----------|
| County of Tarrant Texas Cultural Education Facilities Finance Corp., RB, Baylor Health Care System Project, Series A, 5.00%, 11/15/38 | 4,456 | 4,894,337 |
| North Texas Tollway Authority, RB, Special Projects System, Series A, 5.50%, 9/01/41  | 2,310 | 2,636,519 |

7,530,856

### Utah 0.8%

|  |       |           |
|--|-------|-----------|
| City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41 | 1,005 | 1,065,125 |
|--|-------|-----------|

### Total Municipal Bonds Transferred to

|  |  |            |
|--|--|------------|
| <b>Tender Option Bond Trusts 59.7%</b> |  | 80,523,512 |
|--|--|------------|

### Total Long-Term Investments

|                                    |  |             |
|------------------------------------|--|-------------|
| <b>(Cost \$202,949,710) 161.3%</b> |  | 217,450,398 |
|------------------------------------|--|-------------|

### Short-Term Securities

|  |                          |         |
|--|--------------------------|---------|
| BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.50% (f)(g) | <b>Shares</b><br>222,765 | 222,810 |
|--|--------------------------|---------|

### Total Short-Term Securities

|                              |  |         |
|------------------------------|--|---------|
| <b>(Cost \$222,788) 0.2%</b> |  | 222,810 |
|------------------------------|--|---------|

|  |  |             |
|--|--|-------------|
| <b>Total Investments (Cost \$203,172,498) 161.5%</b> |  | 217,673,208 |
|--|--|-------------|

|   |  |           |
|---|--|-----------|
| <b>Other Assets Less Liabilities 3.1%</b> |  | 4,147,863 |
|---|--|-----------|

|  |  |              |
|--|--|--------------|
| <b>Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (32.2)%</b> |  | (43,361,634) |
|--|--|--------------|

|   |  |             |
|---|--|-------------|
| <b>Loan for TOB Trust Certificates (1.1)%</b> |  | (1,499,475) |
|---|--|-------------|

|   |  |              |
|---|--|--------------|
| <b>VMTP Shares at Liquidation Value (31.3)%</b> |  | (42,200,000) |
|---|--|--------------|

|  |  |                |
|--|--|----------------|
| <b>Net Assets Applicable to Common Shares 100.0%</b> |  | \$ 134,759,962 |
|--|--|----------------|

### Notes to Schedule of Investments

(a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.

(b) Zero-coupon bond.

(c) When-issued security.

(d) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Trust. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Income Investment Quality Trust (BAF)

(e) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Trust could ultimately be required to pay under the agreements, which expire between May 7, 2018 to July 1, 2020, is \$7,481,044. See Note 4 of the Notes to Financial Statements for details.

(f) During the six months ended February 28, 2017, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate  | Shares Held<br>at August 31,<br>2016 | Net<br>Activity | Shares Held<br>at February 28,<br>2017 | Value at<br>February 28,<br>2017 | Income   | Net              |   |
|--|--------------------------------------|-----------------|--|----------------------------------|----------|------------------|---|
|  |                                      |                 |  |                                  |          | Realized<br>Gain | Change in<br>Unrealized<br>Appreciation |
| BlackRock Liquidity Funds, MuniCash, Institutional Class | 704,474                              | (481,709)       | 222,765                                | \$ 222,810                       | \$ 1,039 | \$ 157           | \$ 22                                   |

(g) Current yield as of period end.

## Derivative Financial Instruments Outstanding as of Period End

## Futures Contracts

| Contracts    | Issue                      | Expiration | Notional<br>Value | Unrealized<br>Appreciation<br>(Depreciation) |
|--------------|----------------------------|------------|-------------------|--|
| Short        |                            |            |                   |  |
| (46)         | 5-Year U.S. Treasury Note  | June 2017  | \$ 5,414,344      | \$ 6,839                                     |
| (71)         | 10-Year U.S. Treasury Note | June 2017  | \$ 8,845,047      | 4,121  |
| (45)         | Long U.S. Treasury Bond    | June 2017  | \$ 6,824,531      | (31,109)                                     |
| (7)          | Ultra U.S. Treasury Bond   | June 2017  | \$ 1,132,469      | (7,435)                                      |
| <b>Total</b> |                            |            |                   | \$ (27,584)                                  |

## Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets            | Derivative Financial Instruments         | Commodity<br>Contracts | Credit<br>Contracts | Equity<br>Contracts | Foreign<br>Currency<br>Exchange<br>Contracts | Interest<br>Rate<br>Contracts | Other<br>Contracts | Total     |
|-------------------|--|------------------------|---------------------|---------------------|--|-------------------------------|--------------------|-----------|
| Futures contracts | Net unrealized appreciation <sup>1</sup> |                        |                     |                     |  | \$ 10,960                     |                    | \$ 10,960 |
| Liabilities       | Derivative Financial Instruments         |                        |                     |                     |  |                               |                    |           |
| Futures contracts | Net unrealized depreciation <sup>1</sup> |                        |                     |                     |  | \$ 38,544                     |                    | \$ 38,544 |

<sup>1</sup> Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended February 28, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from: | Commodity<br>Contracts | Credit<br>Contracts | Equity<br>Contracts | Foreign<br>Currency | Interest<br>Rate | Other<br>Contracts | Total |
|--------------------------------|------------------------|---------------------|---------------------|---------------------|------------------|--------------------|-------|
|--------------------------------|------------------------|---------------------|---------------------|---------------------|------------------|--------------------|-------|

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|   | Exchange<br>Contracts | Contracts   |
|---|-----------------------|-------------|
| Futures contracts   |                       |             |
| <b>Net Change in Unrealized Appreciation (Depreciation)</b> |                       |             |
| <b>on:</b>  |                       |             |
| Futures contracts   | \$ (40,489)           | \$ (40,489) |

**Average Quarterly Balances of Outstanding Derivative Financial Instruments**

Futures contracts:

Average notional value of contracts short \$ 13,195,563

For more information about the Trust's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

See Notes to Financial Statements.



## Schedule of Investments (concluded)

BlackRock Municipal Income Investment Quality Trust (BAF)

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

|                                    | Level 1    | Level 2        | Level 3 | Total          |
|------------------------------------|------------|----------------|---------|----------------|
| <b>Assets:</b>                     |            |                |         |                |
| Investments:                       |            |                |         |                |
| Long-Term Investments <sup>1</sup> |            | \$ 217,450,398 |         | \$ 217,450,398 |
| Short-Term Securities              | \$ 222,810 |                |         | 222,810        |
| <b>Total</b>                       | \$ 222,810 | \$ 217,450,398 |         | \$ 217,673,208 |

Derivative Financial Instruments<sup>2</sup>

|                         |             |  |  |             |
|-------------------------|-------------|--|--|-------------|
| <b>Assets:</b>          |             |  |  |             |
| Interest rate contracts | \$ 10,960   |  |  | \$ 10,960   |
| <b>Liabilities:</b>     |             |  |  |             |
| Interest rate contracts | (38,544)    |  |  | (38,544)    |
| <b>Total</b>            | \$ (27,584) |  |  | \$ (27,584) |

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

<sup>2</sup> Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|                                  | Level 1 | Level 2         | Level 3 | Total           |
|----------------------------------|---------|-----------------|---------|-----------------|
| <b>Liabilities:</b>              |         |                 |         |                 |
| TOB Trust Certificates           |         | \$ (43,297,138) |         | \$ (43,297,138) |
| Loan for TOB Trust Certificates  |         | (1,499,475)     |         | (1,499,475)     |
| VMTP Shares at Liquidation Value |         | (42,200,000)    |         | (42,200,000)    |
| <b>Total</b>                     |         | \$ (86,996,613) |         | \$ (86,996,613) |

During the six months ended February 28, 2017, there were no transfers between levels.

See Notes to Financial Statements.

## Schedule of Investments February 28, 2017 (Unaudited)

## BlackRock Municipal Income Quality Trust (BYM)

(Percentages shown are based on Net Assets)

|  | Par        |              |
|--|------------|--------------|
|  | (000)      | Value        |
| <b>Municipal Bonds</b>   |            |              |
| <b>Alabama 4.2%</b>  |            |              |
| City of Birmingham Alabama Airport Authority, ARB (AGM), 5.50%, 7/01/40  | \$ 5,800   | \$ 6,409,290 |
| City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 6/01/19 (a)        | 1,495      | 1,658,045    |
| City of Birmingham Alabama, GO, Convertible CAB, Series A1, 0.00%, 3/01/45 (b)   | 1,165      | 1,160,305    |
| County of Jefferson Alabama, RB, Limited Obligation School, Series A, 4.75%, 1/01/25   | 2,800      | 2,810,836    |
| State of Alabama Docks Department, Refunding RB, 6.00%, 10/01/40 (a)   | 3,800      | 4,341,196    |
|  |            | 16,379,672   |
| <b>Alaska 0.3%</b>   |            |              |
| Alaska Industrial Development & Export Authority, RB, Providence Health Services, Series A, 5.50%, 10/01/41                      | 1,070      | 1,186,341    |
| <b>Arizona 0.7%</b>  |            |              |
| County of Maricopa Arizona IDA, Refunding RB, Banner Health Obligation Group, Series A:  |            |              |
| 3.25%, 1/01/37   | 805        | 758,705      |
| 5.00%, 1/01/38   | 440        | 496,091      |
| State of Arizona, COP, Department of Administration, Series A (AGM):   |            |              |
| 5.00%, 10/01/27  | 1,250      | 1,357,950    |
| 5.25%, 10/01/28  | 250        | 273,105      |
|  |            | 2,885,851    |
| <b>California 13.9%</b>  |            |              |
| California Health Facilities Financing Authority, RB, St. Joseph Health System, Series A, 5.75%, 7/01/39                         | 625        | 678,037      |
| California Infrastructure & Economic Development Bank, RB, Bay Area Toll Bridges, 1st Lien, Series A (AMBAC), 5.00%, 1/01/28 (a) | 10,100     | 12,615,203   |
| California State University, Refunding RB (AGM):   |            |              |
| 5.00%, 11/01/32  | 2,150      | 2,164,534    |
| Systemwide, Series A, 5.00%, 5/01/17 (a)   | 1,540      | 1,551,920    |
| California Statewide Communities Development Authority, RB, Kaiser Permanente, Series A, 5.00%, 4/01/42                          | 1,620      | 1,763,111    |
| Coast Community College District, GO, CAB, Election of 2002, Series C (AGM), 5.00%, 8/01/18 (a)(b)                               | 7,450      | 7,892,008    |
| Monterey Peninsula Community College District, GO, CAB, Series C (AGM) (a)(c):   |            |              |
| 0.00%, 2/01/18   | 13,575     | 6,781,663    |
| 0.00%, 2/01/18   | 14,150     | 6,708,798    |
| Mount San Antonio Community College District, GO, Refunding, CAB, Election of 2008, Series A, 0.00%, 8/01/43 (b)                 | 1,580      | 1,125,955    |
| San Diego California Unified School District, GO, Election of 2008 (c):  |            |              |
| CAB, Series C, 0.00%, 7/01/38  | 2,000      | 822,000      |
| CAB, Series G, 0.00%, 7/01/34  | 725        | 320,479      |
| CAB, Series G, 0.00%, 7/01/35  | 775        | 321,547      |
| CAB, Series G, 0.00%, 7/01/36  | 1,155      | 449,815      |
| CAB, Series G, 0.00%, 7/01/37  | 770        | 281,959      |
| San Diego California Unified School District, GO, Refunding, CAB, Series R-1, 0.00%, 7/01/31 (c)                                 | 1,400      | 814,800      |
| State of California, GO, Refunding, Various Purposes, 5.00%, 10/01/41  | 1,100      | 1,231,241    |
| State of California, GO, Various Purposes, 5.00%, 4/01/42  | 3,000      | 3,329,130    |
| State of California Public Works Board, LRB, Various Capital Projects, Series I, 5.50%, 11/01/33                                 | 1,415      | 1,670,719    |
|  | <b>Par</b> |              |
|  |            | 54,708,419   |
| <b>Municipal Bonds</b>   |            |              |
| <b>California (continued)</b>  |            |              |
| Yosemite Community College District, GO, CAB, Election of 2004, Series D, 0.00%, 8/01/37 (c)                                     | \$ 10,000  | \$ 4,185,500 |
|  |            | 54,708,419   |
| <b>Colorado 0.6%</b>   |            |              |

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|  |       |            |
|--|-------|------------|
| Regional Transportation District, COP, Refunding, Series A, 5.38%, 6/01/31   | 960   | 1,057,949  |
| Regional Transportation District, COP, Series A, 5.00%, 6/01/39  | 1,305 | 1,430,228  |
|  |       | 2,488,177  |
| <b>District of Columbia 2.5%</b>   |       |            |
| District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.75%, 5/15/40  | 9,500 | 9,701,875  |
| <b>Florida 13.6%</b>   |       |            |
| City of Tallahassee Florida Energy System Revenue, RB, (NPFGC):  |       |            |
| 5.00%, 10/01/32  | 3,000 | 3,064,410  |
| 5.00%, 10/01/37  | 5,000 | 5,107,350  |
| County of Brevard Florida Health Facilities Authority, Refunding RB, Health First, Inc. Project, 5.00%, 4/01/39                                | 1,795 | 1,919,681  |
| County of Broward Florida School Board, COP, Series A (AGM), 5.25%, 7/01/18 (a)  | 1,400 | 1,481,606  |
| County of Broward Florida Water & Sewer Utility, Refunding RB, Series A, 5.25%, 10/01/18 (a)   | 6,750 | 7,210,147  |
| County of Duval Florida School Board, COP, Master Lease Program (AGM), 5.00%, 7/01/17 (a)  | 3,475 | 3,526,708  |
| County of Miami-Dade Florida, RB, Seaport Department, Series A, 6.00%, 10/01/38  | 2,770 | 3,301,923  |
| County of Miami-Dade Florida Aviation, Refunding ARB:  |       |            |
| Aviation, Miami International Airport, Series A-1, 5.50%, 10/01/41   | 5,000 | 5,546,600  |
| Series A, 5.50%, 10/01/36  | 5,000 | 5,485,650  |
| County of Miami-Dade Florida Educational Facilities Authority, RB, University Miami, Series A, 5.00%, 4/01/40                                  | 3,910 | 4,259,671  |
| County of Miami-Dade Florida Transit System, RB, Surtax (AGM), 5.00%, 7/01/35  | 1,300 | 1,357,525  |
| County of Orange Health Facilities Authority, Refunding RB, Presbyterian Retirement Communities Project, 5.00%, 8/01/47                        | 900   | 946,233    |
| County of Sarasota Florida Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39                          | 300   | 320,616    |
| Florida State Department of Environmental Protection, RB, Florida Forever Project, Series B (NPFGC), 5.00%, 7/01/27                            | 6,150 | 6,302,889  |
| Reedy Creek Improvement District, GO, Series A, 5.25%, 6/01/33   | 1,340 | 1,539,647  |
| Tohopekaliga Water Authority, Refunding RB, Series A, 5.25%, 10/01/21 (a)  | 2,000 | 2,333,460  |
|  |       | 53,704,116 |
| <b>Georgia 2.9%</b>  |       |            |
| City of Atlanta Georgia Department of Aviation, Refunding GARB, Series C, 6.00%, 1/01/30   | 7,500 | 8,739,900  |
| County of Burke Georgia Development Authority, Refunding RB, Oglethorpe Power-Vogtle Project, Series C, 5.70%, 1/01/43                         | 1,250 | 1,290,288  |
| County of Gainesville Georgia & Hall Hospital Authority, Refunding RB, Northeast Georgia Health System, Inc. Project, Series A, 5.50%, 8/15/54 | 545   | 627,916    |

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Income Quality Trust (BYM)

|   | Par      |              |
|---|----------|--------------|
|   | (000)    | Value        |
| <b>Municipal Bonds</b>  |          |              |
| <b>Georgia (continued)</b>  |          |              |
| Private Colleges & Universities Authority, RB, Savannah College of Art & Design:                                |          |              |
| 5.00%, 4/01/33  | \$ 155   | \$ 166,761   |
| 5.00%, 4/01/44  | 595      | 632,158      |
|   |          | 11,457,023   |
| <b>Hawaii 1.4%</b>  |          |              |
| State of Hawaii Harbor System, RB, Series A, 5.50%, 7/01/35   | 5,000    | 5,516,750    |
| <b>Illinois 13.4%</b>   |          |              |
| City of Chicago Illinois, GO, Refunding, Series A, Project, 5.25%, 1/01/33                                      | 1,315    | 1,291,330    |
| City of Chicago Illinois, Refunding RB, Sales Tax Receipts, Series A, 5.00%, 1/01/41                            | 1,715    | 1,742,886    |
| City of Chicago Illinois O Hare International Airport, RB, Senior Lien, Series D, 5.25%, 1/01/42                | 3,300    | 3,765,333    |
| City of Chicago Illinois O Hare International Airport, Refunding GARB, Senior Lien, Series D, 5.25%, 1/01/34    | 9,800    | 10,796,464   |
| City of Chicago Illinois O Hare International Airport, GARB, 3rd Lien, Series A, 5.63%, 1/01/35                 | 1,525    | 1,706,795    |
| City of Chicago Illinois Transit Authority, RB:   |          |              |
| 5.25%, 12/01/49   | 3,500    | 3,820,950    |
| Sales Tax Receipts, 5.25%, 12/01/36   | 650      | 694,720      |
| County of Cook Illinois Community College District No. 508, GO, City College of Chicago:                        |          |              |
| 5.13%, 12/01/38   | 7,700    | 8,084,769    |
| 5.50%, 12/01/38   | 1,000    | 1,074,520    |
| County of Cook Illinois Forest Preserve District, GO, Refunding, Limited Tax Project, Series B, 5.00%, 12/15/37 | 210      | 223,117      |
| Illinois Finance Authority, Refunding RB:   |          |              |
| Silver Cross Hospital and Medical Centers, 4.13%, 8/15/37   | 3,130    | 3,074,724    |
| Silver Cross Hospital and Medical Centers, 5.00%, 8/15/44   | 390      | 410,323      |
| University of Chicago Medical Center, Series B, 4.00%, 8/15/41  | 900      | 905,139      |
| Railsplitter Tobacco Settlement Authority, RB, 6.00%, 6/01/28   | 710      | 806,837      |
| State of Illinois, GO:  |          |              |
| 5.25%, 2/01/33  | 2,435    | 2,484,431    |
| 5.50%, 7/01/33  | 880      | 917,673      |
| 5.25%, 2/01/34  | 5,910    | 6,016,084    |
| 5.50%, 7/01/38  | 1,475    | 1,534,044    |
| 5.00%, 2/01/39  | 2,200    | 2,194,104    |
| University of Illinois, RB, Auxiliary Facilities System, Series A, 5.00%, 4/01/39                               | 1,020    | 1,100,692    |
|   |          | 52,644,935   |
| <b>Indiana 1.9%</b>   |          |              |
| Indiana Finance Authority, RB, CWA Authority Project, 1st Lien, Series A, 5.25%, 10/01/38                       | 1,100    | 1,241,251    |
| Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC):              |          |              |
| 5.50%, 1/01/19 (a)  | 1,125    | 1,217,565    |
| 5.50%, 1/01/38  | 4,625    | 4,940,471    |
|   |          | 7,399,287    |
| <b>Iowa 2.3%</b>  |          |              |
| Iowa Finance Authority, RB, Iowa Health Care Facilities:  |          |              |
| Genesis Health System, 5.50%, 7/01/33   | 3,000    | 3,475,110    |
| Series A (AGC), 5.63%, 8/15/19 (a)  | 5,000    | 5,547,500    |
|   |          | 9,022,610    |
|   | Par      |              |
|   | (000)    | Value        |
| <b>Municipal Bonds</b>  |          |              |
| <b>Kentucky 0.4%</b>  |          |              |
| State of Kentucky Property & Building Commission, Refunding RB, Project No. 93 (AGC):                           |          |              |
| 5.25%, 2/01/19 (a)  | \$ 1,330 | \$ 1,436,333 |
| 5.25%, 2/01/29  | 170      | 181,977      |

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|  |       |            |
|--|-------|------------|
|  |       | 1,618,310  |
| <b>Louisiana 0.2%</b>  |       |            |
| Louisiana Public Facilities Authority, RB, Provident Group-Flagship Properties LLC, Series A, 5.00%, 7/01/56     | 790   | 830,811    |
| <b>Massachusetts 1.2%</b>  |       |            |
| Massachusetts Development Finance Agency, RB, Emerson College Issue, Series A, 5.00%, 1/01/47                    | 2,370 | 2,545,167  |
| Massachusetts Development Finance Agency, Refunding RB, Emmanuel College Issue, Series A, 5.00%, 10/01/43        | 420   | 444,587    |
| Massachusetts School Building Authority, RB, Dedicated Sales Tax, Senior Series A, 5.00%, 5/15/43                | 1,395 | 1,562,944  |
|  |       | 4,552,698  |
| <b>Michigan 5.7%</b>   |       |            |
| City of Detroit Michigan Sewage Disposal System, Refunding RB, 2nd Lien, Series E (BHAC), 5.75%, 7/01/18 (a)     | 3,000 | 3,191,070  |
| City of Lansing Michigan, RB, Board of Water & Light Utilities System, Series A, 5.50%, 7/01/41                  | 1,100 | 1,248,280  |
| Michigan Finance Authority, Refunding RB:  |       |            |
| Henry Ford Health System, 3.25%, 11/15/42  | 995   | 827,910    |
| Trinity Health Credit Group, 5.00%, 12/01/21 (a)   | 30    | 34,839     |
| Trinity Health Credit Group, 5.00%, 12/01/39   | 9,020 | 10,107,090 |
| Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, Series D, 5.00%, 9/01/39 | 1,560 | 1,684,191  |
| State of Michigan Building Authority, Refunding RB, Facilities Program:  |       |            |
| Series I-A, 5.38%, 10/15/36  | 2,000 | 2,233,100  |
| Series I-A, 5.38%, 10/15/41  | 800   | 892,128    |
| Series II-A, 5.38%, 10/15/36   | 1,500 | 1,674,825  |
| Western Michigan University, Refunding RB, General, University and College Improvements (AGM), 5.00%, 11/15/39   | 430   | 472,050    |
|  |       | 22,365,483 |
| <b>Nebraska 1.8%</b>   |       |            |
| Central Plains Energy Project Nebraska, RB, Gas Project No. 3, 5.25%, 9/01/37                                    | 6,345 | 6,890,289  |
| <b>Nevada 2.0%</b>   |       |            |
| County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A: 5.25%, 7/01/42                  | 3,000 | 3,250,620  |
| (AGM), 5.25%, 7/01/39  | 4,100 | 4,444,892  |
|  |       | 7,695,512  |
| <b>New Jersey 6.5%</b>   |       |            |
| New Jersey EDA, RB, Series WW:   |       |            |
| 5.25%, 6/15/33   | 170   | 174,704    |
| 5.00%, 6/15/34   | 225   | 226,656    |
| 5.00%, 6/15/36   | 1,395 | 1,399,603  |
| 5.25%, 6/15/40   | 400   | 405,880    |
| New Jersey Transportation Trust Fund Authority, RB:  |       |            |
| 5.00%, 6/15/36   | 5,070 | 5,085,920  |
| CAB, Transportation System, Series A, 0.00%, 12/15/38 (c)  | 5,845 | 1,814,230  |
| Transportation Program, Series AA, 5.25%, 6/15/33  | 1,660 | 1,704,604  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Income Quality Trust (BYM)

|  | Par      |              |
|--|----------|--------------|
|  | (000)    | Value        |
| <b>Municipal Bonds</b>   |          |              |
| <b>New Jersey (continued)</b>  |          |              |
| New Jersey Transportation Trust Fund Authority, RB (continued):  |          |              |
| Transportation Program, Series AA, 5.00%, 6/15/38  | \$ 1,945 | \$ 1,946,031 |
| Transportation System, Series A, 5.50%, 6/15/41  | 3,000    | 3,085,140    |
| Transportation System, Series AA, 5.50%, 6/15/39   | 3,785    | 3,937,649    |
| Transportation System, Series B, 5.25%, 6/15/36  | 5,000    | 5,084,100    |
| Transportation System, Series D, 5.00%, 6/15/32  | 900      | 917,397      |
|  |          | 25,781,914   |
| <b>New Mexico 0.1%</b>   |          |              |
| New Mexico Hospital Equipment Loan Council, Refunding RB, Presbyterian Healthcare Services, 5.00%, 8/01/44                     | 405      | 448,671      |
| <b>New York 2.7%</b>   |          |              |
| City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-4, 5.50%, 1/15/33                        | 1,950    | 2,102,880    |
| City of New York New York Transitional Finance Authority, Refunding RB, Future Tax Secured, Series B, 5.00%, 11/01/32          | 1,650    | 1,891,362    |
| County of Erie New York Industrial Development Agency, RB, City School District of Buffalo, Series A (AGM), 5.75%, 5/01/17 (a) | 4,500    | 4,540,365    |
| Hudson Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47  | 770      | 875,059      |
| State of New York Dormitory Authority, RB, Series B, 5.75%, 3/15/36  | 1,300    | 1,416,870    |
|  |          | 10,826,536   |
| <b>Ohio 0.7%</b>   |          |              |
| County of Lucas Ohio, Refunding RB, Promedica Healthcare, Series A, 6.50%, 11/15/37  | 610      | 719,025      |
| State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1: 5.25%, 2/15/32                        | 780      | 888,420      |
| 5.25%, 2/15/33   | 1,095    | 1,242,683    |
|  |          | 2,850,128    |
| <b>Oregon 0.1%</b>   |          |              |
| Clackamas County School District No. 12 North Clackamas, GO, Series A, 0.00%, 6/15/38 (c)(d)                                   | 1,115    | 439,343      |
| <b>Pennsylvania 3.5%</b>   |          |              |
| Pennsylvania HFA, RB, S/F Housing Mortgage, Series 118-B, 4.05%, 10/01/40  | 1,770    | 1,786,992    |
| Pennsylvania Higher Educational Facilities Authority, Refunding RB, Thomas Jefferson University, Series A, 5.25%, 9/01/50      | 4,245    | 4,672,726    |
| Pennsylvania Turnpike Commission, RB:  |          |              |
| Series A, 5.00%, 12/01/38  | 695      | 760,810      |
| Series A-1, 5.00%, 12/01/41  | 2,730    | 3,005,921    |
| Series B, 5.00%, 12/01/40  | 1,060    | 1,168,067    |
| Series C, 5.50%, 12/01/33  | 630      | 731,102      |
| Subordinate, Special Motor License Fund, 6.00%, 12/01/20 (a)   | 625      | 732,719      |
| Pennsylvania Turnpike Commission, Refunding RB, Series A-1, 5.00%, 12/01/40  | 850      | 932,407      |
|  |          | 13,790,744   |
| <b>Rhode Island 1.5%</b>   |          |              |
| Rhode Island Commerce Corp., RB, Airport Corporation, 5.00%, 7/01/46   | 250      | 273,600      |
| Tobacco Settlement Financing Corp., Refunding RB, Series B, 4.50%, 6/01/45   | 5,855    | 5,637,077    |
|  |          | 5,910,677    |
|  | Par      |              |
|  | (000)    | Value        |
| <b>Municipal Bonds</b>   |          |              |
| <b>South Carolina 4.6%</b>   |          |              |
| South Carolina Jobs EDA, Refunding RB, Palmetto Health, Series A (AGM), 6.50%, 8/01/39   | \$ 260   | \$ 303,303   |
| State of South Carolina Ports Authority, RB, 5.25%, 7/01/40  | 5,000    | 5,459,900    |
| State of South Carolina Public Service Authority, RB, Santee Cooper: Series A, 5.50%, 12/01/54                                 | 6,960    | 7,797,705    |

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|  |        |            |
|--|--------|------------|
| Series E, 5.50%, 12/01/53  | 610    | 682,505    |
| State of South Carolina Public Service Authority, Refunding RB:  |        |            |
| Santee Cooper, Series B, 5.00%, 12/01/38   | 2,360  | 2,568,317  |
| Series E, 5.25%, 12/01/55  | 1,185  | 1,292,551  |
|  |        | 18,104,281 |
| <b>Tennessee 0.2%</b>  |        |            |
| Metropolitan Government of Nashville & Davidson County Health & Educational Facilities Board, RB, Vanderbilt University Medical Center, Series A, 5.00%, 7/01/40 |        |            |
|  | 740    | 815,976    |
| <b>Texas 17.7%</b>   |        |            |
| Central Texas Turnpike System, Refunding RB, CAB, Series B, 0.00%, 8/15/37 (c)   |        |            |
|  | 1,050  | 439,992    |
| City of San Antonio Texas Public Service Board, RB, Junior Lien, 5.00%, 2/01/38  |        |            |
|  | 615    | 687,668    |
| Coppell Texas ISD, GO, CAB, Refunding (PSF-GTD), 0.00%, 8/15/30 (c)  |        |            |
|  | 10,030 | 6,626,520  |
| County of Harris Texas, GO, Refunding, (NPFGC) (c):  |        |            |
| 0.00%, 8/15/25   | 7,485  | 6,122,206  |
| 0.00%, 8/15/28   | 10,915 | 8,171,624  |
| County of Harris Texas Houston Sports Authority, Refunding RB (c):   |        |            |
| 3rd Lien, Series A-3 (NPFGC), 0.00%, 11/15/38  | 16,890 | 5,263,262  |
| CAB, Junior Lien, Series H (NPFGC), 0.00%, 11/15/38  | 5,785  | 1,973,553  |
| CAB, Junior Lien, Series H (NPFGC), 0.00%, 11/15/39  | 6,160  | 1,971,262  |
| County of Midland Texas Fresh Water Supply District No. 1, RB, CAB, City of Midland Project, Series A, 0.00%, 9/15/36 (c)  |        |            |
|  | 2,340  | 1,027,751  |
| Dallas-Fort Worth International Airport, Refunding ARB, Series F, 5.25%, 11/01/33  |        |            |
|  | 1,090  | 1,250,808  |
| Leander ISD, GO, Refunding, CAB, Series D, 0.00%, 8/15/38 (c)  |        |            |
|  | 3,775  | 1,495,730  |
| North Texas Tollway Authority, RB:   |        |            |
| CAB, Special Project System, Series B, 0.00%, 9/01/37 (c)  |        |            |
|  | 1,975  | 748,624    |
| Convertible CAB, Series C, 0.00%, 9/01/45 (b)  |        |            |
|  | 2,500  | 2,746,275  |
| Special Projects System, Series A, 6.00%, 9/01/41  |        |            |
|  | 1,000  | 1,171,620  |
| North Texas Tollway Authority, Refunding RB:   |        |            |
| 1st Tier System (NPFGC), 5.75%, 1/01/18 (a)  |        |            |
|  | 8,650  | 9,011,310  |
| 1st Tier System (NPFGC), 5.75%, 1/01/40  |        |            |
|  | 2,785  | 2,878,548  |
| 1st Tier System, Series A, 6.00%, 1/01/19 (a)  |        |            |
|  | 510    | 556,114    |
| 1st Tier System, Series A (NPFGC), 6.00%, 1/01/28  |        |            |
|  | 115    | 124,868    |
| 1st Tier System, Series S, 5.75%, 1/01/18 (a)  |        |            |
|  | 11,615 | 12,100,159 |
| Series B, 5.00%, 1/01/40   |        |            |
|  | 385    | 425,529    |
| Texas Municipal Gas Acquisition & Supply Corp. III, RB:  |        |            |
| 5.00%, 12/15/32  | 2,540  | 2,698,471  |
| Natural Gas Utility Improvements, 5.00%, 12/15/31  | 2,105  | 2,243,109  |
|  |        | 69,735,003 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Income Quality Trust (BYM)

|   | Par          |                    |
|---|--------------|--------------------|
|   | (000)        | Value              |
| <b>Municipal Bonds</b>  |              |                    |
| <b>Utah 2.1%</b>  |              |                    |
| Salt Lake City Corp. Airport Revenue, RB, Series B, 5.00%, 7/01/42  | \$ 2,575     | \$ 2,919,561       |
| Utah Transit Authority, RB, Series A (AGM), 5.00%, 6/15/18 (a)  | 5,000        | 5,264,750          |
|   |              | 8,184,311          |
| <b>Washington 1.8%</b>  |              |                    |
| Washington Health Care Facilities Authority, RB:  |              |                    |
| MultiCare Health System, Remarketing, Series B, 5.00%, 8/15/44  | 2,000        | 2,167,660          |
| MultiCare Health System, Series C (AGC), 5.50%, 8/15/18 (a)   | 4,000        | 4,265,800          |
| Providence Health & Services, Series A, 5.25%, 10/01/39   | 675          | 725,706            |
|   |              | 7,159,166          |
| <b>Wisconsin 1.8%</b>   |              |                    |
| Public Finance Authority, RB, KU Campus Development Corp., Central District Development Project, 5.00%, 3/01/46                   |              |                    |
|   | 5,100        | 5,591,691          |
| State of Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, Series E, 5.00%, 11/15/33 |              |                    |
|   | 1,500        | 1,624,935          |
|   |              | 7,216,626          |
| <b>Total Municipal Bonds 112.3%</b>   |              | <b>442,311,535</b> |
| <b>Municipal Bonds Transferred to Tender Option Bond Trusts (e)</b>   |              |                    |
| <b>Arizona 0.4%</b>   |              |                    |
| City of Phoenix Arizona Civic Improvement Corp., Refunding RB, Water System, Junior Lien, Series A, 5.00%, 7/01/19 (a)            |              |                    |
|   | 1,300        | 1,418,131          |
| <b>California 3.6%</b>  |              |                    |
| California State University, RB, Systemwide, Series A (AGM) (f):  |              |                    |
| 5.00%, 5/01/18 (a)  | 3,292        | 3,441,275          |
| 5.00%, 11/01/33   | 86           | 90,049             |
| County of San Diego California Water Authority Financing Corp., COP, Refunding, Series A (AGM) (a):                               |              |                    |
| 5.00%, 5/01/18  | 808          | 848,023            |
| 5.00%, 5/01/18  | 4,062        | 4,263,627          |
| Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/17 (a)                       |              |                    |
|   | 5,000        | 5,093,050          |
| San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/19 (a)   |              |                    |
|   | 449          | 494,121            |
|   |              | 14,230,145         |
| <b>Connecticut 0.4%</b>   |              |                    |
| Connecticut State Health & Educational Facility Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/45             |              |                    |
|   | 1,561        | 1,713,253          |
| <b>District of Columbia 0.3%</b>  |              |                    |
| District of Columbia, RB, Series A, 5.50%, 12/01/30 (f)   |              |                    |
|   | 1,080        | 1,202,208          |
| <b>Florida 6.9%</b>   |              |                    |
| City of Miami Beach Florida, RB, 5.00%, 9/01/45   |              |                    |
|   | 3,500        | 3,913,455          |
| County of Miami-Dade Florida, Refunding RB, Transit System Sales Surtax, 5.00%, 7/01/42   |              |                    |
|   | 1,950        | 2,156,115          |
| County of Miami-Dade Florida Water & Sewer System (AGC), 5.00%, 10/01/39  |              |                    |
|   | 10,101       | 11,146,322         |
|   | <b>Par</b>   |                    |
| <b>Municipal Bonds Transferred to Tender Option Bond Trusts (e)</b>   |              |                    |
|   | <b>(000)</b> | <b>Value</b>       |
| <b>Florida (continued)</b>  |              |                    |
| County of Orange Florida School Board, COP, Series A (AGC), 5.50%, 8/01/19 (a)  |              |                    |
|   | \$ 6,096     | \$ 6,740,841       |
| State of Florida Board of Education, GO, Refunding, Series C, 5.00%, 6/01/18 (f)  |              |                    |
|   | 2,999        | 3,061,995          |
|   |              | 27,018,728         |



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|   |       |            |
|---|-------|------------|
| <b>Illinois 6.3%</b>  |       |            |
| Illinois Finance Authority, RB, The Carle Foundation, Series A (AGM), 6.00%, 8/15/41  | 2,400 | 2,733,096  |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/19 (a)(f)  | 1,400 | 1,530,521  |
| State of Illinois Toll Highway Authority, RB:   |       |            |
| Senior Priority, Series A, 5.00%, 1/01/40   | 3,045 | 3,354,848  |
| Senior Priority, Series B, 5.50%, 1/01/18 (a)   | 4,499 | 4,676,962  |
| Senior Priority, Series C, 5.00%, 1/01/38   | 2,658 | 2,917,339  |
| Senior, Series B, 5.00%, 1/01/40  | 1,170 | 1,294,444  |
| Series A, 5.00%, 1/01/38  | 7,714 | 8,496,022  |
|   |       | 25,003,232 |
| <b>Kansas 1.6%</b>  |       |            |
| County of Wyandotte Kansas Unified School District, GO, Series A, 5.50%, 9/01/47  | 5,363 | 6,371,474  |
| <b>Maryland 0.9%</b>  |       |            |
| City of Baltimore Maryland Water Utility Fund, RB, Sub-Water Projects, Series A, 5.00%, 7/01/41   | 3,139 | 3,552,970  |
| <b>Massachusetts 0.5%</b>   |       |            |
| Commonwealth of Massachusetts, GO, Series A, 5.00%, 3/01/46   | 1,661 | 1,860,013  |
| <b>Michigan 0.9%</b>  |       |            |
| Michigan Finance Authority, RB, Beaumont Health Credit Group, 5.00%, 11/01/44   | 2,220 | 2,417,405  |
| Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 5.00%, 10/15/45  | 960   | 1,058,160  |
|   |       | 3,475,565  |
| <b>Nevada 2.9%</b>  |       |            |
| City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/19 (a)(f)  | 4,197 | 4,627,067  |
| County of Clark Nevada Water Reclamation District, GO, Limited Tax, Series B, 5.75%, 7/01/19 (a)  | 2,024 | 2,243,252  |
| Las Vegas Valley Water District Nevada, GO, Refunding, Water Improvement, Series A, 5.00%, 6/01/46  | 3,900 | 4,382,001  |
|   |       | 11,252,320 |
| <b>New Jersey 0.8%</b>  |       |            |
| County of Hudson New Jersey Improvement Authority, RB, Hudson County Vocational-Technical Schools Project, 5.25%, 5/01/51                                       | 920   | 1,047,687  |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (f)   | 2,000 | 2,034,106  |
|   |       | 3,081,793  |
| <b>New York 13.5%</b>   |       |            |
| City of New York New York Municipal Water Finance Authority, RB, Water & Sewer System, 2nd General Resolution, Fiscal 2015, Series FF, 5.00%, 6/15/39           | 8,355 | 9,455,938  |
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution, Fiscal 2013, Series CC, 5.00%, 6/15/47 | 6,240 | 6,898,727  |
| City of New York New York Water & Sewer System, Refunding RB, 2nd General Resolution, Fiscal 2014, Series DD, 5.00%, 6/15/35                                    | 1,845 | 2,100,699  |
| Metropolitan Transportation Authority, RB, Sub-Series D-1, 5.25%, 11/15/44  | 3,850 | 4,416,720  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock Municipal Income Quality Trust (BYM)

|  | <b>Par</b>   |              |
|--|--------------|--------------|
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (e)</b>  | <b>(000)</b> | <b>Value</b> |
| <b>New York (continued)</b>  |              |              |
| Metropolitan Transportation Authority, Refunding RB, Series C-1, 5.25%, 11/15/56   | \$ 1,700     | \$ 1,932,271 |
| New York City Transitional Finance Authority, Refunding RB, Future Tax Secured, Series B, 5.00%, 11/01/30                                  | 12,500       | 14,457,125   |
| New York State Urban Development Corp., RB, Personal Income Tax, General Purpose, Series A-1, 5.00%, 3/15/43                               | 5,720        | 6,328,322    |
| Port Authority of New York & New Jersey, Refunding RB, Consolidated, 198th Series, 5.25%, 11/15/56   | 2,561        | 2,949,453    |
| Triborough Bridge & Tunnel Authority, RB, General, Series A-2, 5.25%, 11/15/34 (f)   | 4,500        | 4,804,380    |
|  |              | 53,343,635   |
| <b>Ohio 0.2%</b>   |              |              |
| State of Ohio, RB, Cleveland Clinic Health Obligated Group, Series B, 5.50%, 1/01/34   | 620          | 664,398      |
| <b>Pennsylvania 1.7%</b>   |              |              |
| County of Westmoreland Pennsylvania Municipal Authority, Refunding RB (BAM), 5.00%, 8/15/42  | 1,020        | 1,126,509    |
| Pennsylvania Turnpike Commission, RB, Sub-Series A, 5.50%, 12/01/42  | 4,997        | 5,710,680    |
|  |              | 6,837,189    |
| <b>South Carolina 1.3%</b>   |              |              |
| South Carolina Public Service Authority, Refunding RB, Series A 5.50%, 1/01/19 (a)(f)  | 601          | 650,417      |
| State of South Carolina Public Service Authority, Refunding RB, Series B, 5.00%, 12/01/56  | 4,260        | 4,561,992    |
|  |              | 5,212,409    |
| <b>Texas 2.4%</b>  |              |              |
| City of Houston Texas, Refunding RB, Airport System, Senior Lien, Series A, 5.50%, 7/01/34   | 4,167        | 4,395,431    |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., RB, Baylor Health Care System Project, Series A, 5.00%, 11/15/38      | 719          | 790,117      |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Texas Health Resources System, Series A, 5.00%, 2/15/41 | 3,920        | 4,360,138    |
|  |              | 9,545,686    |
| <b>Virginia 0.1%</b>   |              |              |
| County of Fairfax Virginia IDA, Refunding RB, Health Care, Inova Health System: 5.50%, 5/15/19 (a)   | 140          | 151,775      |
| 5.50%, 5/15/35   | 260          | 281,979      |
|  |              | 433,754      |
|  | <b>Par</b>   |              |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (e)</b>  | <b>(000)</b> | <b>Value</b> |
| <b>Washington 1.9%</b>   |              |              |
| Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/17 (a)  | \$ 3,494     | \$ 3,595,244 |
| Washington Health Care Facilities Authority, Refunding RB, Seattle Children's Hospital, Series B, 5.00%, 10/01/38                          | 3,210        | 3,737,852    |
|  |              | 7,333,096    |
| <b>Wisconsin 1.6%</b>  |              |              |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health, Inc., Obligated Group:                    |              |              |
| Series A, 5.00%, 4/01/42   | 3,520        | 3,789,632    |
| Series C, 5.25%, 4/01/39   | 2,500        | 2,627,700    |
|  |              | 6,417,332    |
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts 48.2%</b>  |              | 189,967,331  |
| <b>Total Long-Term Investments</b>   |              | 632,278,866  |

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**(Cost \$594,094,193) 160.5%**

| <b>Short-Term Securities</b>   | <b>Shares</b> |                |
|--|---------------|----------------|
| BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.50% (g)(h)                           | 9,844,770     | 9,846,739      |
| <b>Total Short-Term Securities</b>   |               |                |
| <b>(Cost \$9,846,348) 2.5%</b>   |               | 9,846,739      |
| <b>Total Investments (Cost \$603,940,541) 163.0%</b>   |               | 642,125,605    |
| <b>Other Assets Less Liabilities 0.3%</b>  |               | 1,349,034      |
| <b>Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (28.0)%</b> |               | (110,141,570)  |
| <b>Loan for TOB Trust (0.5)%</b>   |               | (2,249,213)    |
| <b>VMTP Shares at Liquidation Value (34.8)%</b>  |               | (137,200,000)  |
| <b>Net Assets Applicable to Common Shares 100.0%</b>   |               | \$ 393,883,856 |

### Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
  
- (b) Step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate as of period end.
  
- (c) Zero-coupon bond.
  
- (d) When-issued security.
  
- (e) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Trust. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
  
- (f) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Trust could ultimately be required to pay under the agreements, which expire between April 1, 2017 to December 1, 2029, is \$12,093,907. See Note 4 of the Notes to Financial Statements for details.

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock Municipal Income Quality Trust (BYM)

(g) During the six months ended February 28, 2017, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate  | Shares Held<br>at August 31,<br>2016 | Net<br>Activity | Shares Held<br>at February 28,<br>2017 | Value at<br>February 28,<br>2017 | Income   | Net                           |   |
|--|--------------------------------------|-----------------|--|----------------------------------|----------|-------------------------------|---|
|  |                                      |                 |  |                                  |          | Realized<br>Gain <sup>1</sup> | Change in<br>Unrealized<br>Appreciation |
| BlackRock Liquidity Funds, MuniCash, Institutional Class | 3,605,050                            | 6,239,720       | 9,844,770                              | \$ 9,846,739                     | \$ 9,516 | \$ 4,322                      | \$ 391                                  |

<sup>1</sup> Includes net capital gain distributions.

(h) Current yield as of period end.

## Derivative Financial Instruments Outstanding as of Period End

## Futures Contracts

| Contracts    | Issue                      | Expiration | Notional<br>Value | Unrealized<br>Appreciation<br>(Depreciation) |
|--------------|----------------------------|------------|-------------------|--|
| Short        |                            |            |                   |  |
| (78)         | 5-Year U.S. Treasury Note  | June 2017  | \$ 9,180,844      | \$ 9,418                                     |
| (221)        | 10-Year U.S. Treasury Note | June 2017  | \$ 27,531,766     | 1,480  |
| (178)        | Long U.S. Treasury Bond    | June 2017  | \$ 26,994,812     | (131,874)                                    |
| (22)         | Ultra U.S. Treasury Bond   | June 2017  | \$ 3,559,187      | (33,418)                                     |
| <b>Total</b> |                            |            |                   | \$ (154,394)                                 |

## Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets            | Derivative Financial Instruments         | Commodity<br>Contracts | Credit<br>Contracts | Equity<br>Contracts | Foreign<br>Currency<br>Exchange<br>Contracts | Interest<br>Rate<br>Contracts | Other<br>Contracts | Total      |
|-------------------|--|------------------------|---------------------|---------------------|--|-------------------------------|--------------------|------------|
| Futures contracts | Net unrealized appreciation <sup>1</sup> |                        |                     |                     |  | \$ 10,898                     |                    | \$ 10,898  |
| Liabilities       | Derivative Financial Instruments         |                        |                     |                     |  |                               |                    |            |
| Futures contracts | Net unrealized depreciation <sup>1</sup> |                        |                     |                     |  | \$ 165,292                    |                    | \$ 165,292 |

<sup>1</sup> Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended February 28, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from: | Commodity<br>Contracts | Credit<br>Contracts | Equity<br>Contracts | Foreign<br>Currency<br>Exchange<br>Contracts | Interest<br>Rate<br>Contracts | Other<br>Contracts | Total        |
|--------------------------------|------------------------|---------------------|---------------------|--|-------------------------------|--------------------|--------------|
| Futures contracts              |                        |                     |                     |  | \$ 1,894,502                  |                    | \$ 1,894,502 |

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### Net Change in Unrealized Appreciation

#### (Depreciation) on:

|                   |              |              |
|-------------------|--------------|--------------|
| Futures contracts | \$ (185,324) | \$ (185,324) |
|-------------------|--------------|--------------|

### Average Quarterly Balances of Outstanding Derivative Financial Instruments

#### Futures contracts:

|                                     |       |                           |
|-------------------------------------|-------|---------------------------|
| Average notional value of contracts | long  | \$ 1,088,117 <sup>1</sup> |
| Average notional value of contracts | short | \$ 44,247,297             |

<sup>1</sup> Actual amounts for the period are shown due to limited outstanding derivative financial instruments as of each quarter end.

For more information about the Trust's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

See Notes to Financial Statements.

## Schedule of Investments (concluded)

BlackRock Municipal Income Quality Trust (BYM)

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

|                                    | Level 1      | Level 2        | Level 3 | Total          |
|------------------------------------|--------------|----------------|---------|----------------|
| <b>Assets:</b>                     |              |                |         |                |
| Investments:                       |              |                |         |                |
| Long-Term Investments <sup>1</sup> |              | \$ 632,278,866 |         | \$ 632,278,866 |
| Short-Term Securities              | \$ 9,846,739 |                |         | 9,846,739      |
| <b>Total</b>                       | \$ 9,846,739 | \$ 632,278,866 |         | \$ 642,125,605 |

**Derivative Financial Instruments<sup>2</sup>**

|                         |              |  |  |              |
|-------------------------|--------------|--|--|--------------|
| <b>Assets:</b>          |              |  |  |              |
| Interest rate contracts | \$ 10,898    |  |  | \$ 10,898    |
| <b>Liabilities:</b>     |              |  |  |              |
| Interest rate contracts | (165,292)    |  |  | (165,292)    |
| <b>Total</b>            | \$ (154,394) |  |  | \$ (154,394) |

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

<sup>2</sup> Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|                                  | Level 1 | Level 2          | Level 3 | Total            |
|----------------------------------|---------|------------------|---------|------------------|
| <b>Liabilities:</b>              |         |                  |         |                  |
| TOB Trust Certificates           |         | \$ (109,945,937) |         | \$ (109,945,937) |
| Loan for TOB Trust Certificates  |         | (2,249,213)      |         | (2,249,213)      |
| VMTP Shares at Liquidation Value |         | (137,200,000)    |         | (137,200,000)    |
| <b>Total</b>                     |         | \$ (249,395,150) |         | \$ (249,395,150) |

During the six months ended February 28, 2017, there were no transfers between levels.

See Notes to Financial Statements.

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Schedule of Investments February 28, 2017 (Unaudited)

BlackRock Municipal Income Trust II (BLE)

(Percentages shown are based on Net Assets)

|   | Par          |              |
|---|--------------|--------------|
|   | (000)        | Value        |
| <b>Municipal Bonds</b>  |              |              |
| <b>Alabama 2.6%</b>   |              |              |
| County of Jefferson Alabama, RB, Limited Obligation School, Series A, 5.25%, 1/01/19  | \$ 1,620     | \$ 1,626,269 |
| County of Jefferson Alabama Sewer, Refunding RB:  |              |              |
| Senior Lien, Series A (AGM), 5.00%, 10/01/44  | 540          | 599,643      |
| Senior Lien, Series A (AGM), 5.25%, 10/01/48  | 1,320        | 1,485,977    |
| Sub-Lien, Series D, 7.00%, 10/01/51   | 3,220        | 3,886,057    |
| Lower Alabama Gas District, RB, Series A, 5.00%, 9/01/46  | 1,170        | 1,349,279    |
|   |              | 8,947,225    |
| <b>Arizona 2.7%</b>   |              |              |
| City of Phoenix Arizona IDA, RB, Legacy Traditional Schools Projects, Series A, 5.00%, 7/01/46 (a)  | 1,825        | 1,814,452    |
| Salt Verde Financial Corp., RB, Senior:   |              |              |
| 5.00%, 12/01/32   | 5,635        | 6,373,523    |
| 5.00%, 12/01/37   | 1,000        | 1,137,010    |
|   |              | 9,324,985    |
| <b>California 11.1%</b>   |              |              |
| Bay Area Toll Authority, Refunding RB, San Francisco Bay Area Toll Bridge, Series F-1, 5.63%, 4/01/19 (b)                                 | 2,480        | 2,716,270    |
| California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42   | 3,500        | 3,982,615    |
| California Health Facilities Financing Authority, Refunding RB, St. Joseph Health System, Series A, 5.00%, 7/01/33                        | 1,365        | 1,536,649    |
| California Municipal Finance Authority, RB, Senior, Caritas Affordable Housing, Inc. Projects, S/F Housing, Series A:                     |              |              |
| 5.25%, 8/15/39  | 160          | 175,607      |
| 5.25%, 8/15/49  | 395          | 431,107      |
| California Municipal Finance Authority, Refunding RB, Community Medical Centers, Series A:  |              |              |
| 5.00%, 2/01/36  | 345          | 379,855      |
| 5.00%, 2/01/37  | 260          | 285,589      |
| California Pollution Control Financing Authority, RB, Poseidon Resources (Channel Side) LP Desalination Project, AMT, 5.00%, 11/21/45 (a) | 1,655        | 1,716,467    |
| California Statewide Communities Development Authority, RB, Loma Linda University Medical Center, Series A, 5.00%, 12/01/46 (a)           | 685          | 709,605      |
| City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Series A:                        |              |              |
| Senior, 5.00%, 5/15/40  | 6,500        | 7,185,360    |
| 5.25%, 5/15/39  | 860          | 931,982      |
| City of Stockton California Public Financing Authority, RB, Delta Water Supply Project, Series A, 6.25%, 10/01/38                         | 380          | 454,043      |
| San Marcos Unified School District, GO, CAB, Election of 2010, Series B (c):  |              |              |
| 0.00%, 8/01/33  | 3,000        | 1,557,780    |
| 0.00%, 8/01/43  | 2,500        | 747,775      |
| State of California, GO, Various Purposes:  |              |              |
| 6.00%, 3/01/33  | 1,760        | 1,993,992    |
| 6.50%, 4/01/33  | 10,645       | 11,850,333   |
| State of California Public Works Board, LRB, Various Capital Projects:  |              |              |
| Series I, 5.00%, 11/01/38   | 825          | 924,107      |
| Sub-Series I-1, 6.38%, 11/01/19 (b)   | 1,280        | 1,458,675    |
|   |              | 39,037,811   |
| <b>Colorado 0.7%</b>  |              |              |
| Colorado Health Facilities Authority, Refunding RB, Catholic Health Initiative, Series A, 5.50%, 7/01/34                                  | 2,330        | 2,419,402    |
|   | <b>Par</b>   |              |
| <b>Municipal Bonds</b>  | <b>(000)</b> | <b>Value</b> |

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|  |          |              |
|--|----------|--------------|
| <b>Connecticut 3.3%</b>  |          |              |
| Connecticut State Health & Educational Facility Authority, RB:   |          |              |
| Ascension Health Senior Credit, Series A, 5.00%, 11/15/40  | \$ 1,005 | \$ 1,072,405 |
| Yale University Issue, Series T-1, 4.70%, 7/01/29  | 5,180    | 5,247,703    |
| Yale University Issue, Series X-3, 4.85%, 7/01/37  | 5,130    | 5,194,022    |
|  |          | 11,514,130   |
| <b>Delaware 2.0%</b>   |          |              |
| County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Power LLC Project, 6.00%, 10/01/40   |          |              |
|  | 1,240    | 1,332,851    |
| Delaware Transportation Authority, RB, 5.00%, 6/01/55  | 1,260    | 1,369,028    |
| State of Delaware EDA, RB, Exempt Facilities, Indian River Power LLC Project, 5.38%, 10/01/45  | 4,275    | 4,426,976    |
|  |          | 7,128,855    |
| <b>District of Columbia 4.9%</b>   |          |              |
| District of Columbia, Refunding RB:  |          |              |
| Georgetown University, 5.00%, 4/01/35  | 465      | 529,370      |
| Georgetown University, 5.00%, 4/01/36  | 465      | 527,668      |
| Georgetown University, 5.00%, 4/01/42  | 540      | 607,862      |
| Kipp Charter School, Series A, 6.00%, 7/01/43  | 820      | 941,672      |
| District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.75%, 5/15/40  | 11,500   | 11,744,375   |
| Metropolitan Washington Airports Authority, Refunding RB, Dulles Toll Road, 1st Senior Lien, Series A:   |          |              |
| 5.00%, 10/01/39  | 550      | 591,387      |
| 5.25%, 10/01/44  | 2,000    | 2,158,980    |
|  |          | 17,101,314   |
| <b>Florida 5.4%</b>  |          |              |
| City of Atlantic Beach Florida, RB, Health Care Facilities, Fleet Landing Project, Series B, 5.63%, 11/15/43                                   |          |              |
|  | 1,445    | 1,574,862    |
| City of Jacksonville Florida Port Authority, Refunding RB, AMT, 5.00%, 11/01/38  | 1,665    | 1,778,320    |
| County of Collier Florida Health Facilities Authority, Refunding RB, Series A, 5.00%, 5/01/45  | 1,450    | 1,570,162    |
| County of Miami-Dade Florida Aviation, Refunding, AMT, Miami International Airport, 5.25%, 10/01/38  | 1,625    | 1,708,216    |
| County of Miami-Dade Florida Aviation, Refunding ARB, Miami International Airport, Series A-1, 5.38%, 10/01/41                                 | 1,255    | 1,384,541    |
| County of Miami-Dade Florida Water & Sewer System, RB, (AGM), 5.00%, 10/01/39  | 5,000    | 5,517,250    |
| Mid-Bay Bridge Authority, RB, Springing Lien, Series A, 7.25%, 10/01/21 (b)  | 3,300    | 4,142,127    |
| Stevens Plantation Community Development District, RB, Special Assessment, Series A, 7.10%, 5/01/35 (d)(e)                                     | 1,795    | 1,255,656    |
|  |          | 18,931,134   |
| <b>Georgia 0.5%</b>  |          |              |
| County of Gainesville Georgia & Hall Hospital Authority, Refunding RB, Northeast Georgia Health System, Inc. Project, Series A, 5.50%, 8/15/54 |          |              |
|  | 555      | 639,438      |
| DeKalb Private Hospital Authority, Refunding RB, Children's Healthcare, 5.25%, 11/15/39  | 915      | 996,691      |
|  |          | 1,636,129    |

See Notes to Financial Statements.



## Schedule of Investments (continued)

BlackRock Municipal Income Trust II (BLE)

|  | Par          |              |
|--|--------------|--------------|
|  | (000)        | Value        |
| <b>Municipal Bonds</b>   |              |              |
| <b>Hawaii 0.5%</b>   |              |              |
| State of Hawaii Harbor System, RB, Series A, 5.25%, 7/01/30  | \$ 1,480     | \$ 1,622,124 |
| <b>Idaho 0.3%</b>  |              |              |
| Idaho Health Facilities Authority, RB, Trinity Health Credit Group, 5.00%, 12/01/46                      | 805          | 895,063      |
| <b>Illinois 19.9%</b>  |              |              |
| City of Chicago IL, GO, Refunding, Project, Series A, 5.25%, 1/01/32                                     | 4,940        | 4,874,545    |
| City of Chicago Illinois, GO, Project, Series A, 5.00%, 1/01/34  | 3,050        | 2,912,689    |
| City of Chicago Illinois O Hare International Airport, GARB, 3rd Lien:                                   |              |              |
| Series A, 5.75%, 1/01/39   | 5,000        | 5,626,700    |
| Series C, 6.50%, 1/01/21 (b)   | 6,430        | 7,676,198    |
| City of Chicago Illinois Transit Authority, RB, Sales Tax Receipts, 5.25%, 12/01/40                      | 1,150        | 1,226,533    |
| City of Chicago Illinois Waterworks, Refunding RB, 2nd Lien Project, 5.00%, 11/01/42                     | 3,130        | 3,316,673    |
| County of Cook Illinois Community College District No. 508, GO, City College of Chicago, 5.50%, 12/01/38 | 845          | 907,969      |
| Illinois Finance Authority, Refunding RB:  |              |              |
| Ascension Health, Series A, 5.00%, 11/15/37  | 1,060        | 1,160,308    |
| Central Dupage Health, Series B, 5.50%, 11/01/39   | 1,750        | 1,925,560    |
| Presence Health Network, Series C, 4.00%, 2/15/41  | 1,545        | 1,290,770    |
| Illinois Sports Facilities Authority, RB, State Tax Supported (AMBAC), 5.50%, 6/15/30                    | 7,445        | 7,633,284    |
| Illinois State Toll Highway Authority, RB:   |              |              |
| Senior, Series C, 5.00%, 1/01/36   | 2,815        | 3,098,189    |
| Senior, Series C, 5.00%, 1/01/37   | 3,005        | 3,300,842    |
| Series A, 5.00%, 1/01/38   | 2,160        | 2,378,873    |
| Metropolitan Pier & Exposition Authority, Refunding RB, McCormick Place Expansion Project:               |              |              |
| Series B (AGM), 5.00%, 6/15/50   | 6,725        | 7,012,763    |
| Series B-2, 5.00%, 6/15/50   | 2,725        | 2,737,944    |
| Railsplitter Tobacco Settlement Authority, RB:   |              |              |
| 5.50%, 6/01/23   | 520          | 587,064      |
| 6.00%, 6/01/28   | 1,255        | 1,426,169    |
| State of Illinois, GO:   |              |              |
| 5.00%, 2/01/39   | 1,640        | 1,635,605    |
| Series A, 5.00%, 4/01/35   | 2,500        | 2,505,100    |
| Series A, 5.00%, 4/01/38   | 3,885        | 3,869,771    |
| State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/19 (b)                                      | 685          | 749,089      |
| University of Illinois, RB, Auxiliary Facilities System, Series A:                                       |              |              |
| 5.00%, 4/01/39   | 860          | 928,035      |
| 5.00%, 4/01/44   | 1,050        | 1,129,674    |
|  |              | 69,910,347   |
| <b>Indiana 4.8%</b>  |              |              |
| City of Valparaiso Indiana, RB, Exempt Facilities, Pratt Paper LLC Project, AMT:                         |              |              |
| 6.75%, 1/01/34   | 845          | 996,956      |
| 7.00%, 1/01/44   | 3,535        | 4,211,811    |
| Indiana Finance Authority, RB, Series A:   |              |              |
| CWA Authority Project, 1st Lien, 5.25%, 10/01/38   | 3,510        | 3,960,719    |
| Private Activity Bond, Ohio River Bridges East End Crossing Project, AMT, 5.00%, 7/01/44                 | 485          | 508,440      |
| Private Activity Bond, Ohio River Bridges East End Crossing Project, AMT, 5.00%, 7/01/48                 | 1,610        | 1,687,811    |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |              |              |
| <b>Indiana (continued)</b>   |              |              |
| Indiana Finance Authority, RB, Series A (continued):   |              |              |
| Private Activity Bond, Ohio River Bridges East End Crossing Project, AMT, 5.25%, 1/01/51                 | \$ 435       | \$ 461,814   |
| Sisters of St. Francis Health Services, 5.25%, 11/01/39  | 915          | 986,343      |
| Indiana Finance Authority, Refunding RB, Marquette Project, 4.75%, 3/01/32                               | 1,180        | 1,173,734    |
| Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/19 (b)   | 1,200        | 1,308,972    |
| Indianapolis Local Public Improvement Bond Bank, RB, Series A, 5.00%, 1/15/40                            | 1,380        | 1,531,662    |
|  |              | 16,828,262   |

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|  |       |           |
|--|-------|-----------|
| <b>Iowa 2.0%</b>   |       |           |
| Iowa Finance Authority, Refunding RB, Midwestern Disaster Area, Iowa Fertilizer Co. Project:   |       |           |
| 5.00%, 12/01/19  | 520   | 520,661   |
| 5.50%, 12/01/22  | 2,550 | 2,564,637 |
| 5.25%, 12/01/25  | 500   | 502,950   |
| 5.88%, 12/01/26 (a)  | 445   | 450,264   |
| Iowa Student Loan Liquidity Corp., Refunding RB, Student Loan, Senior Series A-1, AMT,         |       |           |
| 5.15%, 12/01/22  | 1,215 | 1,287,949 |
| Iowa Tobacco Settlement Authority, Refunding RB, Asset-Backed, Series C, 5.63%, 6/01/46        |       |           |
|  | 1,610 | 1,609,871 |
|  |       | 6,936,332 |
| <b>Kentucky 0.6%</b>   |       |           |
| Kentucky Economic Development Finance Authority, RB, Catholic Health Initiatives, Series A,    |       |           |
| 5.25%, 1/01/45   | 1,060 | 1,098,170 |
| Kentucky Public Transportation Infrastructure Authority, RB, Downtown Crossing Project,        |       |           |
| Convertible CAB, 1st Tier, Series C, 0.00%, 7/01/43 (f)  | 1,280 | 1,043,546 |
|  |       | 2,141,716 |
| <b>Louisiana 2.8%</b>  |       |           |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB,     |       |           |
| Westlake Chemical Corp. Project, Series A-1, 6.50%, 11/01/35                                   | 3,650 | 4,165,636 |
| Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A:                      |       |           |
| 5.50%, 5/15/30   | 1,100 | 1,178,507 |
| 5.25%, 5/15/31   | 935   | 1,004,798 |
| 5.25%, 5/15/32   | 1,195 | 1,297,662 |
| 5.25%, 5/15/33   | 1,300 | 1,405,248 |
| 5.25%, 5/15/35   | 795   | 863,815   |
|  |       | 9,915,666 |
| <b>Maryland 1.3%</b>   |       |           |
| Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35                  |       |           |
|  | 475   | 510,112   |
| Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25                         |       |           |
|  | 800   | 790,792   |
| Maryland Health & Higher Educational Facilities Authority, RB, Trinity Health Credit Group,    |       |           |
| Series 2017, 5.00%, 12/01/46   | 455   | 507,143   |
| Maryland Health & Higher Educational Facilities Authority, Refunding RB, Charlestown Community |       |           |
| Project, 6.25%, 1/01/21 (b)  | 2,400 | 2,838,768 |
|  |       | 4,646,815 |
| <b>Massachusetts 1.5%</b>  |       |           |
| Commonwealth of Massachusetts, GO, Series E, 3.00%, 4/01/44                                    |       |           |
|  | 3,105 | 2,633,537 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock Municipal Income Trust II (BLE)

|   | Par        |              |
|---|------------|--------------|
|   | (000)      | Value        |
| <b>Municipal Bonds</b>  |            |              |
| <b>Massachusetts (continued)</b>  |            |              |
| Massachusetts Development Finance Agency, Refunding RB, Covanta Energy Project, Series C, AMT, 5.25%, 11/01/42 (a)                  | \$ 1,530   | \$ 1,536,227 |
| Massachusetts Health & Educational Facilities Authority, Refunding RB, Partners Healthcare System, Series J1, 5.00%, 7/01/39        | 955        | 1,027,723    |
|   |            | 5,197,487    |
| <b>Michigan 2.7%</b>  |            |              |
| City of Detroit Michigan Sewage Disposal System, Refunding RB, Senior Lien, Series A, 5.25%, 7/01/39                                | 4,825      | 5,203,666    |
| Kalamazoo Hospital Finance Authority, Refunding RB, Bronson Methodist Hospital: 5.50%, 5/15/20 (b)                                  | 830        | 938,954      |
| 5.50%, 5/15/36  | 670        | 731,238      |
| Michigan Finance Authority, Refunding RB:   |            |              |
| Detroit Water & Sewage Department Project, Senior Lien, Series C-1, 5.00%, 7/01/44  | 940        | 998,694      |
| Henry Ford Health System, 4.00%, 11/15/46   | 1,540      | 1,492,999    |
|   |            | 9,365,551    |
| <b>Minnesota 0.2%</b>   |            |              |
| Minnesota Higher Education Facilities Authority, RB, Augsburg College, Series A, 5.00%, 5/01/46                                     | 670        | 711,319      |
| <b>Missouri 2.0%</b>  |            |              |
| 370/Missouri Bottom Road/Taussig Road Transportation Development District, RB, 7.20%, 5/01/33                                       | 6,000      | 5,092,800    |
| Bi-State Development Agency of the Missouri-Illinois Metropolitan District, Refunding RB, Combined Lien, Series A, 5.00%, 10/01/44  | 275        | 303,113      |
| State of Missouri Health & Educational Facilities Authority, RB, Senior Living Facilities, Lutheran Senior Services, 5.50%, 2/01/42 | 1,135      | 1,194,327    |
| State of Missouri Health & Educational Facilities Authority, Refunding RB, St. Louis College of Pharmacy Project, 5.50%, 5/01/43    | 265        | 286,242      |
|   |            | 6,876,482    |
| <b>Multi-State 2.0%</b>   |            |              |
| Centerline Equity Issuer Trust (a):   |            |              |
| Series A-4-2, 6.00%, 5/15/19  | 3,500      | 3,796,625    |
| Series B-3-2, 6.30%, 5/15/19  | 3,000      | 3,273,330    |
|   |            | 7,069,955    |
| <b>Nebraska 1.6%</b>  |            |              |
| Central Plains Energy Project Nebraska, RB, Gas Project No. 3:  |            |              |
| 5.25%, 9/01/37  | 895        | 971,916      |
| 5.00%, 9/01/42  | 1,570      | 1,661,233    |
| County of Lancaster Nebraska Hospital Authority No. 1, Refunding RB, Immanuel Obligation Group, Health Facilities, 5.63%, 1/01/40   | 1,245      | 1,349,256    |
| County of Sarpy Nebraska Hospital Authority No. 1, Refunding RB, Immanuel Obligation Group, 5.63%, 1/01/40                          | 1,635      | 1,738,594    |
|   |            | 5,720,999    |
| <b>New Jersey 8.4%</b>  |            |              |
| Casino Reinvestment Development Authority, Refunding RB:  |            |              |
| 5.25%, 11/01/39   | 1,805      | 1,800,108    |
| 5.25%, 11/01/44   | 1,640      | 1,620,992    |
| County of Essex New Jersey Improvement Authority, RB, AMT, 5.25%, 7/01/45 (a)   | 1,165      | 1,151,369    |
|   | <b>Par</b> |              |
|   | (000)      | Value        |
| <b>Municipal Bonds</b>  |            |              |
| <b>New Jersey (continued)</b>   |            |              |
| New Jersey EDA, RB, Continental Airlines, Inc. Project, AMT:  |            |              |
| 4.88%, 9/15/19  | \$ 670     | \$ 696,646   |
| 5.13%, 9/15/23  | 2,130      | 2,252,326    |

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|   |              |                   |
|---|--------------|-------------------|
| 5.25%, 9/15/29  | 2,130        | 2,244,147         |
| New Jersey EDA, Refunding RB, Special Assessment, Kapkowski Road Landfill Project, 6.50%, 4/01/28   | 7,475        | 8,634,298         |
| <b>New Jersey State Turnpike Authority, RB:</b>   |              |                   |
| Series A, 5.00%, 1/01/43  | 2,160        | 2,373,905         |
| Series E, 5.00%, 1/01/45  | 2,810        | 3,121,151         |
| <b>New Jersey Transportation Trust Fund Authority, RB:</b>  |              |                   |
| Transportation Program, Series AA, 5.00%, 6/15/44   | 1,355        | 1,355,623         |
| Transportation Program, Series AA, 5.00%, 6/15/44   | 730          | 730,387           |
| Transportation System, Series B, 5.25%, 6/15/36   | 2,690        | 2,735,246         |
| Rutgers The State University of New Jersey, Refunding RB, Series L, 5.00%, 5/01/43  | 570          | 635,499           |
|   |              | <b>29,351,697</b> |
| <b>New York 7.3%</b>  |              |                   |
| City of New York New York Transitional Finance Authority, RB, Fiscal 2012, Sub-Series E-1, 5.00%, 2/01/42   | 2,680        | 2,992,568         |
| Counties of New York Tobacco Trust IV, Refunding RB, Settlement Pass-Through Turbo, Series A, 6.25%, 6/01/41 (a)  | 2,000        | 2,077,040         |
| County of Westchester New York Healthcare Corp., RB, Senior Lien, Series A, 5.00%, 11/01/44   | 819          | 862,131           |
| <b>Metropolitan Transportation Authority, RB, Series B:</b>   |              |                   |
| 5.25%, 11/15/38   | 2,555        | 2,918,168         |
| 5.25%, 11/15/39   | 910          | 1,038,719         |
| <b>Metropolitan Transportation Authority Hudson Rail Yards Trust Obligations, Refunding RB, Series A, 5.00%, 11/15/56</b>                               | <b>1,135</b> | <b>1,221,952</b>  |
| <b>New York Liberty Development Corp., Refunding RB:</b>  |              |                   |
| 2nd Priority, Bank of America Tower at One Bryant Park Project, Class 3, 6.38%, 7/15/49   | 1,335        | 1,453,575         |
| 3 World Trade Center Project, Class 1, 5.00%, 11/15/44 (a)  | 4,320        | 4,514,443         |
| 3 World Trade Center Project, Class 2, 5.15%, 11/15/34 (a)  | 365          | 390,503           |
| 3 World Trade Center Project, Class 2, 5.38%, 11/15/40 (a)  | 910          | 987,823           |
| <b>New York Transportation Development Corp., Refunding RB, American Airlines, Inc., AMT:</b>   |              |                   |
| 5.00%, 8/01/26  | 675          | 709,594           |
| 5.00%, 8/01/31  | 1,620        | 1,686,388         |
| <b>Niagara Area Development Corp., Refunding RB, Solid Waste Disposal Facility, Covanta Energy Project, Series A, AMT, 5.25%, 11/01/42 (a)</b>          | <b>1,145</b> | <b>1,152,317</b>  |
| <b>Port Authority of New York &amp; New Jersey, ARB, JFK International Air Terminal LLC Project, Series 8:</b>  |              |                   |
| 6.00%, 12/01/42   | 1,635        | 1,837,740         |
| Special Project, 6.00%, 12/01/36  | 1,410        | 1,588,774         |
|   |              | <b>25,431,735</b> |
| <b>North Carolina 1.4%</b>  |              |                   |
| North Carolina Capital Facilities Finance Agency, Refunding RB, Solid Waste Disposal Facility, Duke Energy Carolinas Project, Series B, 4.63%, 11/01/40 | 1,000        | 1,062,380         |
| North Carolina Medical Care Commission, RB, Health Care Facilities, Duke University Health System, Series A, 5.00%, 6/01/19 (b)                         | 1,525        | 1,659,185         |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock Municipal Income Trust II (BLE)

|  | Par          |              |
|--|--------------|--------------|
|  | (000)        | Value        |
| <b>Municipal Bonds</b>   |              |              |
| <b>North Carolina (continued)</b>  |              |              |
| North Carolina Medical Care Commission, Refunding RB, 1st Mortgage:  |              |              |
| Aldersgate, 6.25%, 7/01/35   | \$ 1,530     | \$ 1,675,304 |
| Retirement Facilities Whitestone Project, Series A, 7.75%, 3/01/41   | 625          | 688,037      |
|  |              | 5,084,906    |
| <b>Ohio 3.5%</b>   |              |              |
| Buckeye Tobacco Settlement Financing Authority, RB, Asset-Backed, Senior Turbo Term, Series A-2, 5.88%, 6/01/47  |              |              |
|  | 3,550        | 3,415,313    |
| County of Allen Ohio Hospital Facilities, Refunding RB, Catholic Healthcare Partners, Series A, 5.25%, 6/01/38   |              |              |
|  | 3,405        | 3,677,264    |
| County of Franklin Ohio, RB:   |              |              |
| Health Care Facilities Improvement, OPRS Communities Obligation Group, Series A, 6.13%, 7/01/40  | 710          | 779,012      |
| Trinity Health Credit Group, Series 2017, 5.00%, 12/01/46  | 435          | 482,493      |
| County of Montgomery Ohio, Refunding RB, Catholic Health, Series A, 5.00%, 5/01/39   | 3,025        | 3,128,062    |
| State of Ohio, RB, Portsmouth Bypass Project, AMT, 5.00%, 6/30/53  | 870          | 915,362      |
|  |              | 12,397,506   |
| <b>Pennsylvania 2.9%</b>   |              |              |
| Allentown Neighborhood Improvement Zone Development Authority, Refunding RB, Series A, 5.00%, 5/01/42  |              |              |
|  | 2,500        | 2,593,200    |
| City of Philadelphia Pennsylvania Hospitals & Higher Education Facilities Authority, RB, Temple University Health System, Series A, 5.63%, 7/01/42               |              |              |
|  | 685          | 731,094      |
| Pennsylvania Economic Development Financing Authority, RB:   |              |              |
| Aqua Pennsylvania, Inc. Project, Series B, 5.00%, 11/15/40   | 2,065        | 2,234,206    |
| Pennsylvania Bridge Finco LP, AMT, 5.00%, 6/30/42  | 3,030        | 3,254,250    |
| Pennsylvania Turnpike Commission, RB, Series A, 5.00%, 12/01/44  | 1,190        | 1,298,469    |
|  |              | 10,111,219   |
| <b>Puerto Rico 0.9%</b>  |              |              |
| Children s Trust Fund, Refunding RB, Tobacco Settlement Asset-Backed Bonds, 5.50%, 5/15/39   |              |              |
|  | 2,000        | 2,007,600    |
| Children s Trust Fund Tobacco Settlement, Refunding RB, Asset-Backed Bonds, 5.63%, 5/15/43   |              |              |
|  | 1,100        | 1,101,430    |
|  |              | 3,109,030    |
| <b>Rhode Island 2.2%</b>   |              |              |
| Tobacco Settlement Financing Corp., Refunding RB:  |              |              |
| Series A, 5.00%, 6/01/35   | 1,690        | 1,774,990    |
| Series B, 4.50%, 6/01/45   | 2,850        | 2,743,923    |
| Series B, 5.00%, 6/01/50   | 3,175        | 3,209,004    |
|  |              | 7,727,917    |
| <b>South Carolina 3.7%</b>   |              |              |
| State of South Carolina Ports Authority, RB:   |              |              |
| 5.25%, 7/01/40   | 3,595        | 3,925,668    |
| AMT, 5.25%, 7/01/55  | 1,390        | 1,505,662    |
| State of South Carolina Public Service Authority, RB, Santee Cooper, Series A, 5.50%, 12/01/54   | 3,575        | 4,005,287    |
| State of South Carolina Public Service Authority, Refunding RB, Series E, 5.25%, 12/01/55  | 3,385        | 3,692,223    |
|  |              | 13,128,840   |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |              |              |
| <b>Tennessee 0.7%</b>  |              |              |
| City of Chattanooga Tennessee Health Educational & Housing Facility Board, RB, Catholic Health Initiatives, Series A, 5.25%, 1/01/45                             |              |              |
|  | \$ 1,470     | \$ 1,520,656 |
| Metropolitan Government of Nashville & Davidson County Health & Educational Facilities Board, RB, Vanderbilt University Medical Center, Series A, 5.00%, 7/01/40 |              |              |
|  | 740          | 815,976      |

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|   |        |            |
|---|--------|------------|
|   |        | 2,336,632  |
| <b>Texas 11.4%</b>  |        |            |
| Central Texas Regional Mobility Authority, Refunding RB:  |        |            |
| Senior Lien, 6.25%, 1/01/21 (b)   | 2,350  | 2,774,786  |
| Sub-Lien, 5.00%, 1/01/33  | 390    | 416,399    |
| City of Austin Texas Airport System, ARB, Revenue, AMT, 5.00%, 11/15/39   | 665    | 725,781    |
| City of Dallas Texas Waterworks & Sewer System Revenue, Refunding RB, 5.00%, 10/01/20 (b)   | 765    | 863,708    |
| City of Houston Texas Airport System, Refunding ARB:  |        |            |
| Senior Lien, Series A, 5.50%, 7/01/39   | 1,675  | 1,764,328  |
| United Airlines, Inc. Terminal E Project, AMT, 5.00%, 7/01/29   | 460    | 483,193    |
| City of Houston Texas Combined Utility System Revenue, Refunding RB, Combined 1st Lien, Series A (AGC):   |        |            |
| 6.00%, 5/15/19 (b)  | 8,665  | 9,601,167  |
| 6.00%, 11/15/35   | 480    | 530,443    |
| County of Harris Texas Cultural Education Facilities Finance Corp., RB, 1st Mortgage, Brazos Presbyterian Homes, Inc. Project, Series B, 7.00%, 1/01/23 (b) | 485    | 609,432    |
| County of Harris Texas-Houston Sports Authority, Refunding RB, 3rd Lien, Series A-3 (NPFGC), 0.00%, 11/15/36 (c)  | 25,375 | 8,937,582  |
| County of Midland Texas Fresh Water Supply District No. 1, RB, CAB, City of Midland Projects, Series A, 0.00%, 9/15/37 (c)                                  | 6,055  | 2,515,368  |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/20 (b)                                       | 4,085  | 4,734,760  |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien:  |        |            |
| LBJ Infrastructure Group LLC, 7.00%, 6/30/40  | 3,000  | 3,425,190  |
| NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39   | 2,250  | 2,543,243  |
|   |        | 39,925,380 |
| <b>Utah 0.8%</b>  |        |            |
| Salt Lake City Corp. Airport Revenue, RB, Series A, AMT, 5.00%, 7/01/47   | 2,065  | 2,286,347  |
| Utah State Charter School Finance Authority, RB, Ogden Preparatory Academy, Series A, 3.25%, 10/15/42   | 435    | 376,571    |
|   |        | 2,662,918  |
| <b>Virginia 1.2%</b>  |        |            |
| Virginia Small Business Financing Authority, RB, Senior Lien, Elizabeth River Crossings OpCo LLC Project, AMT:  |        |            |
| 5.25%, 1/01/32  | 1,755  | 1,880,833  |
| 6.00%, 1/01/37  | 2,120  | 2,375,524  |
|   |        | 4,256,357  |
| <b>Washington 3.3%</b>  |        |            |
| City of Bellingham Washington Water & Sewer, RB, 5.00%, 8/01/36   | 5,050  | 5,615,398  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock Municipal Income Trust II (BLE)

|   | Par      |              |
|---|----------|--------------|
|   | (000)    | Value        |
| <b>Municipal Bonds</b>  |          |              |
| <b>Washington (continued)</b>   |          |              |
| Grant County Public Utility District No. 2, Refunding RB, Series A, 5.00%, 1/01/43  | \$ 2,335 | \$ 2,604,903 |
| Port of Seattle Washington, RB, Series C, AMT, 5.00%, 4/01/40   | 815      | 893,012      |
| Washington Health Care Facilities Authority, RB, Catholic Health Initiatives, Series A, 5.75%, 1/01/45                            | 2,445    | 2,632,800    |
|   |          | 11,746,113   |
| <b>Wisconsin 0.8%</b>   |          |              |
| State of Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, Series E, 5.00%, 11/15/33 | 910      | 985,794      |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Medical College of Wisconsin, Inc., 4.00%, 12/01/46            | 1,955    | 1,962,703    |
|   |          | 2,948,497    |
| <b>Wyoming 1.5%</b>   |          |              |
| County of Sweetwater Wyoming, Refunding RB, Idaho Power Co. Project, Remarketing, 5.25%, 7/15/26                                  | 3,355    | 3,658,560    |
| Wyoming Municipal Power Agency, Inc., RB, Series A, 5.50%, 1/01/18 (b)  | 1,550    | 1,611,364    |
|   |          | 5,269,924    |
| <b>Total Municipal Bonds 125.4%</b>   |          | 439,367,774  |

**Municipal Bonds Transferred to Tender Option Bond Trusts (g)**

|   |            |              |
|---|------------|--------------|
| <b>Alabama 0.5%</b>   |            |              |
| Auburn University, Refunding RB, Series A, 4.00%, 6/01/41   | 1,820      | 1,871,033    |
| <b>California 6.5%</b>  |            |              |
| California Educational Facilities Authority, RB, University of Southern California, Series B, 5.25%, 10/01/18 (b)(h)      | 2,850      | 3,049,215    |
| City & County of San Francisco California Public Utilities Commission, RB, Water Revenue, Series B, 5.00%, 11/01/19 (b)   | 10,335     | 11,415,524   |
| Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/17 (b)               | 2,530      | 2,577,083    |
| Sacramento Area Flood Control Agency, Refunding, Consolidated Capital Assessment District No.2, Series A, 5.00%, 10/01/47 | 3,345      | 3,790,471    |
| San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/19 (b)                                 | 1,840      | 2,025,898    |
|   |            | 22,858,191   |
| <b>Colorado 2.1%</b>  |            |              |
| Colorado Health Facilities Authority, RB, Catholic Health (AGM) (b):  |            |              |
| Series C-3, 5.10%, 4/29/18  | 4,230      | 4,440,273    |
| Series C-7, 5.00%, 5/01/18  | 2,710      | 2,842,167    |
|   |            | 7,282,440    |
| <b>Georgia 1.4%</b>   |            |              |
| Private Colleges & Universities Authority, Refunding RB, Emory University, Series C, 5.00%, 9/01/18 (b)                   | 4,638      | 4,925,409    |
|   | <b>Par</b> |              |
| <b>Municipal Bonds Transferred to Tender Option Bond Trusts (g)</b>   |            |              |
|   | (000)      | Value        |
| <b>Massachusetts 0.8%</b>   |            |              |
| Massachusetts School Building Authority, RB, Senior, Series B, 5.00%, 10/15/41  | \$ 2,461   | \$ 2,768,217 |
| <b>New Hampshire 0.7%</b>   |            |              |
| New Hampshire Health & Education Facilities Authority, RB, Dartmouth College, 5.25%, 6/01/19 (b)(h)                       | 2,219      | 2,426,019    |
| <b>New York 12.6%</b>   |            |              |

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City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution:

|  |        |             |
|--|--------|-------------|
| Series FF-2, 5.50%, 6/15/40  | 1,710  | 1,869,064   |
| Series HH, 5.00%, 6/15/31 (h)  | 9,150  | 10,318,638  |
| Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (h)                                   | 1,750  | 1,988,590   |
| Metropolitan Transportation Authority, Refunding RB, Series C-1, 5.25%, 11/15/56                                   | 5,120  | 5,819,547   |
| New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43    | 11,670 | 13,196,031  |
| New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (h)                | 7,040  | 8,034,748   |
| Port Authority of New York & New Jersey, Refunding ARB, 194th Series, 5.25%, 10/15/55                              | 2,790  | 3,181,856   |
|  |        | 44,408,474  |
| <b>North Carolina 0.9%</b>   |        |             |
| North Carolina Capital Facilities Finance Agency, Refunding RB, Duke University Project, Series B, 5.00%, 10/01/55 | 2,740  | 3,075,020   |
| <b>Pennsylvania 0.8%</b>   |        |             |
| Pennsylvania Turnpike Commission, RB, Sub-Series A, 5.50%, 12/01/42  | 2,521  | 2,881,064   |
| <b>Texas 3.1%</b>  |        |             |
| City of San Antonio Texas Public Service Board, RB, Electric & Gas Systems, Junior Lien, 5.00%, 2/01/43            | 2,660  | 2,966,645   |
| County of Harris Texas Metropolitan Transit Authority, Refunding RB, Series A, 5.00%, 11/01/41                     | 3,720  | 4,154,756   |
| University of Texas, Refunding RB, Financing System, Series B, 5.00%, 8/15/43                                      | 3,347  | 3,773,148   |
|  |        | 10,894,549  |
| <b>Utah 1.2%</b>   |        |             |
| City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41   | 3,959  | 4,196,909   |
| <b>Virginia 1.8%</b>   |        |             |
| University of Virginia, Refunding RB, GO, 5.00%, 6/01/18 (b)   | 5,909  | 6,215,673   |
| <b>Washington 3.4%</b>   |        |             |
| Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/17 (b)                            | 3,029  | 3,116,906   |
| State of Washington, GO, Various Purposes, Series E, 5.00%, 2/01/19 (b)  | 8,113  | 8,733,147   |
|  |        | 11,850,053  |
| <b>Total Municipal Bonds Transferred to Tender Option Bond Trusts 35.8%</b>  |        | 125,653,051 |
| <b>Total Long-Term Investments</b>   |        |             |
| <b>(Cost \$532,437,694) 161.2%</b>   |        | 565,020,825 |

See Notes to Financial Statements.



## Schedule of Investments (continued)

BlackRock Municipal Income Trust II (BLE)

| Short-Term Securities  | Shares    | Value          |
|--|-----------|----------------|
| BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.50% (i)(j) | 2,508,870 | \$ 2,509,371   |
| <b>Total Short-Term Securities</b>                                     |           |                |
| (Cost \$2,509,048) 0.7%  |           | 2,509,371      |
| <b>Total Investments (Cost \$534,946,742) 161.9%</b>                   |           | 567,530,196    |
| <b>Other Assets Less Liabilities 1.9%</b>                              |           | 6,409,511      |
| <b>Liability for TOB Trust Certificates, Including Interest</b>        |           |                |
| <b>Expense and Fees Payable (20.6)%</b>                                |           | (72,164,512)   |
| <b>VMTP Shares at Liquidation Value (43.2)%</b>                        |           | (151,300,000)  |
| <b>Net Assets Applicable to Common Shares 100.0%</b>                   |           | \$ 350,475,195 |

## Notes to Schedule of Investments

- (a) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (b) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Zero-coupon bond.
- (d) Non-income producing security.
- (e) Issuer filed for bankruptcy and/or is in default.
- (f) Step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate as of period end.
- (g) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Trust. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (h) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Trust could ultimately be required to pay under the agreements, which expire between June 1, 2017 to November 15, 2019, is \$14,496,613. See Note 4 of the Notes to Financial Statements for details.
- (i) During the six months ended February 28, 2017, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate  | Shares Held<br>at August 31,<br>2016 | Net<br>Activity | Shares Held<br>at February 28,<br>2017 | Value at<br>February 28,<br>2017 | Income   | Net<br>Realized<br>Gain <sup>1</sup> | Change in<br>Unrealized<br>Appreciation |
|--|--------------------------------------|-----------------|--|----------------------------------|----------|--------------------------------------|---|
| BlackRock Liquidity Funds, MuniCash, Institutional Class | 3,509,584                            | (1,000,714)     | 2,508,870                              | \$ 2,509,371                     | \$ 7,565 | \$ 797                               | \$ 323                                  |

<sup>1</sup> Includes net capital gain distributions.

(j) Current yield as of period end.

**Derivative Financial Instruments Outstanding as of Period End**

**Futures Contracts**

| <b>Contracts</b> | <b>Issue</b>               | <b>Expiration</b> | <b>Notional Value</b> | <b>Unrealized Appreciation (Depreciation)</b> |
|------------------|----------------------------|-------------------|-----------------------|---|
| <b>Short</b>     |                            |                   |                       |   |
| (105)            | 5-Year U.S. Treasury Note  | June 2017         | \$ 12,358,828         | \$ 13,705                                     |
| (143)            | 10-Year U.S. Treasury Note | June 2017         | \$ 17,814,672         | 2,625   |
| (120)            | Long U.S. Treasury Bond    | June 2017         | \$ 18,198,750         | (86,753)                                      |
| (31)             | Ultra U.S. Treasury Bond   | June 2017         | \$ 5,015,219          | (33,805)                                      |
| <b>Total</b>     |                            |                   |                       | \$ (104,228)                                  |

See Notes to Financial Statements.

## Schedule of Investments (concluded)

BlackRock Municipal Income Trust II (BLE)

## Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets            | Derivative Financial Instruments         | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total      |
|-------------------|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|------------|
| Futures contracts | Net unrealized appreciation <sup>1</sup> |                     |                  |                  |                                     | \$ 16,330               |                 | \$ 16,330  |
| Liabilities       | Derivative Financial Instruments         |                     |                  |                  |                                     |                         |                 |            |
| Futures contracts | Net unrealized depreciation <sup>1</sup> |                     |                  |                  |                                     | \$ 120,558              |                 | \$ 120,558 |

<sup>1</sup> Includes cumulative appreciation (depreciation) on futures contracts as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended February 28, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from:                           | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total        |
|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|--------------|
| Futures contracts  |                     |                  |                  |                                     | \$ 1,356,784            |                 | \$ 1,356,784 |
| Net Change in Unrealized Appreciation (Depreciation) on: |                     |                  |                  |                                     |                         |                 |              |
| Futures contracts  |                     |                  |                  |                                     | \$ (130,999)            |                 | \$ (130,999) |

## Average Quarterly Balances of Outstanding Derivative Financial Instruments

## Futures contracts:

Average notional value of contracts short \$ 31,991,867

For more information about the Trust's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

## Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

|                                    | Level 1      | Level 2        | Level 3 | Total          |
|------------------------------------|--------------|----------------|---------|----------------|
| <b>Assets:</b>                     |              |                |         |                |
| Investments:                       |              |                |         |                |
| Long-Term Investments <sup>1</sup> |              | \$ 565,020,825 |         | \$ 565,020,825 |
| Short-Term Securities              | \$ 2,509,371 |                |         | 2,509,371      |
| <b>Total</b>                       | \$ 2,509,371 | \$ 565,020,825 |         | \$ 567,530,196 |

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### Derivative Financial Instruments<sup>2</sup>

**Assets:**

|                         |           |           |
|-------------------------|-----------|-----------|
| Interest rate contracts | \$ 16,330 | \$ 16,330 |
|-------------------------|-----------|-----------|

**Liabilities:**

|                         |           |           |
|-------------------------|-----------|-----------|
| Interest rate contracts | (120,558) | (120,558) |
|-------------------------|-----------|-----------|

|              |              |              |
|--------------|--------------|--------------|
| <b>Total</b> | \$ (104,228) | \$ (104,228) |
|--------------|--------------|--------------|

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

<sup>2</sup> Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|                                  | Level 1 | Level 2          | Level 3 | Total            |
|----------------------------------|---------|------------------|---------|------------------|
| <b>Liabilities:</b>              |         |                  |         |                  |
| TOB Trust Certificates           |         | \$ (72,040,526)  |         | \$ (72,040,526)  |
| VMTP Shares at Liquidation Value |         | (151,300,000)    |         | (151,300,000)    |
| <b>Total</b>                     |         | \$ (223,340,526) |         | \$ (223,340,526) |

During the six months ended February 28, 2017, there were no transfers between levels.

See Notes to Financial Statements.

## Schedule of Investments February 28, 2017 (Unaudited)

## BlackRock MuniHoldings Investment Quality Fund (MFL)

(Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value         |
|---|--------------|---------------|
| <b>Municipal Bonds</b>  |              |               |
| <b>Alabama 3.5%</b>   |              |               |
| City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC) (a):        |              |               |
| 6.00%, 6/01/19  | \$ 10,995    | \$ 12,194,115 |
| 6.13%, 6/01/19  | 4,980        | 5,536,963     |
| City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A, 5.38%, 12/01/35  |              |               |
|   | 1,745        | 1,937,055     |
|   |              | 19,668,133    |
| <b>Arizona 0.5%</b>   |              |               |
| University of Arizona Board of Regents, Refunding RB, Series A, 5.00%, 6/01/40                                    |              |               |
|   | 2,300        | 2,584,050     |
| <b>California 23.1%</b>   |              |               |
| California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/18 (a) |              |               |
|   | 5,000        | 5,349,500     |
| California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42                     |              |               |
|   | 5,370        | 6,110,469     |
| Chabot-Las Positas Community College District, GO, Refunding, 4.00%, 8/01/37                                      |              |               |
|   | 10,000       | 10,333,300    |
| City & County of San Francisco California Airports Commission, Refunding ARB, AMT, Series A: 2nd, 5.50%, 5/01/28  |              |               |
|   | 3,330        | 3,850,113     |
| 2nd, 5.25%, 5/01/33   |              |               |
|   | 2,600        | 2,887,144     |
| 5.00%, 5/01/44  |              |               |
|   | 3,430        | 3,740,141     |
| City of Los Angeles California Department of Water & Power, RB, Power System, Sub-Series A-1, 5.25%, 7/01/38      |              |               |
|   | 5,000        | 5,281,050     |
| City of Manteca California Financing Authority, RB, Manteca Sewer (AGC):  |              |               |
| 5.63%, 12/01/33   | 2,450        | 2,708,328     |
| 5.75%, 12/01/36   | 3,285        | 3,623,651     |
| City of San Jose California, Refunding ARB, Series A-1, AMT, 5.75%, 3/01/34                                       |              |               |
|   | 4,450        | 5,044,787     |
| County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 7/01/18 (a)                                   |              |               |
|   | 5,600        | 5,948,936     |
| Irvine Ranch Water District, Special Assessment Bonds, 5.25%, 2/01/46   |              |               |
|   | 7,000        | 8,284,570     |
| Kern Community College District, GO, Safety, Repair & Improvement, Series C, 5.50%, 11/01/33                      |              |               |
|   | 4,365        | 5,141,795     |
| Metropolitan Water District of Southern California, Refunding RB, Series A, 5.00%, 7/01/32                        |              |               |
|   | 5,625        | 6,631,537     |
| Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/21 (a)                         |              |               |
|   | 3,110        | 3,662,025     |
| San Diego Public Facilities Financing Authority Water, Refunding RB, Series B (AGC), 5.38%, 8/01/19 (a)           |              |               |
|   | 2,000        | 2,208,500     |
| State of California, GO, Various Purposes (AGC), 5.50%, 11/01/39  |              |               |
|   | 15,000       | 16,517,100    |
| State of California Public Works Board, LRB, Various Capital Projects, Series I:                                  |              |               |
| 5.50%, 11/01/30   | 4,500        | 5,343,615     |
| 5.50%, 11/01/31   | 2,615        | 3,094,617     |
| 5.50%, 11/01/33   | 2,000        | 2,361,440     |
| State of California Public Works Board, RB, Department of Corrections & Rehabilitation, Series F, 5.25%, 9/01/33  |              |               |
|   | 3,240        | 3,793,327     |
| Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/40            |              |               |
|   | 1,685        | 1,974,500     |
| University of California, Refunding RB, The Regents of Medical Center, Series J, 5.25%, 5/15/38                   |              |               |
|   | 12,250       | 14,070,840    |
|   |              | 127,961,285   |
| <b>Municipal Bonds</b>  |              |               |
| <b>Colorado 2.2%</b>  |              |               |
| City & County of Denver Colorado Airport System, ARB, Series A, AMT:  |              |               |
| 5.50%, 11/15/28   | \$ 2,700     | \$ 3,070,197  |
| 5.50%, 11/15/30   | 1,040        | 1,174,888     |
| 5.50%, 11/15/31   | 1,250        | 1,409,513     |
| Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/19 (a)        |              |               |
|   | 5,925        | 6,562,411     |
|   |              | 12,217,009    |
| <b>District of Columbia 0.6%</b>  |              |               |
| District of Columbia Water & Sewer Authority, Refunding RB, Series A, 6.00%, 10/01/18 (a)                         |              |               |
|   | 3,000        | 3,241,710     |
| <b>Florida 7.3%</b>   |              |               |

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|  |        |            |
|--|--------|------------|
| City of Jacksonville Florida, Refunding RB, Series A, 5.25%, 10/01/33  | 1,250  | 1,434,763  |
| County of Hillsborough Florida Aviation Authority, Refunding ARB, Tampa International Airport, Series A, AMT:<br>5.50%, 10/01/29 | 5,360  | 6,059,212  |
| 5.25%, 10/01/30  | 3,255  | 3,618,974  |
| County of Lee Florida, Refunding ARB, Series A, AMT, 5.38%, 10/01/32   | 7,100  | 7,888,597  |
| County of Lee Florida HFA, RB, S/F Housing, Multi-County Program, Series A-2, AMT (Ginnie Mae), 6.00%, 9/01/40                   | 575    | 580,313    |
| County of Manatee Florida HFA, RB, S/F Housing, Series A, AMT (Ginnie Mae, Fannie Mae & Freddie Mac), 5.90%, 9/01/40             | 270    | 273,896    |
| County of Miami-Dade Florida, RB, Seaport Department:<br>Series A, 5.38%, 10/01/33   | 3,145  | 3,551,523  |
| Series B, AMT, 6.25%, 10/01/38   | 1,405  | 1,666,063  |
| Series B, AMT, 6.00%, 10/01/42   | 1,885  | 2,173,367  |
| County of Miami-Dade Florida, Refunding RB, Water & Sewer System, Series B, 5.25%, 10/01/29                                      | 2,870  | 3,318,036  |
| County of Miami-Dade Florida Aviation, Refunding ARB, Series A, AMT, 5.00%, 10/01/31   | 5,465  | 5,970,676  |
| Reedy Creek Improvement District, GO, Series A, 5.25%, 6/01/32   | 3,225  | 3,717,554  |
|  |        | 40,252,974 |
| <b>Hawaii 1.9%</b>   |        |            |
| State of Hawaii, Department of Transportation, COP, AMT:<br>5.25%, 8/01/25   | 1,350  | 1,522,220  |
| 5.25%, 8/01/26   | 2,500  | 2,796,625  |
| State of Hawaii, Department of Transportation, RB, Series A, AMT, 5.00%, 7/01/45   | 5,985  | 6,445,246  |
|  |        | 10,764,091 |
| <b>Illinois 19.0%</b>  |        |            |
| City of Chicago Illinois Midway International Airport, Refunding ARB, 2nd Lien, Series A, AMT:<br>5.50%, 1/01/30                 | 6,500  | 7,353,385  |
| 5.50%, 1/01/32   | 6,275  | 7,027,498  |
| City of Chicago Illinois Midway International Airport, Refunding GARB, 2nd Lien, Series A,<br>5.00%, 1/01/41                     | 8,020  | 8,505,290  |
| City of Chicago Illinois O Hare International Airport, GARB, 3rd Lien:<br>Series A, 5.75%, 1/01/39                               | 7,395  | 8,321,889  |
| Series C, 6.50%, 1/01/21 (a)   | 16,800 | 20,056,008 |
| City of Chicago Illinois O Hare International Airport, RB, Senior Lien, Series D, 5.25%, 1/01/42                                 | 2,630  | 3,000,856  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock MuniHoldings Investment Quality Fund (MFL)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Illinois (continued)</b>  |              |              |
| City of Chicago Illinois Transit Authority, RB:  |              |              |
| Federal Transit Administration, Section 5309, Series A (AGC), 6.00%, 12/01/18 (a)  | \$ 6,000     | \$ 6,527,340 |
| Sales Tax Receipts, 5.25%, 12/01/40  | 10,960       | 11,689,388   |
| City of Chicago Illinois Transit Authority, Refunding RB, Federal Transit Administration, Section 5309 (AGM), 5.00%, 6/01/28 | 7,735        | 8,110,612    |
| County of Cook Illinois Community College District No. 508, GO, City College of Chicago, 5.50%, 12/01/38                     | 1,500        | 1,611,780    |
| Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41   | 4,000        | 4,542,560    |
| Railsplitter Tobacco Settlement Authority, RB:   |              |              |
| 5.50%, 6/01/23   | 4,365        | 4,927,954    |
| 6.00%, 6/01/28   | 1,245        | 1,414,806    |
| State of Illinois, GO, 5.50%, 7/01/33  | 2,500        | 2,607,025    |
| State of Illinois Finance Authority, RB, University of Chicago, Series B, 5.50%, 7/01/18 (a)                                 | 9,000        | 9,558,270    |
|  |              | 105,254,661  |
| <b>Indiana 4.6%</b>  |              |              |
| Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges, Series A, AMT, 5.00%, 7/01/40                      | 1,240        | 1,299,929    |
| Indiana Finance Authority, Refunding RB, Stadium Project, Series A, 5.25%, 2/01/37   | 3,130        | 3,597,998    |
| Indiana Municipal Power Agency, Refunding RB, Series A:  |              |              |
| 5.25%, 1/01/32   | 1,500        | 1,700,010    |
| 5.25%, 1/01/33   | 1,500        | 1,693,530    |
| Indiana University, Refunding RB, Series A, 5.00%, 6/01/41   | 1,830        | 2,103,128    |
| Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC):                           |              |              |
| 5.50%, 1/01/19 (a)   | 2,760        | 2,987,093    |
| 5.50%, 1/01/38   | 11,345       | 12,118,842   |
|  |              | 25,500,530   |
| <b>Kansas 0.9%</b>   |              |              |
| County of Wyandotte Unified School District No. 500 Kansas City, GO, Improvement, Series A, 5.50%, 9/01/47                   | 4,000        | 4,751,960    |
| <b>Kentucky 0.1%</b>   |              |              |
| Kentucky State Property & Building Commission, Refunding RB, Project No. 93, (AGC):  |              |              |
| 5.25%, 2/01/19 (a)   | 355          | 383,382      |
| 5.25%, 2/01/27   | 45           | 48,206       |
|  |              | 431,588      |
| <b>Louisiana 1.0%</b>  |              |              |
| City of New Orleans Louisiana Aviation Board, Refunding GARB, Restructuring (AGC):   |              |              |
| Series A-1, 6.00%, 1/01/23   | 500          | 540,995      |
| Series A-2, 6.00%, 1/01/23   | 720          | 777,658      |
| Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.50%, 5/15/29                                     | 3,735        | 3,946,961    |
|  |              | 5,265,614    |
| <b>Massachusetts 1.1%</b>  |              |              |
| Massachusetts Development Finance Agency, Refunding RB, Partners Healthcare System, 5.00%, 7/01/41                           | 4,710        | 5,201,441    |
| Massachusetts Educational Financing Authority, RB, Education Loan, Issue I, AMT, 5.00%, 1/01/27                              | 1,000        | 1,115,110    |
|  |              | 6,316,551    |
|  | Par<br>(000) | Value        |
| <b>Municipal Bonds</b>   |              |              |
| <b>Michigan 3.6%</b>   |              |              |
| City of Detroit Michigan Water Supply System Revenue, RB, 2nd Lien, Series B (AGM):  |              |              |
| 6.25%, 7/01/19 (a)   | \$ 6,310     | \$ 7,055,968 |
| 6.25%, 7/01/36   | 10           | 10,795       |
| Hudsonville Michigan Public Schools, GO, School Building & Site (Q-SBLF), 5.25%, 5/01/41                                     | 6,015        | 6,697,101    |

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|  |        |            |
|--|--------|------------|
| Royal Oak Michigan Hospital Finance Authority, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a) | 5,780  | 6,408,806  |
|  |        | 20,172,670 |
| <b>Minnesota 1.6%</b>  |        |            |
| City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38               | 8,375  | 9,036,458  |
| <b>Mississippi 2.9%</b>  |        |            |
| Mississippi Development Bank, RB, Jackson Water & Sewer System Project (AGM):  |        |            |
| 6.88%, 12/01/40  | 6,405  | 8,164,261  |
| Special Obligation, 6.75%, 12/01/31  | 3,775  | 4,782,623  |
| Special Obligation, 6.75%, 12/01/33  | 2,350  | 2,977,262  |
|  |        | 15,924,146 |
| <b>Nevada 4.3%</b>   |        |            |
| County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A (AGM), 5.25%, 7/01/39                | 11,175 | 12,115,041 |
| County of Clark Nevada, GO, Limited Tax, 5.00%, 6/01/38  | 11,245 | 11,716,053 |
|  |        | 23,831,094 |
| <b>New Jersey 6.3%</b>   |        |            |
| New Jersey EDA, RB, Goethals Bridge Replacement Project, AMT, Private Activity Bond:                                 |        |            |
| 5.38%, 1/01/43   | 7,000  | 7,409,640  |
| (AGM), 5.00%, 1/01/31  | 2,425  | 2,656,078  |
| New Jersey Health Care Facilities Financing Authority, RB, Virtua Health, Series A (AGC), 5.50%, 7/01/38             | 6,500  | 7,011,550  |
| New Jersey Higher Education Student Assistance Authority, Refunding RB, Series 1, AMT, 5.75%, 12/01/28               | 3,215  | 3,500,910  |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System:   |        |            |
| Series A, 5.50%, 6/15/41   | 5,410  | 5,563,536  |
| Series AA, 5.50%, 6/15/39  | 8,175  | 8,504,698  |
|  |        | 34,646,412 |
| <b>New York 10.4%</b>  |        |            |
| City of New York New York Municipal Water Finance Authority, Refunding RB:   |        |            |
| 2nd General Resolution, Fiscal 2009, Series EE, 5.25%, 6/15/40   | 7,500  | 8,157,225  |
| Water & Sewer System, 2nd General Resolution, Series EE, 5.38%, 6/15/43  | 3,475  | 3,923,032  |
| Water & Sewer System, Series FF-2, 5.50%, 6/15/40  | 4,000  | 4,372,080  |
| Metropolitan Transportation Authority, RB:   |        |            |
| Series A, 5.25%, 11/15/38  | 4,000  | 4,539,720  |
| Series A-1, 5.25%, 11/15/39  | 4,490  | 5,102,930  |
| Metropolitan Transportation Authority, Refunding RB:   |        |            |
| Series B, 5.00%, 11/15/37  | 6,140  | 6,941,208  |
| Series C-1, 5.25%, 11/15/56  | 5,410  | 6,149,601  |
| Port Authority of New York & New Jersey, Refunding ARB, Consolidated, 166th Series, 5.25%, 7/15/36                   | 10,000 | 11,182,200 |
| Triborough Bridge & Tunnel Authority, RB, Series A, 5.00%, 11/15/38  | 1,750  | 2,012,640  |

See Notes to Financial Statements.



## Schedule of Investments (continued)

## BlackRock MuniHoldings Investment Quality Fund (MFL)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>New York (continued)</b>  |              |              |
| Triborough Bridge & Tunnel Authority, Refunding RB, Series B, 5.00%, 11/15/38  | \$ 4,500     | \$ 5,175,360 |
|  |              | 57,555,996   |
| <b>Ohio 1.5%</b>   |              |              |
| State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1:   |              |              |
| 5.25%, 2/15/31   | 5,145        | 5,884,491    |
| 5.25%, 2/15/32   | 2,250        | 2,562,750    |
|  |              | 8,447,241    |
| <b>Pennsylvania 4.4%</b>   |              |              |
| Pennsylvania Turnpike Commission, RB, Sub-Series A, 5.50%, 12/01/46  | 18,570       | 21,171,471   |
| Township of Bristol Pennsylvania School District, GO, 5.25%, 6/01/37   | 3,000        | 3,313,890    |
|  |              | 24,485,361   |
| <b>South Carolina 6.6%</b>   |              |              |
| County of Charleston South Carolina, RB, Special Source, 5.25%, 12/01/38   | 6,735        | 7,730,904    |
| County of Charleston South Carolina Airport District, ARB, Series A, AMT:  |              |              |
| 5.25%, 7/01/25   | 4,490        | 5,094,354    |
| 5.50%, 7/01/38   | 3,000        | 3,325,830    |
| 6.00%, 7/01/38   | 5,270        | 5,993,940    |
| 5.50%, 7/01/41   | 4,170        | 4,630,410    |
| South Carolina Ports Authority, RB, AMT, 5.25%, 7/01/50  | 3,445        | 3,735,000    |
| State of South Carolina Public Service Authority, Refunding RB, Series E, 5.25%, 12/01/55  | 5,500        | 5,999,180    |
|  |              | 36,509,618   |
| <b>Texas 13.3%</b>   |              |              |
| City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 3/01/37   | 4,190        | 4,749,114    |
| City of Houston Texas Combined Utility System Revenue, Refunding RB, Combined 1st Lien, Series A (AGC):                            |              |              |
| 6.00%, 5/15/19 (a)   | 12,030       | 13,329,721   |
| 6.00%, 5/15/19 (a)   | 8,940        | 9,905,878    |
| 6.00%, 11/15/35  | 670          | 740,410      |
| 6.00%, 11/15/36  | 495          | 547,020      |
| 5.38%, 11/15/38  | 265          | 285,906      |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC), 6.50%, 7/01/37 | 1,450        | 1,558,866    |
| Dallas-Fort Worth International Airport, ARB, Joint Improvement, AMT:  |              |              |
| Series A, 5.00%, 11/01/38  | 5,580        | 5,911,452    |
| Series H, 5.00%, 11/01/37  | 4,575        | 4,909,204    |
| Lower Colorado River Authority, Refunding RB, 5.50%, 5/15/33   | 3,735        | 4,290,245    |
| North Texas Tollway Authority, Refunding RB, 1st Tier: (AGM), 6.00%, 1/01/43   | 5,555        | 6,343,754    |
| Series K-1 (AGC), 5.75%, 1/01/19 (a)   | 12,150       | 13,193,320   |
| Red River Education Financing Corp., RB, Texas Christian University Project, 5.25%, 3/15/38  | 7,170        | 8,072,918    |
|  |              | 73,837,808   |
| <b>Virginia 1.2%</b>   |              |              |
| City of Lexington Virginia IDA, RB, Washington & Lee University, 5.00%, 1/01/43  | 1,750        | 1,933,138    |
| Virginia Public School Authority, RB, Fluvanna County School Financing, 6.50%, 12/01/18 (a)  | 4,300        | 4,719,164    |
|  |              | 6,652,302    |
| <b>Municipal Bonds</b>   |              |              |
| <b>Washington 1.5%</b>   |              |              |
| City of Seattle Washington Municipal Light & Power, Refunding RB, Series A, 5.25%, 2/01/36   | \$ 4,200     | \$ 4,692,912 |
| State of Washington, GO, Various Purposes, Series B, 5.25%, 2/01/36  | 3,290        | 3,699,901    |
|  |              | 8,392,813    |

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|                                     |             |
|-------------------------------------|-------------|
| <b>Total Municipal Bonds</b> 123.4% | 683,702,075 |
|-------------------------------------|-------------|

### Municipal Bonds Transferred to Tender Option Bond Trusts (b)

|  |        |            |
|--|--------|------------|
| <b>Alabama 8.1%</b>  |        |            |
| City of Birmingham Alabama Special Care Facilities Financing Authority, Refunding RB, Senior Credit:   |        |            |
| Ascension Health, Series C, 5.00%, 11/15/46  | 11,920 | 13,497,851 |
| Ascension Group, Series B, 5.00%, 11/15/46   | 27,798 | 31,383,733 |
|  |        | 44,881,584 |
| <b>California 5.1%</b>   |        |            |
| Los Angeles Unified School District California, GO, Series I, 5.00%, 1/01/34   | 2,400  | 2,601,816  |
| State of California, GO, Refunding, Various Purposes, 4.00%, 9/01/34   | 13,790 | 14,332,361 |
| University of California, Refunding RB, 5.00%, 5/15/38   | 10,000 | 11,477,700 |
|  |        | 28,411,877 |
| <b>Florida 2.0%</b>  |        |            |
| County of Hillsborough Florida Aviation Authority, ARB, Tampa International Airport, Series A, AMT (AGC), 5.50%, 10/01/38                            | 10,657 | 11,242,420 |
| <b>Indiana 1.9%</b>  |        |            |
| Indiana Health & Educational Facilities Financing Authority, Refunding RB, St. Francis, Series E (AGM), 5.25%, 5/01/18 (a)                           | 9,850  | 10,354,320 |
| <b>Massachusetts 2.8%</b>  |        |            |
| Commonwealth of Massachusetts, GO, Series G, 4.00%, 9/01/42  | 15,000 | 15,333,600 |
| <b>Nevada 2.5%</b>   |        |            |
| County of Clark Nevada Water Reclamation District, GO (a):   |        |            |
| Limited Tax, 6.00%, 7/01/18  | 8,000  | 8,549,440  |
| Series B, 5.50%, 7/01/19   | 5,008  | 5,521,325  |
|  |        | 14,070,765 |
| <b>New Jersey 3.4%</b>   |        |            |
| New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29  | 7,402  | 7,664,890  |
| New Jersey Transportation Trust Fund Authority, RB, Transportation System:   |        |            |
| Series A (AMBAC), 5.00%, 12/15/32  | 8,000  | 8,188,000  |
| Series B, 5.25%, 6/15/36 (c)   | 2,961  | 3,010,478  |
|  |        | 18,863,368 |
| <b>New York 12.2%</b>  |        |            |
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution, Series FF-2, 5.50%, 6/15/40 | 4,995  | 5,459,635  |
| City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-3, 5.25%, 1/15/39  | 5,619  | 6,003,999  |
| Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (c)   | 9,249  | 10,511,117 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

## BlackRock MuniHoldings Investment Quality Fund (MFL)

| Municipal Bonds Transferred to<br>Tender Option Bond Trusts (b)  | Par<br>(000) | Value          |
|--|--------------|----------------|
| <b>New York (continued)</b>  |              |                |
| New York City Transitional Finance Authority Future Tax Secured Revenue, RB, Fiscal 2017, Sub-Series B-1, 5.00%, 8/01/40 | \$ 5,000     | \$ 5,692,250   |
| New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43          | 13,950       | 15,774,176     |
| New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (c)                      | 8,200        | 9,358,656      |
| New York State Dormitory Authority, ERB, Personal Income Tax, Series B, 5.25%, 3/15/38                                   | 13,500       | 14,537,745     |
|  |              | 67,337,578     |
| <b>Texas 7.5%</b>  |              |                |
| City of San Antonio Texas Public Service Board, Refunding RB, Series A, 5.25%, 2/01/19 (a)(c)                            | 12,027       | 12,974,347     |
| North Texas Tollway Authority, RB, Special Projects System, Series A, 5.50%, 9/01/41                                     | 9,640        | 11,002,614     |
| State of Texas, GO, Texas Transportation Commission, Highway Improvement, 5.00%, 4/01/43                                 | 15,550       | 17,716,115     |
|  |              | 41,693,076     |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (b)</b>  |              |                |
| <b>Utah 2.8%</b>   |              |                |
| City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41   | \$ 6,373     | \$ 6,756,389   |
| County of Utah Utah, RB, IHS Health Services, Inc., Series B, 5.00%, 5/15/46   | 7,500        | 8,486,400      |
|  |              | 15,242,789     |
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts 48.3%</b>  |              | 267,431,377    |
| <b>Total Investments (Cost \$898,565,237) 171.7%</b>   |              | 951,133,452    |
| <b>Other Assets Less Liabilities 2.0%</b>  |              | 11,291,257     |
| <b>Liability for TOB Trust Certificates, Including Interest<br/>Expense and Fees Payable (24.2)%</b>                     |              | (134,181,105)  |
| <b>VRDP Shares at Liquidation Value, Net of Deferred Offering Costs (49.5)%</b>  |              | (274,187,674)  |
| <b>Net Assets Applicable to Common Shares 100.0%</b>   |              | \$ 554,055,930 |

## Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Trust. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (c) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Trust could ultimately be required to pay under the agreements, which expire between September 6, 2018 to November 15, 2019, is \$19,874,974. See Note 4 of the Notes to Financial Statements for details. During the six months ended February 28, 2017, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held<br>at August 31,<br>2016 | Net<br>Activity | Shares Held<br>at February 28,<br>2017 | Value at<br>February 28,<br>2017 | Income | Net<br>Realized<br>Gain <sup>1</sup> | Change<br>in<br>Unrealized<br>Appreciation<br>(Depreciation) |
|-----------|--------------------------------------|-----------------|--|----------------------------------|--------|--------------------------------------|--|
|           |                                      |                 |  |                                  |        |                                      |  |

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|   |           |             |          |          |
|---|-----------|-------------|----------|----------|
| BlackRock Liquidity Funds, MuniCash,<br>Institutional Class | 3,476,692 | (3,476,692) | \$ 9,655 | \$ 1,790 |
|---|-----------|-------------|----------|----------|

<sup>1</sup> Includes net capital gain distributions.

### Derivative Financial Instruments Outstanding as of Period End

#### Futures Contracts

| Contracts    | Short | Issue                      | Expiration | Notional<br>Value | Unrealized<br>Appreciation<br>(Depreciation) |
|--------------|-------|----------------------------|------------|-------------------|--|
| (165)        |       | 5-Year U.S. Treasury Note  | June 2017  | \$ 19,421,016     | \$ 21,163                                    |
| (342)        |       | 10-Year U.S. Treasury Note | June 2017  | \$ 42,605,719     | 9,253  |
| (211)        |       | Long U.S. Treasury Bond    | June 2017  | \$ 31,999,469     | (152,269)                                    |
| (38)         |       | Ultra U.S. Treasury Bond   | June 2017  | \$ 6,147,687      | (46,288)                                     |
| <b>Total</b> |       |                            |            |                   | <b>\$ (168,141)</b>                          |

See Notes to Financial Statements.

## Schedule of Investments (concluded)

BlackRock MuniHoldings Investment Quality Fund (MFL)

**Derivative Financial Instruments Categorized by Risk Exposure**

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets             | Derivative Financial Instruments         | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total      |
|--------------------|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|------------|
| Futures contracts  | Net unrealized appreciation <sup>1</sup> |                     |                  |                  |                                     | \$ 30,416               |                 | \$ 30,416  |
| <b>Liabilities</b> | <b>Derivative Financial Instruments</b>  |                     |                  |                  |                                     |                         |                 |            |
| Futures contracts  | Net unrealized depreciation <sup>1</sup> |                     |                  |                  |                                     | \$ 198,557              |                 | \$ 198,557 |

<sup>1</sup> Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended February 28, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from:                                  | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total        |
|---|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|--------------|
| Futures contracts   |                     |                  |                  |                                     | \$ 2,220,727            |                 | \$ 2,220,727 |
| <b>Net Change in Unrealized Appreciation (Depreciation) on:</b> |                     |                  |                  |                                     |                         |                 |              |
| Futures contracts   |                     |                  |                  |                                     | \$ (218,551)            |                 | \$ (218,551) |

**Average Quarterly Balances of Outstanding Derivative Financial Instruments**

|                                     |       |  |  |  |  |  |               |
|-------------------------------------|-------|--|--|--|--|--|---------------|
| Futures contracts:                  |       |  |  |  |  |  |               |
| Average notional value of contracts | short |  |  |  |  |  | \$ 59,430,563 |

For more information about the Trust's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

|   | Level 1   | Level 2        | Level 3 | Total          |
|---|-----------|----------------|---------|----------------|
| <b>Assets:</b>                                |           |                |         |                |
| Investments:                                  |           |                |         |                |
| Long-Term Investments <sup>1</sup>            |           | \$ 951,133,452 |         | \$ 951,133,452 |
| Derivative Financial Instruments <sup>2</sup> |           |                |         |                |
| <b>Assets:</b>                                |           |                |         |                |
| Interest rate contracts                       | \$ 30,416 |                |         | \$ 30,416      |
| <b>Liabilities:</b>                           |           |                |         |                |
| Interest rate contracts                       | (198,557) |                |         | (198,557)      |

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**Total** \$ (168,141) \$ (168,141)

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

<sup>2</sup> Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|                                  | Level 1 | Level 2                 | Level 3 | Total                   |
|----------------------------------|---------|-------------------------|---------|-------------------------|
| <b>Liabilities:</b>              |         |                         |         |                         |
| TOB Trust Certificates           |         | \$ (133,899,769)        |         | \$ (133,899,769)        |
| VRDP Shares at Liquidation Value |         | (274,600,000)           |         | (274,600,000)           |
| <b>Total</b>                     |         | <b>\$ (408,499,769)</b> |         | <b>\$ (408,499,769)</b> |

During the six months ended February 28, 2017, there were no transfers between levels.

See Notes to Financial Statements.

## Schedule of Investments February 28, 2017 (Unaudited)

BlackRock MuniVest Fund, Inc. (MVF)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Alabama 1.9%</b>  |              |              |
| City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A:   |              |              |
| 5.80%, 5/01/34   | \$ 1,850     | \$ 2,055,202 |
| 5.38%, 12/01/35  | 1,000        | 1,110,060    |
| State of Alabama Docks Department, Refunding RB, 6.00%, 10/01/20 (a)   | 7,610        | 8,693,816    |
|  |              | 11,859,078   |
| <b>Alaska 0.5%</b>   |              |              |
| City of Anchorage Alaska Electric Revenue, Refunding RB, Series A, 5.00%, 12/01/41   | 3,000        | 3,324,780    |
| <b>Arizona 3.9%</b>  |              |              |
| Arizona IDA, Refunding RB, Basis Schools, Inc. Projects, Series A, 5.38%, 7/01/50 (b)  | 2,500        | 2,531,875    |
| City of Phoenix Arizona Civic Improvement Corp., Refunding RB, Junior Lien, Series A, 5.00%, 7/01/40   | 2,000        | 2,176,720    |
| City of Phoenix Arizona IDA, RB, Candeo School, Inc. Project:  |              |              |
| 6.63%, 7/01/33   | 2,245        | 2,507,126    |
| 6.88%, 7/01/44   | 3,440        | 3,861,435    |
| City of Phoenix Arizona IDA, Refunding RB (b):   |              |              |
| Basis Schools, Inc. Projects, 5.00%, 7/01/35   | 600          | 603,210      |
| Basis Schools, Inc. Projects, 5.00%, 7/01/45   | 760          | 753,122      |
| Basis Schools, Inc. Projects, Series A, 5.00%, 7/01/35   | 1,125        | 1,131,019    |
| Legacy Traditional School Projects, 5.00%, 7/01/45   | 700          | 696,801      |
| County of Maricopa Arizona Pollution Control Corp., Refunding RB, Southern California Edison Co., Series A, 5.00%, 6/01/35                           | 3,300        | 3,596,868    |
| Salt Verde Financial Corp., RB, Senior, 5.00%, 12/01/37  | 5,725        | 6,509,382    |
|  |              | 24,367,558   |
| <b>California 7.3%</b>   |              |              |
| California Health Facilities Financing Authority, RB:  |              |              |
| St. Joseph Health System, Series A, 5.75%, 7/01/39   | 5,000        | 5,424,300    |
| Sutter Health, Series B, 6.00%, 8/15/42  | 5,600        | 6,372,184    |
| California Health Facilities Financing Authority, Refunding RB, Dignity Health, Series A, 6.00%, 7/01/19 (a)   | 1,055        | 1,175,988    |
| City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Series A, 5.25%, 5/15/39                    | 1,200        | 1,300,440    |
| Golden Empire Schools Financing Authority, Refunding RB, Kern High School District Projects, 1.12%, 5/01/17 (c)                                      | 5,710        | 5,710,000    |
| Los Angeles Community College District, GO, Refunding, Election of 2008, Series A, 6.00%, 8/01/19 (a)  | 9,585        | 10,727,340   |
| Oakland Unified School District/Alameda County, GO, Series A, 5.00%, 8/01/40   | 1,000        | 1,126,480    |
| Poway Unified School District, GO, Refunding, CAB, School Facilities Improvement District No. 2007-1, Election of 2008, Series B, 0.00%, 8/01/46 (d) | 10,000       | 2,730,900    |
| State of California, GO, Various Purposes, 6.50%, 4/01/33  | 9,675        | 10,770,500   |
|  |              | 45,338,132   |
| <b>Colorado 0.7%</b>   |              |              |
| Colorado Health Facilities Authority, RB, Catholic Health Initiatives, Series D, 6.25%, 10/01/33   | 2,500        | 2,669,650    |
| Copperleaf Metropolitan District No. 2, GO, Refunding, 5.75%, 12/01/45   | 1,000        | 1,020,300    |
|  |              |              |
| <b>Municipal Bonds</b>   |              |              |
| <b>Colorado (continued)</b>  |              |              |
| Regional Transportation District, COP, Refunding, Series A, 5.38%, 6/01/31   | \$ 385       | \$ 424,282   |
|  |              | 4,114,232    |
| <b>Connecticut 2.9%</b>  |              |              |
| Connecticut State Health & Educational Facility Authority, RB, Yale University, Series Z3, 5.05%, 7/01/42  | 12,000       | 12,163,440   |
| University of Connecticut, RB, Series A, 5.00%, 1/15/36  | 5,470        | 6,101,785    |

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|  |        |            |
|--|--------|------------|
|  |        | 18,265,225 |
| <b>Delaware 0.4%</b>   |        |            |
| County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Power LLC Project, 6.00%, 10/01/40                           | 2,500  | 2,687,200  |
| <b>District of Columbia 0.2%</b>   |        |            |
| Metropolitan Washington Airports Authority, Refunding RB, Dulles Toll Road, 1st Senior Lien, Series A:                     |        |            |
| 5.00%, 10/01/39  | 415    | 446,229    |
| 5.25%, 10/01/44  | 650    | 701,668    |
|  |        | 1,147,897  |
| <b>Florida 9.3%</b>  |        |            |
| City of Jacksonville Florida, Refunding RB, Brooks Rehabilitation Project, 4.00%, 11/01/40                                 | 1,770  | 1,706,829  |
| City of Tampa Florida, RB, Baycare Health System, Series A, 4.00%, 11/15/46  | 2,345  | 2,355,670  |
| County of Miami-Dade Florida, GO, Building Better Communities Program (a):   |        |            |
| Series B, 6.38%, 7/01/18   | 4,630  | 4,969,194  |
| Series B-1, 5.63%, 7/01/18   | 5,000  | 5,316,400  |
| County of Miami-Dade Florida, Refunding RB, Transit System Sales Surtax, 5.00%, 7/01/42                                    | 3,750  | 4,146,375  |
| County of Miami-Dade Florida Aviation, Refunding ARB, Miami International Airport:   |        |            |
| Series A, AMT (AGC), 5.00%, 10/01/40   | 10,000 | 10,165,500 |
| Series A-1, 5.38%, 10/01/41  | 10,290 | 11,352,134 |
| County of Miami-Dade Florida Educational Facilities Authority, Refunding RB, University of Miami, Series A, 5.00%, 4/01/45 | 4,625  | 5,025,109  |
| County of Miami-Dade Florida Expressway Authority, RB, Toll System, Series A (AGM), 5.00%, 7/01/35                         | 8,900  | 9,785,995  |
| Lakewood Ranch Stewardship District, Special Assessment Bonds, Lakewood National & Polo Run Projects:                      |        |            |
| 4.63%, 5/01/27   | 255    | 254,472    |
| 5.25%, 5/01/37   | 470    | 469,962    |
| 5.38%, 5/01/47   | 770    | 771,432    |
| Orange County Health Facilities Authority, Refunding RB, Series B, 5.00%, 10/01/44   | 1,000  | 1,092,310  |
|  |        | 57,411,382 |
| <b>Georgia 1.4%</b>  |        |            |
| City of Atlanta Georgia Department of Aviation, Refunding GARB, Series B, AMT, 5.00%, 1/01/29                              | 1,070  | 1,159,602  |
| County of DeKalb Georgia Hospital Authority, Refunding RB, DeKalb Medical Center, Inc. Project, 6.13%, 9/01/40             | 3,570  | 3,910,185  |
| DeKalb Private Hospital Authority, Refunding RB, Children's Healthcare, 5.25%, 11/15/39                                    | 3,335  | 3,632,749  |
|  |        | 8,702,536  |
| <b>Hawaii 0.9%</b>   |        |            |
| State of Hawaii Harbor System, RB, Series A, 5.50%, 7/01/35  | 5,000  | 5,516,750  |

See Notes to Financial Statements.



## Schedule of Investments (continued)

BlackRock MuniVest Fund, Inc. (MVF)

|   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Municipal Bonds</b>  |              |              |
| <b>Illinois 10.7%</b>   |              |              |
| City of Chicago Illinois, Refunding RB, Sales Tax Receipts, Series A, 5.00%, 1/01/41  | \$ 4,640     | \$ 4,715,447 |
| City of Chicago Illinois Transit Authority, RB, Sales Tax Receipts, 5.25%, 12/01/36   | 2,110        | 2,255,168    |
| City of Chicago Illinois Wastewater Transmission, Refunding RB, 2nd Lien, Series C, 5.00%, 1/01/39  | 1,000        | 1,061,850    |
| City of Chicago Illinois Waterworks, Refunding RB, 2nd Lien (AGM), 5.25%, 11/01/33  | 1,330        | 1,379,130    |
| County of Cook Illinois Community College District No. 508, GO, University & College Improvements, 5.25%, 12/01/31                                      | 5,000        | 5,388,100    |
| Illinois Finance Authority, RB:   |              |              |
| Advocate Health Care Network, Series D, 6.50%, 11/01/18 (a)   | 9,700        | 10,596,765   |
| Memorial Health System, Series A, 5.25%, 7/01/44  | 1,785        | 1,888,298    |
| Illinois Finance Authority, Refunding RB:   |              |              |
| Northwestern Memorial Hospital, Series A, 6.00%, 8/15/39  | 9,000        | 9,916,110    |
| OSF Healthcare System, 6.00%, 5/15/20 (a)   | 3,205        | 3,682,545    |
| OSF Healthcare System, 6.00%, 5/15/39   | 1,785        | 1,963,339    |
| Presence Health Network, Series C, 4.00%, 2/15/41   | 2,205        | 1,842,167    |
| Presence Health Network, Series C, 5.00%, 2/15/41   | 3,600        | 3,630,852    |
| Railsplitter Tobacco Settlement Authority, RB, 6.00%, 6/01/28   | 2,645        | 3,005,752    |
| Regional Transportation Authority, RB:  |              |              |
| Series A (AMBAC), 7.20%, 11/01/20   | 1,595        | 1,790,930    |
| Series C (NPFGC), 7.75%, 6/01/20  | 2,865        | 3,185,708    |
| Village of Hodgkins Illinois, RB, Metropolitan Biosolids Management LLC Project, AMT, 6.00%, 11/01/23   | 10,000       | 10,015,000   |
|   |              | 66,317,161   |
| <b>Indiana 1.4%</b>   |              |              |
| City of Valparaiso Indiana, RB, Exempt Facilities, Pratt Paper LLC Project, AMT, 6.75%, 1/01/34   | 2,250        | 2,654,618    |
| Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges, Series A, AMT, 5.00%, 7/01/40   | 2,640        | 2,767,591    |
| Indiana Finance Authority, Refunding RB, Deaconess Health System, Series A, 5.00%, 3/01/39  | 3,000        | 3,300,900    |
|   |              | 8,723,109    |
| <b>Iowa 0.9%</b>  |              |              |
| Iowa Finance Authority, Refunding RB, Midwestern Disaster Area, Iowa Fertilizer Co. Project, 5.25%, 12/01/25  | 4,500        | 4,526,550    |
| Iowa Tobacco Settlement Authority, Refunding RB, Asset-Backed, CAB, Series B, 5.60%, 6/01/34  | 1,000        | 1,000,030    |
|   |              | 5,526,580    |
| <b>Kansas 0.7%</b>  |              |              |
| Wyandotte County-Kansas City Unified Government Utility System, RB, Series A, 5.00%, 9/01/40  | 3,700        | 4,113,956    |
| <b>Kentucky 3.1%</b>  |              |              |
| County of Louisville & Jefferson Kentucky Metropolitan Government, Refunding RB, Norton Healthcare, Inc., 4.00%, 10/01/35                               | 1,585        | 1,570,576    |
| County of Owen Kentucky, RB, Kentucky American Water Co. Project, Series B, 5.63%, 9/01/39  | 1,000        | 1,076,020    |
| Kentucky Economic Development Finance Authority, Refunding RB, Hospital Facilities, St. Elizabeth Medical Center, Inc., Series A, 5.50%, 5/01/19 (a)    | 8,000        | 8,753,760    |
|   | Par<br>(000) | Value        |
| <b>Municipal Bonds</b>  |              |              |
| <b>Kentucky (continued)</b>   |              |              |
| Lexington-Fayette Urban County Airport Board, Refunding GARB, Series A, 5.00%, 7/01/19 (a)  | \$ 7,000     | \$ 7,632,730 |
|   |              | 19,033,086   |
| <b>Louisiana 3.3%</b>   |              |              |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp. Project, Series A-1, 6.50%, 11/01/35 | 2,615        | 2,984,421    |
| Parish of St. Charles Louisiana, RB, Valero Energy Corp., 4.00%, 12/01/40 (c)   | 2,210        | 2,313,185    |
| Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A:   |              |              |
| 5.25%, 5/15/31  | 3,420        | 3,675,303    |
| 5.25%, 5/15/32  | 4,375        | 4,750,856    |
| 5.25%, 5/15/33  | 4,750        | 5,134,560    |

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|  |       |            |
|--|-------|------------|
| 5.25%, 5/15/35   | 1,500 | 1,629,840  |
|  |       | 20,488,165 |
| <b>Maine 1.1%</b>  |       |            |
| Maine Health & Higher Educational Facilities Authority, RB, Series A, 5.00%, 7/01/39                               | 5,000 | 5,346,150  |
| Portland Housing Development Corp., Refunding RB, Senior Living, Retirement Facilities, Series A, 6.00%, 2/01/34   | 1,190 | 1,191,464  |
|  |       | 6,537,614  |
| <b>Maryland 4.3%</b>   |       |            |
| County of Howard Maryland Housing Commission, RB, M/F Housing, Woodfield Oxford Square Apartments, 5.00%, 12/01/42 | 7,715 | 8,525,847  |
| Maryland Community Development Administration, HRB, S/F Housing, Series H, AMT, 5.10%, 9/01/37                     | 1,405 | 1,409,552  |
| Maryland Community Development Administration, Refunding, HRB, Residential, Series D, AMT, 4.90%, 9/01/42          | 3,250 | 3,260,010  |
| Maryland Health & Higher Educational Facilities Authority, Refunding RB:   |       |            |
| Charlestown Community Project, 6.25%, 1/01/21 (a)  | 2,000 | 2,365,640  |
| Meritus Medical Center Issue, 5.00%, 7/01/40   | 6,350 | 6,828,917  |
| University of Maryland Medical System, 5.00%, 7/01/19 (a)  | 1,990 | 2,171,806  |
| University of Maryland Medical System, 5.13%, 7/01/19 (a)  | 2,100 | 2,296,371  |
| University of Maryland Medical System, 5.00%, 7/01/34  | 110   | 115,189    |
|  |       | 26,973,332 |
| <b>Massachusetts 3.1%</b>  |       |            |
| Massachusetts Bay Transportation Authority, Refunding RB, General Transportation System, Series A, 7.00%, 3/01/19  | 740   | 765,071    |
| Massachusetts Development Finance Agency, RB, Emerson College Issue, Series A: 5.00%, 1/01/47                      | 845   | 907,454    |
| 5.25%, 1/01/42   | 1,895 | 2,087,665  |
| Massachusetts HFA, RB, M/F Housing, Series A, AMT, 5.20%, 12/01/37   | 2,865 | 2,891,472  |
| Massachusetts HFA, Refunding RB, Series C, AMT, 5.35%, 12/01/42  | 5,070 | 5,393,415  |
| Massachusetts Water Resources Authority, RB, Series A, 6.50%, 7/15/19 (e)  | 6,685 | 7,059,494  |
|  |       | 19,104,571 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock MuniVest Fund, Inc. (MVF)

|   | Par<br>(000)         | Value        |
|---|----------------------|--------------|
| <b>Municipal Bonds</b>  |                      |              |
| <b>Michigan 2.4%</b>  |                      |              |
| City of Detroit Michigan Water Supply System Revenue, RB, 2nd Lien, Series B (AGM):   |                      |              |
| 6.25%, 7/01/19 (a)  | \$ 2,495             | \$ 2,789,959 |
| 6.25%, 7/01/36  | 5                    | 5,398        |
| Michigan State Hospital Finance Authority, Refunding RB, McLaren Health Care, Series A,<br>5.75%, 5/15/18 (a)                   | 7,285                | 7,709,205    |
| Royal Oak Michigan Hospital Finance Authority, Refunding RB, William Beaumont Hospital,<br>Series V, 8.25%, 9/01/18 (a)         | 4,100                | 4,546,039    |
|   |                      | 15,050,601   |
| <b>Minnesota 0.3%</b>   |                      |              |
| City of Cologne Minnesota Charter School, LRB, Cologne Academy Project, Series A,<br>5.00%, 7/01/45                             | 1,500                | 1,549,200    |
| <b>Mississippi 4.8%</b>   |                      |              |
| County of Lowndes Mississippi, Refunding RB, Solid Waste Disposal & Pollution Control,<br>Weyerhaeuser Co. Project:             |                      |              |
| Series A, 6.80%, 4/01/22  | 9,160                | 10,646,301   |
| Series B, 6.70%, 4/01/22  | 4,500                | 5,212,665    |
| Mississippi Business Finance Corp., Refunding RB, System Energy Resource, Inc. Project,<br>5.88%, 4/01/22                       | 9,305                | 9,349,478    |
| Mississippi Development Bank, Refunding RB, Municipal Energy Agency of Mississippi, Series A<br>(AGM), 4.00%, 3/01/41           | 4,500                | 4,503,375    |
|   |                      | 29,711,819   |
| <b>Nebraska 1.1%</b>  |                      |              |
| Central Plains Energy Project Nebraska, RB, Gas Project No. 3, 5.00%, 9/01/42   | 6,200                | 6,560,282    |
| <b>New Hampshire 0.7%</b>   |                      |              |
| New Hampshire Housing Finance Authority, Refunding RB, S/F Housing, Acquisition, Series H,<br>AMT, 5.15%, 1/01/40               | 4,170                | 4,182,427    |
| <b>New Jersey 8.6%</b>  |                      |              |
| Casino Reinvestment Development Authority, Refunding RB, 5.25%, 11/01/44  | 1,400                | 1,383,774    |
| New Jersey EDA, RB:   |                      |              |
| Continental Airlines, Inc. Project, Series A, AMT, 5.63%, 11/15/30  | 1,530                | 1,662,559    |
| Goethals Bridge Replacement Project, AMT, Private Activity Bond, 5.38%, 1/01/43   | 10,000               | 10,585,200   |
| Private Activity Bond, Goethals Bridge Replacement Project, AMT, 5.13%, 1/01/34   | 1,050                | 1,107,687    |
| School Facilities Construction, Series UU, 5.00%, 6/15/40   | 3,390                | 3,395,899    |
| New Jersey EDA, Refunding RB, School Facilities Construction:   |                      |              |
| 5.25%, 6/15/19 (a)  | 2,650                | 2,901,114    |
| Series AA, 5.25%, 6/15/19 (a)   | 700                  | 766,332      |
| Series AA, 5.25%, 12/15/33  | 6,650                | 6,750,149    |
| New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series AA, 6.38%, 10/01/28                                       | 165                  | 170,234      |
| New Jersey Transportation Trust Fund Authority, RB:   |                      |              |
| CAB, Transportation System, Series A, 0.00%, 12/15/38 (d)   | 7,260                | 2,253,431    |
| Transportation Program, Series AA, 5.25%, 6/15/33   | 8,750                | 8,985,112    |
| Transportation Program, Series AA, 5.25%, 6/15/41   | 780                  | 791,989      |
| Transportation Program, Series AA, 5.00%, 6/15/44   | 4,450                | 4,452,359    |
|   | <b>Par<br/>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>  |                      |              |
| <b>New Jersey (continued)</b>   |                      |              |
| New Jersey Transportation Trust Fund Authority, RB (continued):   |                      |              |
| Transportation System, Series B, 5.50%, 6/15/31   | \$ 8,000             | \$ 8,398,400 |
|   |                      | 53,604,239   |
| <b>New York 7.9%</b>  |                      |              |
| Build NYC Resource Corp., Refunding RB, Pratt Paper, Inc. Project, AMT, 5.00%, 1/01/35 (b)                                      | 2,145                | 2,250,620    |
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer<br>System, Series FF-2, 5.50%, 6/15/40 | 4,150                | 4,536,033    |
| Counties of New York Tobacco Trust IV, Refunding RB, Settlement Pass-Through Turbo, Series<br>A, 6.25%, 6/01/41 (b)             | 3,500                | 3,634,820    |
| Erie Tobacco Asset Securitization Corp., Refunding RB, Asset-Backed, Series A, 5.00%, 6/01/45                                   | 4,435                | 4,264,075    |
| Metropolitan Transportation Authority, RB, Series C:  |                      |              |

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|  |        |            |
|--|--------|------------|
| 6.25%, 11/15/18 (a)  | 25     | 27,278     |
| 6.25%, 11/15/18 (a)  | 2,595  | 2,831,482  |
| 6.50%, 11/15/18 (a)  | 925    | 1,013,217  |
| 6.50%, 11/15/18 (a)  | 11,135 | 12,196,945 |
| 6.25%, 11/15/23  | 625    | 680,888    |
| 6.50%, 11/15/28  | 2,865  | 3,132,820  |
| New York Liberty Development Corp., Refunding RB, 3 World Trade Center Project, Class 2 (b):   |        |            |
| 5.15%, 11/15/34  | 460    | 492,140    |
| 5.38%, 11/15/40  | 1,145  | 1,242,921  |
| New York Transportation Development Corp., RB, LaGuardia Airport Terminal B Redevelopment Project, Series A, AMT, 5.25%, 1/01/50     |        |            |
|  | 2,400  | 2,549,088  |
| New York Transportation Development Corp., Refunding RB, American Airlines, Inc., AMT:   |        |            |
| 5.00%, 8/01/26   | 1,285  | 1,350,856  |
| 5.00%, 8/01/31   | 3,070  | 3,195,809  |
| Port Authority of New York & New Jersey, ARB, Special Project, JFK International Air Terminal LLC Project, Series 8, 6.00%, 12/01/36 |        |            |
|  | 3,165  | 3,566,290  |
| TSASC, Inc., Refunding RB, Series A, 5.00%, 6/01/41  |        |            |
|  | 1,785  | 1,933,726  |
|  |        | 48,899,008 |
| <b>Ohio 3.5%</b>   |        |            |
| County of Allen Ohio Hospital Facilities, Refunding RB, Catholic Healthcare Partners, Series A, 5.25%, 6/01/38                       |        |            |
|  | 2,875  | 3,104,885  |
| County of Franklin Ohio, RB, Health Care Facilities Improvement, OPRS Communities Obligation Group, Series A, 6.13%, 7/01/40         |        |            |
|  | 1,690  | 1,854,268  |
| County of Lucas Ohio, Refunding RB, Promedica Healthcare, Series A, 6.50%, 11/15/37  |        |            |
|  | 1,915  | 2,257,268  |
| County of Montgomery Ohio, RB, Catholic Health Initiatives, Series D-2, 5.45%, 10/01/38  |        |            |
|  | 7,930  | 8,493,030  |
| County of Montgomery Ohio, Refunding RB, Catholic Health, Series A, 5.50%, 5/01/34   |        |            |
|  | 5,470  | 5,831,895  |
|  |        | 21,541,346 |
| <b>Pennsylvania 3.5%</b>   |        |            |
| City of Philadelphia Pennsylvania IDA, RB, Retirement Facilities, Rieder House Project, Series A, 6.10%, 7/01/33                     |        |            |
|  | 1,215  | 1,215,000  |
| County of Delaware Pennsylvania IDA, Refunding RB, Covanta Project, 5.00%, 7/01/43   |        |            |
|  | 5,000  | 4,977,200  |
| County of Montgomery Pennsylvania IDA, Refunding RB, Whitmarsh Continuing Care Retirement Community, 5.25%, 1/01/40                  |        |            |
|  | 4,170  | 3,916,464  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock MuniVest Fund, Inc. (MVF)

|  | Par<br>(000)         | Value        |
|--|----------------------|--------------|
| <b>Municipal Bonds</b>   |                      |              |
| <b>Pennsylvania (continued)</b>  |                      |              |
| Delaware River Port Authority, RB, Series D, 5.00%, 1/01/40                                    | \$ 195               | \$ 211,867   |
| Pennsylvania Economic Development Financing Authority, RB, Pennsylvania Rapid Bridge           |                      |              |
| Finco LP, AMT, 5.00%, 12/31/38   | 2,565                | 2,752,784    |
| Pennsylvania HFA, RB, S/F Housing Mortgage, Series 118-B, 4.05%, 10/01/40                      | 3,850                | 3,886,960    |
| Pennsylvania HFA, Refunding RB, S/F Housing Mortgage, Series 121, 3.10%, 10/01/36              | 3,480                | 3,297,996    |
| Pennsylvania Turnpike Commission, RB:  |                      |              |
| Series A-1, 5.00%, 12/01/41  | 440                  | 484,471      |
| Series B, 5.00%, 12/01/40  | 1,110                | 1,223,164    |
|  |                      | 21,965,906   |
| <b>Puerto Rico 0.9%</b>  |                      |              |
| Children s Trust Fund, Refunding RB, Tobacco Settlement Asset-Backed Bonds, 5.50%, 5/15/39     | 3,555                | 3,568,509    |
| Children s Trust Fund Tobacco Settlement, Refunding RB, Asset-Backed Bonds, 5.63%, 5/15/43     | 1,955                | 1,957,542    |
|  |                      | 5,526,051    |
| <b>Rhode Island 1.6%</b>   |                      |              |
| Rhode Island Health & Educational Building Corp., Refunding RB, Hospital Financing, LifeSpan   |                      |              |
| Obligation Group, 5.00%, 5/15/39   | 1,425                | 1,501,252    |
| Tobacco Settlement Financing Corp., Refunding RB, Series B:                                    |                      |              |
| 4.50%, 6/01/45   | 6,820                | 6,566,159    |
| 5.00%, 6/01/50   | 2,000                | 2,021,420    |
|  |                      | 10,088,831   |
| <b>South Carolina 0.7%</b>   |                      |              |
| State of South Carolina Public Service Authority, Refunding RB, Series E, 5.25%, 12/01/55      | 3,800                | 4,144,888    |
| <b>Texas 11.0%</b>   |                      |              |
| Central Texas Regional Mobility Authority, RB, Senior Lien, Series A:                          |                      |              |
| 5.00%, 1/01/40   | 1,215                | 1,312,917    |
| 5.00%, 1/01/45   | 3,500                | 3,771,740    |
| Central Texas Regional Mobility Authority, Refunding RB, Senior Lien:                          |                      |              |
| 5.75%, 1/01/21 (a)   | 1,000                | 1,162,120    |
| 6.00%, 1/01/21 (a)   | 4,300                | 5,037,192    |
| Series A, 5.00%, 1/01/43   | 6,925                | 7,326,581    |
| City of Houston Texas Airport System, Refunding ARB, United Airlines, Inc. Terminal E Project, |                      |              |
| AMT, 5.00%, 7/01/29  | 2,665                | 2,799,369    |
| County of Harris Texas Cultural Education Facilities Finance Corp., RB, 1st Mortgage, Brazos   |                      |              |
| Presbyterian Homes, Inc. Project, Series B, 7.00%, 1/01/23 (a)                                 | 850                  | 1,068,076    |
| County of Harris Texas Health Facilities Development Corp., Refunding RB, Memorial Hermann     |                      |              |
| Healthcare System, Series B (a):   |                      |              |
| 7.13%, 12/01/18  | 3,500                | 3,874,255    |
| 7.25%, 12/01/18  | 5,400                | 5,989,140    |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., RB, Scott & White         |                      |              |
| Healthcare (a):  |                      |              |
| 6.00%, 8/15/20   | 370                  | 428,852      |
| 6.00%, 8/15/20   | 4,630                | 5,366,448    |
| County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Trinity     |                      |              |
| Terrace Project, 5.00%, 10/01/44   | 875                  | 894,924      |
| La Vernia Higher Education Finance Corp., RB, KIPP, Inc., Series A, 6.25%, 8/15/19 (a)         | 925                  | 1,039,339    |
|  | <b>Par<br/>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |                      |              |
| <b>Texas (continued)</b>   |                      |              |
| Love Field Airport Modernization Corp., RB, Southwest Airlines Co. Project, 5.25%, 11/01/40    | \$ 1,100             | \$ 1,189,012 |
| New Hope Cultural Education Facilities Corp., RB, Collegiate Housing Tarleton State University |                      |              |
| Project, 5.00%, 4/01/35  | 500                  | 526,130      |
| New Hope Cultural Education Facilities Corp., Refunding RB, 1st Mortgage, Morningside          |                      |              |
| Ministries Project, 6.25%, 1/01/33   | 1,600                | 1,776,112    |
| North Texas Education Finance Corp., ERB, Uplift Education, Series A, 5.13%, 12/01/42          | 1,000                | 1,033,640    |
| North Texas Tollway Authority, Refunding RB, Series A:   |                      |              |
| 1st Tier System, 6.25%, 1/01/19 (a)  | 2,845                | 3,115,190    |
| 1st Tier System, 6.25%, 1/01/39  | 655                  | 707,924      |

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|   |       |            |
|---|-------|------------|
| 5.00%, 1/01/38  | 5,000 | 5,542,750  |
| Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien:  |       |            |
| LBJ Infrastructure Group LLC, 7.00%, 6/30/40  | 8,000 | 9,133,840  |
| NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39   | 4,710 | 5,323,854  |
|   |       | 68,419,405 |
| <b>Virginia 3.7%</b>  |       |            |
| Ballston Quarter Community Development Authority, Tax Allocation Bonds, Series A:   |       |            |
| 5.38%, 3/01/36  | 430   | 413,746    |
| 5.50%, 3/01/46  | 1,475 | 1,425,263  |
| City of Portsmouth Virginia, GO, Refunding Series D:  |       |            |
| 5.00%, 7/15/20 (a)  | 3,030 | 3,406,417  |
| 5.00%, 7/15/34  | 75    | 82,794     |
| County of Fairfax Virginia EDA, Refunding RB, Goodwin House, Inc. (a):  |       |            |
| 5.13%, 10/01/17   | 2,000 | 2,052,020  |
| 5.13%, 10/01/17   | 6,015 | 6,169,285  |
| Tobacco Settlement Financing Corp., Refunding RB, Senior Series B-1, 5.00%, 6/01/47   | 1,895 | 1,753,823  |
| Virginia Small Business Financing Authority, RB, Senior Lien, Elizabeth River Crossings OpCo LLC Project, AMT:                      |       |            |
| 6.00%, 1/01/37  | 2,150 | 2,409,139  |
| 5.50%, 1/01/42  | 5,140 | 5,496,510  |
|   |       | 23,208,997 |
| <b>Washington 1.9%</b>  |       |            |
| Washington Health Care Facilities Authority, RB, Catholic Health Initiatives, Series A,   |       |            |
| 5.75%, 1/01/45  | 4,010 | 4,318,008  |
| Washington Health Care Facilities Authority, Refunding RB, Catholic Health Initiatives, Series D,                                   |       |            |
| 6.38%, 10/01/36   | 7,000 | 7,455,630  |
|   |       | 11,773,638 |
| <b>West Virginia 0.4%</b>   |       |            |
| West Virginia Hospital Finance Authority, Refunding RB, Improvement, Charleston Area Medical Center, Inc., Series A, 5.63%, 9/01/32 |       |            |
|   | 2,500 | 2,662,425  |
| <b>Wisconsin 1.0%</b>   |       |            |
| Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health, Inc., Series C, 5.25%, 4/01/39     |       |            |
|   | 6,100 | 6,411,588  |
| <b>Wyoming 1.4%</b>   |       |            |
| County of Sweetwater Wyoming, Refunding RB, Idaho Power Co. Project, Remarketing, 5.25%, 7/15/26                                    |       |            |
|   | 4,500 | 4,907,160  |
| Wyoming Community Development Authority, Refunding RB, Series 2 & 3, 4.05%, 12/01/38  |       |            |
|   | 2,475 | 2,495,122  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock MuniVest Fund, Inc. (MVF)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Wyoming (continued)</b>   |              |              |
| Wyoming Municipal Power Agency, Inc., Refunding RB, Series A (BAM), 5.00%, 1/01/42   | \$ 1,120     | \$ 1,248,922 |
|  |              | 8,651,204    |
| <b>Total Municipal Bonds 113.4%</b>  |              | 703,504,199  |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (f)</b>  |              |              |
| <b>Arizona 0.6%</b>  |              |              |
| City of Phoenix Arizona Civic Improvement Corp., Refunding RB, Water System, Junior Lien, Series A, 5.00%, 7/01/19 (a)                                 | 3,500        | 3,818,045    |
| <b>California 6.3%</b>   |              |              |
| Sacramento Area Flood Control Agency, Refunding, Consolidated Capital Assessment District No.2, Series A, 5.00%, 10/01/47                              | 14,998       | 16,997,625   |
| University of California, RB, General, Series O (a):   |              |              |
| 5.25%, 5/15/19   | 3,235        | 3,533,073    |
| 5.25%, 5/15/19   | 5,675        | 6,197,894    |
| 5.25%, 5/15/19   | 11,090       | 12,111,833   |
|  |              | 38,840,425   |
| <b>District of Columbia 1.3%</b>   |              |              |
| District of Columbia Water & Sewer Authority, Refunding RB, Senior Lien, Series A, 5.50%, 10/01/18 (a)   | 7,495        | 8,039,420    |
| <b>Florida 2.6%</b>  |              |              |
| County of Miami-Dade Florida Water & Sewer System, (AGC), 5.00%, 10/01/39  | 14,747       | 16,272,377   |
| <b>Illinois 4.9%</b>   |              |              |
| State of Illinois Finance Authority, RB, University of Chicago, Series B, 6.25%, 7/01/18 (a)   | 10,000       | 10,720,100   |
| State of Illinois Toll Highway Authority, RB, Series B, Senior:  |              |              |
| Priority, 5.50%, 1/01/18 (a)   | 6,999        | 7,275,275    |
| 5.00%, 1/01/40   | 10,976       | 12,147,858   |
|  |              | 30,143,233   |
| <b>Kentucky 1.6%</b>   |              |              |
| County of Louisville & Jefferson Kentucky Metropolitan Government Parking Authority, RB, River City, Inc., 1st Mortgage, Series A, 5.38%, 12/01/19 (a) | 9,195        | 10,249,667   |
| <b>Maryland 1.7%</b>   |              |              |
| City of Baltimore Maryland, RB, Wastewater Project, Sub-Series A, 5.00%, 7/01/46   | 4,898        | 5,521,923    |
| State of Maryland Transportation Authority, RB, Transportation Facilities Project (AGM), 5.00%, 7/01/41  | 4,710        | 4,924,870    |
|  |              | 10,446,793   |
| <b>Nevada 2.8%</b>   |              |              |
| County of Clark Nevada Water Reclamation District, GO, Limited Tax, Series B, 5.75%, 7/01/19 (a)   | 15,789       | 17,497,364   |
| <b>New York 5.9%</b>   |              |              |
| City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution, Series DD:                    |              |              |
| 5.00%, 6/15/18 (a)   | 3,556        | 3,729,273    |
| 5.00%, 6/15/37   | 20,643       | 21,650,210   |
| New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (g)  | 10,001       | 11,412,995   |
|  |              | 36,792,478   |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (f)</b>  |              |              |
| <b>North Carolina 0.9%</b>   |              |              |
| North Carolina Capital Facilities Finance Agency, Refunding RB, Wake Forest University, 5.00%, 1/01/19 (a)   | \$ 5,000     | \$ 5,366,850 |

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|   |        |               |
|---|--------|---------------|
| <b>Ohio 2.2%</b>  |        |               |
| Ohio Higher Educational Facility Commission, RB, Cleveland Clinic Health, Series A, 5.25%, 1/01/33                                | 4,400  | 4,533,628     |
| State of Ohio, RB, Cleveland Clinic Health Obligated Group, Series B, 5.50%, 1/01/34  | 8,500  | 9,108,685     |
|   |        | 13,642,313    |
| <b>Oregon 1.2%</b>  |        |               |
| State of Oregon Housing & Community Services Department, HRB, M/F Housing, Series A, AMT, 4.95%, 7/01/30                          | 7,212  | 7,462,186     |
| <b>Pennsylvania 0.7%</b>  |        |               |
| County of Westmoreland Pennsylvania Municipal Authority, Refunding RB, (BAM), 5.00%, 8/15/38                                      | 3,925  | 4,340,885     |
| <b>Texas 7.4%</b>   |        |               |
| City of Houston Texas, Refunding RB, Airport System, Senior Lien, Series A, 5.50%, 7/01/34  | 8,333  | 8,790,863     |
| City of Houston Texas Higher Education Finance Corp., RB, Rice University Project, Series A, 5.00%, 5/15/40                       | 10,000 | 10,971,884    |
| County of Harris Texas Health Facilities Development Corp., Refunding RB, School Health Care System, Series B, 5.75%, 7/01/27 (e) | 20,970 | 25,753,257    |
| Texas Department of Housing & Community Affairs, RB, S/F Mortgage, Series B, AMT, 5.25%, 9/01/32                                  | 664    | 664,950       |
|   |        | 46,180,954    |
| <b>Virginia 4.0%</b>  |        |               |
| County of Fairfax Virginia EDA, RB, Metrorail Parking System, 5.00%, 4/01/47  | 6,960  | 7,946,858     |
| County of Fairfax Virginia IDA, Refunding RB, Health Care, Inova Health System: 5.50%, 5/15/19 (a)                                | 734    | 796,821       |
| 5.50%, 5/15/35  | 1,364  | 1,480,390     |
| Virginia Commonwealth Transportation Board, RB, Capital Projects, 5.00%, 5/15/32  | 7,999  | 8,966,579     |
| Virginia Small Business Financing Authority, Refunding RB, Sentara Healthcare, 5.00%, 11/01/40                                    | 5,002  | 5,400,271     |
|   |        | 24,590,919    |
| <b>Washington 6.0%</b>  |        |               |
| Central Puget Sound Regional Transit Authority, RB, Series A (a): 5.00%, 11/01/17   | 5,500  | 5,659,280     |
| 5.00%, 11/01/17   | 5,500  | 5,659,280     |
| (AGM), 5.00%, 11/01/17  | 14,007 | 14,411,835    |
| Washington Health Care Facilities Authority, Refunding RB, Seattle Children's Hospital, Series B, 5.00%, 10/01/38                 | 10,000 | 11,644,400    |
|   |        | 37,374,795    |
| <b>Total Municipal Bonds Transferred to Tender Option Bond Trusts 50.1%</b>   |        | 311,058,704   |
| <b>Total Long-Term Investments (Cost \$954,552,371) 163.5%</b>  |        | 1,014,562,903 |

See Notes to Financial Statements.



## Schedule of Investments (continued)

BlackRock MuniVest Fund, Inc. (MVF)

| Short-Term Securities  | Shares    | Value          |
|--|-----------|----------------|
| BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.50% (h)(i)                           | 4,051,187 | \$ 4,051,997   |
| <b>Total Short-Term Securities</b>   |           | 4,051,997      |
| (Cost \$4,051,406) 0.6%  |           | 4,051,997      |
| <b>Total Investments (Cost \$958,603,777) 164.1%</b>   |           | 1,018,614,900  |
| <b>Other Assets Less Liabilities 1.0%</b>  |           | 6,263,283      |
| <b>Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (25.3)%</b> |           | (156,959,114)  |
| <b>Loan for TOB Trust Certificates (0.5)%</b>  |           | (3,498,775)    |
| <b>VMTP Shares at Liquidation Value (39.3)%</b>  |           | (243,800,000)  |
| <br>   |           |                |
| <b>Net Assets Applicable to Common Shares 100.0%</b>   |           | \$ 620,620,294 |

## Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) Variable rate security. Rate as of period end.
- (d) Zero-coupon bond.
- (e) Security is collateralized by municipal bonds or U.S. Treasury obligations.
- (f) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Trust. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (g) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Trust could ultimately be required to pay under the agreement, which expires on November 15, 2019, is \$5,295,502. See Note 4 of the Notes to Financial Statements for details.
- (h) During the six months ended February 28, 2017, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate  | Shares Held<br>at August 31,<br>2016 | Net<br>Activity | Shares Held<br>at February 28,<br>2017 | Value at<br>February 28,<br>2017 | Income    | Net<br>Realized<br>Gain <sup>1</sup> | Change in<br>Unrealized<br>Appreciation |
|--|--------------------------------------|-----------------|--|----------------------------------|-----------|--------------------------------------|---|
| BlackRock Liquidity Funds, MuniCash, Institutional Class | 6,852,839                            | (2,801,652)     | 4,051,187                              | \$ 4,051,997                     | \$ 22,402 | \$ 6,740                             | \$ 591                                  |

<sup>1</sup> Includes net capital gain distributions.

- (i) Current yield as of period end.

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### Derivative Financial Instruments Outstanding as of Period End

#### Futures Contracts

| Contracts<br>Short | Issue                      | Expiration | Notional<br>Value | Unrealized<br>Appreciation<br>(Depreciation) |
|--------------------|----------------------------|------------|-------------------|--|
| (176)              | 5-Year U.S. Treasury Note  | June 2017  | \$ 20,715,750     | \$ 16,355                                    |
| (258)              | 10-Year U.S. Treasury Note | June 2017  | \$ 32,141,156     | (2,379)                                      |
| (198)              | Long U.S. Treasury Bond    | June 2017  | \$ 30,027,938     | (154,058)                                    |
| (36)               | Ultra U.S. Treasury Bond   | June 2017  | \$ 5,824,125      | (44,583)                                     |
| <b>Total</b>       |                            |            |                   | <b>\$ (184,665)</b>                          |

See Notes to Financial Statements.

## Schedule of Investments (concluded)

BlackRock MuniVest Fund, Inc. (MVF)

**Derivative Financial Instruments Categorized by Risk Exposure**

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

| Assets            | Derivative Financial Instruments         | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total      |
|-------------------|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|------------|
| Futures contracts | Net unrealized appreciation <sup>1</sup> |                     |                  |                  |                                     | \$ 16,355               |                 | \$ 16,355  |
| Liabilities       | Derivative Financial Instruments         |                     |                  |                  |                                     |                         |                 |            |
| Futures contracts | Net unrealized depreciation <sup>1</sup> |                     |                  |                  |                                     | \$ 201,020              |                 | \$ 201,020 |

<sup>1</sup> Includes cumulative appreciation (depreciation) on futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended February 28, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

| Net Realized Gain (Loss) from:                           | Commodity Contracts | Credit Contracts | Equity Contracts | Foreign Currency Exchange Contracts | Interest Rate Contracts | Other Contracts | Total        |
|--|---------------------|------------------|------------------|-------------------------------------|-------------------------|-----------------|--------------|
| Futures contracts  |                     |                  |                  |                                     | \$ 1,578,304            |                 | \$ 1,578,304 |
| Net Change in Unrealized Appreciation (Depreciation) on: |                     |                  |                  |                                     |                         |                 |              |
| Futures contracts  |                     |                  |                  |                                     | \$ (226,209)            |                 | \$ (226,209) |

**Average Quarterly Balances of Outstanding Derivative Financial Instruments**

|   |               |
|---|---------------|
| Futures contracts:                        |               |
| Average notional value of contracts short | \$ 52,101,797 |

For more information about the Trust's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

**Fair Value Hierarchy as of Period End**

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Trust's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Trust's investments and derivative financial instruments categorized in the disclosure hierarchy:

|                                    | Level 1      | Level 2          | Level 3 | Total            |
|------------------------------------|--------------|------------------|---------|------------------|
| <b>Assets:</b>                     |              |                  |         |                  |
| Investments:                       |              |                  |         |                  |
| Long-Term Investments <sup>1</sup> |              | \$ 1,014,562,903 |         | \$ 1,014,562,903 |
| Short-Term Securities              | \$ 4,051,997 |                  |         | 4,051,997        |
| <b>Total</b>                       | \$ 4,051,997 | \$ 1,014,562,903 |         | \$ 1,018,614,900 |

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### Derivative Financial Instruments<sup>2</sup>

#### Assets:

|                         |           |           |
|-------------------------|-----------|-----------|
| Interest rate contracts | \$ 16,355 | \$ 16,355 |
|-------------------------|-----------|-----------|

#### Liabilities:

|                         |           |           |
|-------------------------|-----------|-----------|
| Interest rate contracts | (201,020) | (201,020) |
|-------------------------|-----------|-----------|

|              |                     |                     |
|--------------|---------------------|---------------------|
| <b>Total</b> | <b>\$ (184,665)</b> | <b>\$ (184,665)</b> |
|--------------|---------------------|---------------------|

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

<sup>2</sup> Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

|                                  | Level 1 | Level 2                 | Level 3 | Total                   |
|----------------------------------|---------|-------------------------|---------|-------------------------|
| <b>Liabilities:</b>              |         |                         |         |                         |
| TOB Trust Certificates           |         | \$ (156,696,838)        |         | \$ (156,696,838)        |
| Loan for TOB Trust Certificates  |         | (3,498,775)             |         | (3,498,775)             |
| VMTP Shares at Liquidation Value |         | (243,800,000)           |         | (243,800,000)           |
| <b>Total</b>                     |         | <b>\$ (403,995,613)</b> |         | <b>\$ (403,995,613)</b> |

During the six months ended February 28, 2017, there were no transfers between levels.

See Notes to Financial Statements.

## Statements of Assets and Liabilities

|   | BlackRock<br>Municipal<br>Bond Trust<br>(BBK) | BlackRock<br>Municipal Income<br>Investment<br>Quality Trust<br>(BAF) | BlackRock<br>Municipal Income<br>Quality Trust<br>(BYM) | BlackRock<br>Municipal<br>Income Trust II<br>(BLE) |
|---|---|---|---|--|
| <b>February 28, 2017 (Unaudited)</b>                                    |   |   |   |  |
| <b>Assets</b>   |   |   |   |  |
| Investments at value unaffiliated <sup>1</sup>                          | \$ 265,691,131                                | \$ 217,450,398  | \$ 632,278,866  | \$ 565,020,825                                     |
| Investments at value affiliated <sup>2</sup>                            | 187,660                                       | 222,810   | 9,846,739   | 2,509,371  |
| Cash  | 30,538  | 31,237  | 90,150  | 16,605   |
| Cash pledged for futures contracts                                      | 716,050                                       | 383,800   | 1,307,050   | 1,008,800  |
| Receivables:  |   |   |   |  |
| Interest unaffiliated   | 2,913,112                                     | 2,391,627   | 6,587,484   | 6,920,828  |
| Investments sold  | 2,807,751                                     | 2,343,743   | 34,759  | 681,837  |
| Variation margin on futures contracts                                   | 3,522   | 5,062   | 10,155  | 11,258   |
| Dividends affiliated  | 580   | 86  | 1,017   | 997  |
| TOB Trust   |   |   | 5,570,000   |  |
| Prepaid expenses  | 13,389  | 12,291  | 20,296  | 8,939  |
| <b>Total assets</b>   | <b>272,363,733</b>                            | <b>222,841,054</b>  | <b>655,746,516</b>                                      | <b>576,179,460</b>                                 |
| <b>Accrued Liabilities</b>  |   |   |   |  |
| Payables:   |   |   |   |  |
| Investments purchased   | 4,379,186                                     | 198,191   | 9,977,465   |  |
| Income dividends Common Shares  | 789,119                                       | 599,335   | 1,742,814   | 1,727,274  |
| Investment advisory fees  | 133,294                                       | 93,166  | 267,981   | 241,288  |
| Interest expense and fees   | 38,443  | 64,496  | 195,633   | 123,986  |
| Variation margin on futures contracts                                   | 39,063  | 16,375  | 61,750  | 50,219   |
| Officers and Trustees fees  | 29,039  | 21,150  | 66,765  | 60,469   |
| Other accrued expenses  | 116,163                                       | 91,766  | 155,102   | 160,503  |
| <b>Total accrued liabilities</b>  | <b>5,524,307</b>                              | <b>1,084,479</b>  | <b>12,467,510</b>                                       | <b>2,363,739</b>                                   |
| <b>Other Liabilities</b>  |   |   |   |  |
| TOB Trust Certificates  | 22,403,733                                    | 43,297,138  | 109,945,937   | 72,040,526   |
| Loan for TOB Trust Certificates   |   | 1,499,475   | 2,249,213   |  |
| VMTP Shares, at liquidation value of \$100,000 per share <sup>3,4</sup> | 79,900,000                                    | 42,200,000  | 137,200,000   | 151,300,000  |
| <b>Total other liabilities</b>  | <b>102,303,733</b>                            | <b>86,996,613</b>   | <b>249,395,150</b>                                      | <b>223,340,526</b>                                 |
| <b>Total liabilities</b>  | <b>107,828,040</b>                            | <b>88,081,092</b>   | <b>261,862,660</b>                                      | <b>225,704,265</b>                                 |
| <b>Net Assets Applicable to Common Shareholders</b>                     | <b>\$ 164,535,693</b>                         | <b>\$ 134,759,962</b>   | <b>\$ 393,883,856</b>                                   | <b>\$ 350,475,195</b>                              |
| <b>Net Assets Applicable to Common Shareholders Consist of</b>          |   |   |   |  |
| Paid-in capital <sup>5,6,7</sup>  | \$ 149,529,081                                | \$ 124,019,631  | \$ 371,434,679  | \$ 333,383,570                                     |
| Undistributed net investment income                                     | 1,697,728                                     | 1,581,249   | 2,999,995   | 3,230,550  |
| Accumulated net realized gain (loss)                                    | 1,266,693                                     | (5,314,044)   | (18,581,488)  | (18,618,151)                                       |
| Net unrealized appreciation (depreciation)                              | 12,042,191                                    | 14,473,126  | 38,030,670  | 32,479,226   |
| <b>Net Assets Applicable to Common Shareholders</b>                     | <b>\$ 164,535,693</b>                         | <b>\$ 134,759,962</b>   | <b>\$ 393,883,856</b>                                   | <b>\$ 350,475,195</b>                              |
| Net asset value per Common Share  | \$ 15.64                                      | \$ 15.40  | \$ 14.92  | \$ 14.91   |
| <sup>1</sup> Investments at cost unaffiliated                           | \$ 253,567,656                                | \$ 202,949,710  | \$ 594,094,193  | \$ 532,437,694                                     |
| <sup>2</sup> Investments at cost affiliated                             | \$ 187,641                                    | \$ 222,788  | \$ 9,846,348  | \$ 2,509,048                                       |
| <sup>3</sup> Preferred Shares outstanding, par value \$0.001 per share  | 799   | 422   | 1,372   | 1,513  |

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|   |            |           |            |            |
|---|------------|-----------|------------|------------|
| <sup>4</sup> Preferred Shares authorized, including Auction Market Preferred Shares<br>( AMPS ) | unlimited  | unlimited | unlimited  | unlimited  |
| <sup>5</sup> Par value per Common Share   | \$ 0.001   | \$ 0.001  | \$ 0.001   | \$ 0.001   |
| <sup>6</sup> Common Shares outstanding  | 10,521,587 | 8,749,418 | 26,406,273 | 23,500,329 |
| <sup>7</sup> Common Shares authorized   | unlimited  | unlimited | unlimited  | unlimited  |

See Notes to Financial Statements.

## Statements of Assets and Liabilities

|   | <b>BlackRock<br/>MuniHoldings<br/>Investment<br/>Quality Fund<br/>(MFL)</b> | <b>BlackRock<br/>MuniVest<br/>Fund, Inc.<br/>(MVF)</b> |
|---|---|--|
| <b>February 28, 2017 (Unaudited)</b>  |   |  |
| <b>Assets</b>   |   |  |
| Investments at value unaffiliated <sup>1</sup>  | \$ 951,133,452  | \$ 1,014,562,903                                       |
| Investments at value affiliated <sup>1</sup>  |   | 4,051,997  |
| Cash  |   | 32,556   |
| Cash pledged for futures contracts  | 1,795,150   | 1,612,500  |
| Receivables:  |   |  |
| Dividends affiliated  | 476   | 2,750  |
| Interest unaffiliated   | 11,402,675  | 12,459,706   |
| Investments sold  | 2,409,780   | 760,969  |
| Variation margin on futures contracts   | 19,519  | 19,155   |
| TOB Trust   |   | 3,485,000  |
| Prepaid expenses  | 29,876  | 13,667   |
| <b>Total assets</b>   | <b>966,790,928</b>  | <b>1,037,001,203</b>                                   |
| <b>Accrued Liabilities</b>  |   |  |
| Bank overdraft  | 705,216   |  |
| Payables:   |   |  |
| Income dividends Common Shares  | 2,705,996   | 3,192,629  |
| Investment advisory fees  | 358,277   | 389,649  |
| Investments purchased   |   | 8,066,813  |
| Officers and Trustees fees  | 280,813   | 158,997  |
| Interest expense and fees   | 281,336   | 262,276  |
| Variation margin on futures contracts   | 79,531  | 74,813   |
| Other accrued expenses  | 236,386   | 240,119  |
| <b>Total accrued liabilities</b>  | <b>4,647,555</b>  | <b>12,385,296</b>                                      |
| <b>Other Liabilities</b>  |   |  |
| TOB Trust Certificates  | 133,899,769   | 156,696,838  |
| Loan for TOB Trust Certificates   |   | 3,498,775  |
| VRDP Shares, at liquidation value of \$100,000 per share, net of deferred offering costs <sup>3,4</sup> | 274,187,674   |  |
| VMTP Shares, at liquidation value of \$100,000 per share <sup>3,4</sup>                                 |   | 243,800,000  |
| <b>Total other liabilities</b>  | <b>408,087,443</b>  | <b>403,995,613</b>                                     |
| <b>Total liabilities</b>  | <b>412,734,998</b>  | <b>416,380,909</b>                                     |
| <b>Net Assets Applicable to Common Shareholders</b>   | <b>\$ 554,055,930</b>   | <b>\$ 620,620,294</b>                                  |
| <b>Net Assets Applicable to Common Shareholders Consist of</b>  |   |  |
| Paid-in capital <sup>5,6,7</sup>  | \$ 526,483,427  | \$ 586,818,502   |
| Undistributed net investment income   | 7,395,404   | 4,643,836  |
| Accumulated net realized loss   | (32,222,975)  | (30,668,502)   |
| Net unrealized appreciation (depreciation)  | 52,400,074  | 59,826,458   |
| <b>Net Assets Applicable to Common Shareholders</b>   | <b>\$ 554,055,930</b>   | <b>\$ 620,620,294</b>                                  |
| Net asset value per Common Share  | \$ 14.64  | \$ 9.62  |
| <sup>1</sup> Investments at cost unaffiliated   | \$ 898,565,237  | \$ 954,552,371   |

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|  |            |    |             |
|--|------------|----|-------------|
| <sup>2</sup> Investments at cost - affiliated  |            | \$ | 4,051,406   |
| <sup>3</sup> Preferred Shares outstanding, par value \$0.001 per share                       | 2,746      |    | 2,438       |
| <sup>4</sup> Preferred Shares authorized, including Auction Market Preferred Shares ( AMPS ) | 1,000,000  |    | 10,000,000  |
| <sup>5</sup> Par value per Common Share  | \$ 0.10    | \$ | 0.10        |
| <sup>6</sup> Common Shares outstanding   | 37,846,094 |    | 64,497,606  |
| <sup>7</sup> Common Shares authorized  | unlimited  |    | 150,000,000 |

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

57



## Statements of Operations

|   | <b>BlackRock<br/>Municipal<br/>Bond Trust<br/>(BBK)</b> | <b>BlackRock<br/>Municipal Income<br/>Investment<br/>Quality Trust<br/>(BAF)</b> | <b>BlackRock<br/>Municipal Income<br/>Quality Trust<br/>(BYM)</b> | <b>BlackRock<br/>Municipal<br/>Income Trust II<br/>(BLE)</b> |
|---|---|--|---|--|
| <b>Six Months Ended February 28, 2017 (Unaudited)</b>   |   |  |   |  |
| <b>Investment Income</b>  |   |  |   |  |
| Interest unaffiliated   | \$ 5,920,030  | \$ 4,852,332   | \$ 13,837,649   | \$ 13,446,860  |
| Dividends affiliated  | 6,585   | 1,039  | 9,516   | 7,565  |
| Total investment income   | 5,926,615   | 4,853,371  | 13,847,165  | 13,454,425   |
| <b>Expenses</b>   |   |  |   |  |
| Investment advisory   | 893,123   | 606,364  | 1,753,812   | 1,592,867  |
| Professional  | 32,261  | 29,693   | 46,664  | 43,489   |
| Accounting services   | 21,521  | 16,428   | 29,718  | 29,718   |
| Rating agency   | 18,968  | 18,905   | 19,066  | 19,090   |
| Transfer agent  | 12,522  | 10,455   | 18,646  | 18,320   |
| Officer and Trustees  | 9,824   | 7,483  | 22,357  | 19,889   |
| Custodian   | 8,475   | 6,534  | 14,322  | 13,768   |
| Registration  | 4,971   | 4,971  | 5,380   | 6,218  |
| Printing  | 4,864   | 4,368  | 6,293   | 6,156  |
| Miscellaneous   | 9,435   | 7,468  | 13,575  | 13,140   |
| Total expenses excluding interest expense, fees and amortization of offering costs            | 1,015,964   | 712,669  | 1,929,833   | 1,762,655  |
| Interest expense, fees and amortization of offering costs <sup>1</sup>                        | 975,170   | 644,766  | 1,808,424   | 1,750,264  |
| Total expenses  | 1,991,134   | 1,357,435  | 3,738,257   | 3,512,919  |
| Less fees waived by the Manager   | (1,114)   | (188)  | (1,727)   | (1,410)  |
| Total expenses after fees waived  | 1,990,020   | 1,357,247  | 3,736,530   | 3,511,509  |
| Net investment income   | 3,936,595   | 3,496,124  | 10,110,635  | 9,942,916  |
| <b>Realized and Unrealized Gain (Loss)</b>  |   |  |   |  |
| Net realized gain (loss) from:  |   |  |   |  |
| Investments unaffiliated  | 1,920,880   | (250,626)  | (576,188)   | (1,976,012)  |
| Investments affiliated  | 570   | 157  | 847   | 648  |
| Futures contracts   | 1,024,535   | 515,440  | 1,894,502   | 1,356,784  |
| Capital gain distributions from investment companies affiliated                               | 396   |  | 3,475   | 149  |
|   | 2,946,381   | 264,971  | 1,322,636   | (618,431)  |
| Net change in unrealized appreciation (depreciation) on:                                      |   |  |   |  |
| Investments unaffiliated  | (21,616,375)  | (10,291,555)   | (35,296,696)  | (27,005,804)   |
| Investments affiliated  | 19  | 22   | 391   | 323  |
| Futures contracts   | (95,168)  | (40,489)   | (185,324)   | (130,999)  |
|   | (21,711,524)  | (10,332,022)   | (35,481,629)  | (27,136,480)   |
| Net realized and unrealized loss  | (18,765,143)  | (10,067,051)   | (34,158,993)  | (27,754,911)   |
| <b>Net Decrease in Net Assets Applicable to Common Shareholders Resulting from Operations</b> | <b>\$ (14,828,548)</b>                                  | <b>\$ (6,570,927)</b>  | <b>\$ (24,048,358)</b>  | <b>\$ (17,811,995)</b>                                       |

<sup>1</sup> Related to TOB Trusts and/or VMTP Shares.

See Notes to Financial Statements.

58

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

## Statements of Operations

|   | <b>BlackRock<br/>MuniHoldings<br/>Investment<br/>Quality Fund<br/>(MFL)</b> | <b>BlackRock<br/>MuniVest<br/>Fund, Inc.<br/>(MVF)</b> |
|---|---|--|
| <b>Six Months Ended February 28, 2017 (Unaudited)</b>   |   |  |
| <b>Investment Income</b>  |   |  |
| Interest unaffiliated   | \$ 20,655,028   | \$ 24,091,284  |
| Dividends affiliated  | 9,655   | 22,402   |
| Total investment income   | 20,664,683  | 24,113,686   |
| <b>Expenses</b>   |   |  |
| Investment advisory   | 2,658,405   | 2,564,725  |
| Professional  | 62,669  | 64,267   |
| Accounting services   | 55,932  | 57,706   |
| Rating agency   | 19,299  | 19,247   |
| Transfer agent  | 23,379  | 27,661   |
| Officer and Trustees  | 44,040  | 38,745   |
| Custodian   | 19,915  | 21,364   |
| Registration  | 7,705   | 16,993   |
| Printing  | 7,641   | 7,939  |
| Remarketing fees on Preferred Shares  | 13,617  |  |
| Liquidity fees  | 13,868  |  |
| Miscellaneous   | 18,609  | 19,397   |
| Total expenses excluding interest expense, fees and amortization of offering costs            | 2,945,079   | 2,838,044  |
| Interest expense, fees and amortization of offering costs <sup>1</sup>                        | 3,031,221   | 3,075,106  |
| Total expenses  | 5,976,300   | 5,913,150  |
| Less fees waived by the Manager   | (283,413)   | (4,118)  |
| Total expenses after fees waived  | 5,692,887   | 5,909,032  |
| Net investment income   | 14,971,796  | 18,204,654   |
| <b>Realized and Unrealized Gain (Loss)</b>  |   |  |
| Net realized gain (loss) from:  |   |  |
| Investments unaffiliated  | 1,445,143   | (2,907,700)  |
| Investments affiliated  | 1,349   | 1,400  |
| Futures contracts   | 2,220,727   | 1,578,304  |
| Capital gain distributions from investment companies affiliated                               | 441   | 5,340  |
|   | 3,667,660   | (1,322,656)  |
| Net change in unrealized appreciation (depreciation) on:                                      |   |  |
| Investments unaffiliated  | (48,443,774)  | (45,987,364)   |
| Investments affiliated  |   | 591  |
| Futures contracts   | (218,551)   | (226,209)  |
|   | (48,662,325)  | (46,212,982)   |
| Net realized and unrealized loss  | (44,994,665)  | (47,535,638)   |
| <b>Net Decrease in Net Assets Applicable to Common Shareholders Resulting from Operations</b> | <b>\$ (30,022,869)</b>  | <b>\$ (29,330,984)</b>                                 |

<sup>1</sup> Related to TOB Trusts, VMTP Shares and/or VRDP Shares.

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

59

## Statements of Changes in Net Assets

|   | BlackRock Municipal<br>Bond Trust (BBK)                 |                                  | BlackRock Municipal<br>Income<br>Investment Quality Trust<br>(BAF) |                                  |
|---|---|----------------------------------|--|----------------------------------|
|   | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) | Year Ended<br>August 31,<br>2016 | Six Months Ended<br>February 28,<br>2017<br>(Unaudited)            | Year Ended<br>August 31,<br>2016 |
| <b>Increase (Decrease) in Net Assets Applicable to Common Shareholders:</b>                       |   |                                  |  |                                  |
| <b>Operations</b>   |   |                                  |  |                                  |
| Net investment income   | \$ 3,936,595  | \$ 9,337,529                     | \$ 3,496,124   | \$ 7,223,541                     |
| Net realized gain   | 2,946,381   | 2,455,647                        | 264,971  | 265,592                          |
| Net change in unrealized appreciation (depreciation)  | (21,711,524)  | 12,451,415                       | (10,332,022)   | 6,427,068                        |
| Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations | (14,828,548)  | 24,244,591                       | (6,570,927)  | 13,916,201                       |
| <b>Distributions to Common Shareholders<sup>1</sup></b>   |   |                                  |  |                                  |
| From net investment income  | (4,733,915)   | (9,449,507)                      | (3,596,011)  | (7,192,022)                      |
| From net realized gain  | (4,092,513)   | (153,110)                        |  |                                  |
| Decrease in net assets resulting from distributions to Common Shareholders                        | (8,826,428)   | (9,602,617)                      | (3,596,011)  | (7,192,022)                      |
| <b>Capital Share Transactions</b>   |   |                                  |  |                                  |
| Reinvestment of common distributions  | 83,910  | 101,508                          |  |                                  |
| <b>Net Assets Applicable to Common Shareholders</b>   |   |                                  |  |                                  |
| Total increase (decrease) in net assets applicable to Common Shareholders                         | (23,571,066)  | 14,743,482                       | (10,166,938)   | 6,724,179                        |
| Beginning of period   | 188,106,759   | 173,363,277                      | 144,926,900  | 138,202,721                      |
| End of period   | \$ 164,535,693  | \$ 188,106,759                   | \$ 134,759,962   | \$ 144,926,900                   |
| Undistributed net investment income, end of period  | \$ 1,697,728  | \$ 2,495,048                     | \$ 1,581,249   | \$ 1,681,136                     |

|   | BlackRock Municipal<br>Income<br>Quality Trust (BYM)    |                                  | BlackRock Municipal<br>Income<br>Trust II (BLE)         |                                  |
|---|---|----------------------------------|---|----------------------------------|
|   | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) | Year Ended<br>August 31,<br>2016 | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) | Year Ended<br>August 31,<br>2016 |
| <b>Increase (Decrease) in Net Assets Applicable to Common Shareholders:</b>                       |   |                                  |   |                                  |
| <b>Operations</b>   |   |                                  |   |                                  |
| Net investment income   | \$ 10,110,635   | \$ 21,546,402                    | \$ 9,942,916  | \$ 21,726,079                    |
| Net realized gain (loss)  | 1,322,636   | (331,103)                        | (618,431)   | 115,722                          |
| Net change in unrealized appreciation (depreciation)  | (35,481,629)  | 27,620,933                       | (27,136,480)  | 20,413,932                       |
| Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations | (24,048,358)  | 48,836,232                       | (17,811,995)  | 42,255,733                       |
| <b>Distributions to Common Shareholders<sup>1</sup></b>   |   |                                  |   |                                  |
| From net investment income  | (10,456,884)  | (21,983,222)                     | (10,440,412)  | (21,868,068)                     |

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**Capital Share Transactions**

|                                      |  |  |         |         |
|--------------------------------------|--|--|---------|---------|
| Reinvestment of common distributions |  |  | 155,278 | 316,581 |
|--------------------------------------|--|--|---------|---------|

**Net Assets Applicable to Common Shareholders**

|   |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| Total increase (decrease) in net assets applicable to Common Shareholders | (34,505,242)   | 26,853,010     | (28,097,129)   | 20,704,246     |
| Beginning of period   | 428,389,098    | 401,536,088    | 378,572,324    | 357,868,078    |
| End of period   | \$ 393,883,856 | \$ 428,389,098 | \$ 350,475,195 | \$ 378,572,324 |
| Undistributed net investment income, end of period                        | \$ 2,999,995   | \$ 3,346,244   | \$ 3,230,550   | \$ 3,728,046   |

<sup>1</sup> Distributions for annual periods determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

## Statements of Changes in Net Assets

|   | BlackRock MuniHoldings<br>Investment Quality Fund<br>(MFL) |                                  | BlackRock MuniVest<br>Fund, Inc. (MVF)                  |                                  |
|---|--|----------------------------------|---|----------------------------------|
|   | Six Months Ended<br>February 28,<br>2017<br>(Unaudited)    | Year Ended<br>August 31,<br>2016 | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) | Year Ended<br>August 31,<br>2016 |
| <b>Increase (Decrease) in Net Assets Applicable to Common Shareholders:</b>                       |  |                                  |   |                                  |
| <b>Operations</b>   |  |                                  |   |                                  |
| Net investment income   | \$ 14,971,796  | \$ 32,591,123                    | \$ 18,204,654   | \$ 38,991,048                    |
| Net realized gain (loss)  | 3,667,660  | 6,297,723                        | (1,322,656)   | 1,172,461                        |
| Net change in unrealized appreciation (depreciation)  | (48,662,325)   | 19,383,609                       | (46,212,982)  | 21,955,766                       |
| Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations | (30,022,869)   | 58,272,455                       | (29,330,984)  | 62,119,275                       |
| <b>Distributions to Common Shareholders<sup>1</sup></b>   |  |                                  |   |                                  |
| From net investment income  | (16,231,914)   | (32,440,515)                     | (19,158,951)  | (40,498,987)                     |
| <b>Capital Share Transactions</b>   |  |                                  |   |                                  |
| Reinvestment of common distributions  | 380,445  | 212,833                          | 1,520,964   | 3,079,538                        |
| <b>Net Assets Applicable to Common Shareholders</b>   |  |                                  |   |                                  |
| Total increase (decrease) in net assets applicable to Common Shareholders                         | (45,874,338)   | 26,044,773                       | (46,968,971)  | 24,699,826                       |
| Beginning of period   | 599,930,268  | 573,885,495                      | 667,589,265   | 642,889,439                      |
| End of period   | \$ 554,055,930   | \$ 599,930,268                   | \$ 620,620,294  | \$ 667,589,265                   |
| Undistributed net investment income, end of period  | \$ 7,395,404   | \$ 8,655,522                     | \$ 4,643,836  | \$ 5,598,133                     |

<sup>1</sup> Distributions for annual periods determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

## Statements of Cash Flows

|   | <b>BlackRock<br/>Municipal<br/>Bond Trust<br/>(BBK)</b> | <b>BlackRock<br/>Municipal<br/>Income<br/>Investment<br/>Quality Trust<br/>(BAF)</b> | <b>BlackRock<br/>Municipal<br/>Income Quality<br/>Trust<br/>(BYM)</b> | <b>BlackRock<br/>Municipal<br/>Income Trust II<br/>(BLE)</b> |
|---|---|--|---|--|
| <b>Six Months Ended February 28, 2017 (Unaudited)</b>   |   |  |   |  |
| <b>Cash Provided by (Used for) Operating Activities</b>   |   |  |   |  |
| Net decrease in net assets resulting from operations  | \$ (14,828,548)   | \$ (6,570,927)   | \$ (24,048,358)   | \$ (17,811,995)  |
| Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided by operating activities: |   |  |   |  |
| Proceeds from sales of long-term investments  | 58,093,932  | 35,547,805   | 53,408,183  | 34,017,610   |
| Purchases of long-term investments  | (52,828,381)  | (39,221,245)   | (53,466,314)  | (30,545,100)   |
| Net proceeds from sales (purchases) of short-term securities  | 1,952,482   | 481,843  | (6,240,451)   | 1,000,861  |
| Amortization of premium and accretion of discount on investments and other fees   | (247,662)   | 466,893  | (229,962)   | 450,620  |
| Net realized (gain) loss on investments   | (1,921,450)   | 250,469  | 575,341   | 1,975,364  |
| Net unrealized loss on investments  | 21,616,356  | 10,291,533   | 35,296,305  | 27,005,481   |
| <b>(Increase) Decrease in Assets:</b>   |   |  |   |  |
| Cash pledged for futures contracts  | (419,000)   | (238,000)  | (877,000)   | (594,000)  |
| Receivables:  |   |  |   |  |
| Interest unaffiliated   | 111,835   | (24,917)   | (38,844)  | 84,076   |
| Dividends affiliated  | 36  | (25)   | (72)  | 150  |
| Variation margin on futures contracts   | (3,522)   | (5,062)  | (10,155)  | (11,258)   |
| Prepaid expenses  | 11,045  | 11,775   | 6,490   | 18,130   |
| <b>Increase (Decrease) in Liabilities:</b>  |   |  |   |  |
| Payables:   |   |  |   |  |
| Investment advisory fees  | (185,217)   | (117,900)  | (349,706)   | (321,001)  |
| Interest expense and fees   | 17,838  | 22,301   | 67,562  | 35,369   |
| Officers and Trustees fees  | 192   | (132)  | (124)   | (63)   |
| Variation margin on futures contracts   | 31,704  | 13,438   | 52,891  | 40,500   |
| Other accrued expenses  | 21,427  | 12,221   | 26,389  | 41,266   |
| Net cash provided by operating activities   | 11,423,067  | 920,070  | 4,172,175   | 15,386,010   |
| <b>Cash Provided by (Used for) Financing Activities</b>   |   |  |   |  |
| Proceeds from TOB Trust Certificates  |   | 10,756,633   | 17,442,682  | 3,945,479  |
| Repayments of TOB Trust Certificates  | (2,650,383)   | (9,548,930)  | (13,317,036)  | (9,002,300)  |
| Proceeds from Loan for TOB Trust Certificates   |   | 7,275,762  | 3,609,005   |  |
| Repayments of Loan for TOB Trust Certificates   |   | (5,776,287)  | (1,359,792)   | (33,182)   |
| Cash dividends paid to Common Shareholders  | (8,742,146)   | (3,596,011)  | (10,456,884)  | (10,284,402)   |
| Net cash used for financing activities  | (11,392,529)  | (888,833)  | (4,082,025)   | (15,374,405)   |
| <b>Cash</b>   |   |  |   |  |
| Net increase in cash  | 30,538  | 31,237   | 90,150  | 11,605   |
| Cash at beginning of period   |   |  |   | 5,000  |
| Cash at end of period   | \$ 30,538   | \$ 31,237  | \$ 90,150   | \$ 16,605  |
| <b>Supplemental Disclosure of Cash Flow Information</b>   |   |  |   |  |
| Cash paid during the period for interest expense  | \$ 957,332  | \$ 622,465   | \$ 1,740,862  | \$ 1,714,895   |
| <b>Non-Cash Financing Activities</b>  |   |  |   |  |
| Capital shares issued in reinvestment of distributions paid to Common Shareholders  | \$ 83,910   |  |   | \$ 155,278   |



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See Notes to Financial Statements.

62

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

## Statements of Cash Flows

|   | <b>BlackRock<br/>MuniHoldings<br/>Investment<br/>Quality Fund<br/>(MFL)</b> | <b>BlackRock<br/>MuniVest<br/>Fund, Inc.<br/>(MVF)</b> |
|---|---|--|
| <b>Six Months Ended February 28, 2017 (Unaudited)</b>   |   |  |
| <b>Cash Provided by (Used for) Operating Activities</b>   |   |  |
| Net decrease in net assets resulting from operations  | \$ (30,022,869)   | \$ (29,330,984)  |
| Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided by operating activities: |   |  |
| Proceeds from sales of long-term investments  | 103,475,873   | 113,309,546  |
| Purchases of long-term investments  | (122,102,068)   | (112,683,629)  |
| Net proceeds from sales of short-term securities  | 3,478,041   | 2,802,242  |
| Amortization of premium and accretion of discount on investments and other fees   | 2,318,056   | 1,016,509  |
| Net realized (gain) loss on investments   | (1,446,492)   | 2,906,300  |
| Net unrealized loss on investments  | 48,443,774  | 45,986,773   |
| <b>(Increase) Decrease in Assets:</b>   |   |  |
| Cash pledged for futures contracts  | (1,257,000)   | (1,124,000)  |
| Receivables:  |   |  |
| Interest unaffiliated   | (138,668)   | 353,466  |
| Dividends affiliated  | 242   | 208  |
| Variation margin on futures contracts   | (19,519)  | (19,155)   |
| Prepaid expenses  | 354   | 23,608   |
| <b>Increase (Decrease) in Liabilities:</b>  |   |  |
| Payables:   |   |  |
| Investment advisory fees  | (503,164)   | (515,966)  |
| Interest expense and fees   | 130,232   | 75,045   |
| Officers and Trustees fees  | 11,100  | (4,308)  |
| Variation margin on futures contracts   | 69,578  | 64,829   |
| Other accrued expenses  | 85,157  | 49,260   |
| Net cash provided by operating activities   | 2,522,627   | 22,909,744   |
| <b>Cash Provided by (Used for) Financing Activities</b>   |   |  |
| Proceeds from TOB Trust Certificates  | 17,802,507  | 15,055,964   |
| Repayments of TOB Trust Certificates  | (5,189,065)   | (23,801,541)   |
| Proceeds from Loan for TOB Trust Certificates   | 4,920,075   | 3,498,775  |
| Repayments of Loan for TOB Trust Certificates   | (4,920,075)   |  |
| Cash dividends paid to Common Shareholders  | (15,849,683)  | (17,630,386)   |
| Increase in bank overdraft  | 705,216   |  |
| Amortization of deferred offering costs   | 8,398   |  |
| Net cash used for financing activities  | (2,522,627)   | (22,877,188)   |
| <b>Cash</b>   |   |  |
| Net increase in cash  |   | 32,556   |
| Cash at beginning of period   |   |  |
| Cash at end of period   |   | \$ 32,556  |
| <b>Supplemental Disclosure of Cash Flow Information</b>   |   |  |
| Cash paid during the period for interest expense  | \$ 2,892,591  | \$ 3,000,061   |
| <b>Non-Cash Financing Activities</b>  |   |  |
| Capital shares issued in reinvestment of distributions paid to Common Shareholders  | \$ 380,445  | \$ 1,520,964   |

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See Notes to Financial Statements.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

63

## Financial Highlights

## BlackRock Municipal Bond Trust (BBK)

|   | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) |            | Year Ended August 31, |                    |            |                      |
|---|---|------------|-----------------------|--------------------|------------|----------------------|
|   | 2016  | 2015       | 2014                  | 2013               | 2012       |                      |
| <b>Per Share Operating Performance</b>  |   |            |                       |                    |            |                      |
| Net asset value, beginning of period  | \$ 17.89  | \$ 16.49   | \$ 16.54              | \$ 14.18           | \$ 16.79   | \$ 14.48             |
| Net investment income <sup>1</sup>  | 0.37  | 0.89       | 0.90                  | 0.97               | 0.96       | 1.01                 |
| Net realized and unrealized gain (loss)   | (1.78)  | 1.42       | 0.03                  | 2.43               | (2.46)     | 2.37                 |
| Distributions to AMPS Shareholders from net investment income   |   |            |                       |                    |            | (0.01)               |
| Net increase (decrease) from investment operations  | (1.41)  | 2.31       | 0.93                  | 3.40               | (1.50)     | 3.37                 |
| Distributions to Common Shareholders: <sup>2</sup>  |   |            |                       |                    |            |                      |
| From net investment income  | (0.45)  | (0.90)     | (0.98)                | (0.96)             | (0.97)     | (1.06)               |
| From net realized gain  | (0.39)  | (0.01)     |                       | (0.08)             | (0.14)     |                      |
| Total distributions to Common Shareholders  | (0.84)  | (0.91)     | (0.98)                | (1.04)             | (1.11)     | (1.06)               |
| Net asset value, end of period  | \$ 15.64  | \$ 17.89   | \$ 16.49              | \$ 16.54           | \$ 14.18   | \$ 16.79             |
| Market price, end of period   | \$ 15.55  | \$ 18.22   | \$ 15.23              | \$ 15.59           | \$ 13.49   | \$ 17.16             |
| <b>Total Return Applicable to Common Shareholders<sup>3</sup></b>   |   |            |                       |                    |            |                      |
| Based on net asset value  | (7.82)% <sup>4</sup>                                    | 14.53%     | 5.96%                 | 25.27%             | (9.52)%    | 23.96%               |
| Based on market price   | (10.01)% <sup>4</sup>                                   | 26.29%     | 3.83%                 | 24.11%             | (15.78)%   | 23.45%               |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>   |   |            |                       |                    |            |                      |
| Total expenses  | 2.33% <sup>5</sup>                                      | 1.78%      | 1.73%                 | 1.84% <sup>7</sup> | 1.82%      | 1.69% <sup>6</sup>   |
| Total expenses after fees waived and paid indirectly  | 2.33% <sup>5</sup>                                      | 1.77%      | 1.73%                 | 1.84% <sup>7</sup> | 1.82%      | 1.64% <sup>6</sup>   |
| Total expenses after fees waived and paid indirectly and excluding interest expense, fees and amortization of offering costs <sup>7</sup> | 1.19% <sup>5</sup>                                      | 1.16%      | 1.16%                 | 1.19%              | 1.17%      | 1.18% <sup>6,8</sup> |
| Net investment income   | 4.60% <sup>5</sup>                                      | 5.18%      | 5.41%                 | 6.29%              | 5.85%      | 6.39% <sup>6</sup>   |
| Distributions to AMPS Shareholders  |   |            |                       |                    |            | 0.04%                |
| Net investment income to Common Shareholders  | 4.60% <sup>5</sup>                                      | 5.18%      | 5.41%                 | 6.29%              | 5.85%      | 6.35%                |
| <b>Supplemental Data</b>  |   |            |                       |                    |            |                      |
| Net assets applicable to Common Shareholders, end of period (000)   | \$ 164,536  | \$ 188,107 | \$ 173,363            | \$ 173,798         | \$ 149,003 | \$ 176,216           |
| VMTP Shares outstanding at \$100,000 liquidation value, end of period (000)   | \$ 79,900   | \$ 79,900  | \$ 79,900             | \$ 79,900          | \$ 79,900  | \$ 79,900            |
| Asset coverage per VMTP Shares at \$100,000 liquidation value, end of period  | \$ 305,927  | \$ 335,428 | \$ 316,975            | \$ 317,520         | \$ 286,487 | \$ 320,545           |
| Borrowings outstanding, end of period (000)   | \$ 22,404   | \$ 25,054  | \$ 19,495             | \$ 19,495          | \$ 17,039  | \$ 14,489            |

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|                         |     |     |     |     |     |     |
|-------------------------|-----|-----|-----|-----|-----|-----|
| Portfolio turnover rate | 19% | 29% | 34% | 32% | 32% | 46% |
|-------------------------|-----|-----|-----|-----|-----|-----|

- <sup>1</sup> Based on average Common Shares outstanding.
- <sup>2</sup> Distributions for annual periods determined in accordance with federal income tax regulations.
- <sup>3</sup> Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
- <sup>4</sup> Aggregate total return.
- <sup>5</sup> Annualized.
- <sup>6</sup> Does not reflect the effect of distributions to AMPS Shareholders.
- <sup>7</sup> Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VMTP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.
- <sup>8</sup> For the year ended August 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 1.16%.

See Notes to Financial Statements.

64 SEMI-ANNUAL REPORT FEBRUARY 28, 2017

## Financial Highlights

BlackRock Municipal Income Investment Quality Trust  
(BAF)

|   | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) |            | Year Ended August 31, |            |            |                      |
|---|---|------------|-----------------------|------------|------------|----------------------|
|   | 2016  | 2015       | 2014                  | 2013       | 2012       |                      |
| <b>Per Share Operating Performance</b>  |   |            |                       |            |            |                      |
| Net asset value, beginning of period  | \$ 16.56  | \$ 15.80   | \$ 15.97              | \$ 13.83   | \$ 16.53   | \$ 14.50             |
| Net investment income <sup>1</sup>  | 0.40  | 0.83       | 0.83                  | 0.83       | 0.81       | 0.83                 |
| Net realized and unrealized gain (loss)   | (1.15)  | 0.75       | (0.18)                | 2.13       | (2.68)     | 2.09                 |
| Distributions to AMPS Shareholders from net investment income   |   |            |                       |            |            | (0.00) <sup>2</sup>  |
| Net increase (decrease) from investment operations  | (0.75)  | 1.58       | 0.65                  | 2.96       | (1.87)     | 2.92                 |
| Distributions to Common Shareholders from net investment income <sup>3</sup>  | (0.41)  | (0.82)     | (0.82)                | (0.82)     | (0.83)     | (0.89)               |
| Net asset value, end of period  | \$ 15.40  | \$ 16.56   | \$ 15.80              | \$ 15.97   | \$ 13.83   | \$ 16.53             |
| Market price, end of period   | \$ 14.50  | \$ 15.79   | \$ 13.89              | \$ 14.18   | \$ 12.82   | \$ 16.24             |
| <b>Total Return Applicable to Common Shareholders<sup>4</sup></b>   |   |            |                       |            |            |                      |
| Based on net asset value  | (4.36)% <sup>5</sup>                                    | 10.57%     | 4.71%                 | 22.67%     | (11.69)%   | 20.76%               |
| Based on market price   | (5.56)% <sup>5</sup>                                    | 19.92%     | 3.68%                 | 17.50%     | (16.68)%   | 23.59%               |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>   |   |            |                       |            |            |                      |
| Total expenses  | 1.99% <sup>6</sup>                                      | 1.61%      | 1.50%                 | 1.58%      | 1.63%      | 1.49% <sup>7</sup>   |
| Total expenses after fees waived and paid indirectly  | 1.99% <sup>6</sup>                                      | 1.61%      | 1.50%                 | 1.58%      | 1.63%      | 1.49% <sup>7</sup>   |
| Total expenses after fees waived and paid indirectly and excluding interest expense, fees and amortization of offering costs <sup>8</sup> | 1.05% <sup>6</sup>                                      | 1.01%      | 1.00%                 | 1.03%      | 1.03%      | 1.06% <sup>7,9</sup> |
| Net investment income   | 5.13% <sup>6</sup>                                      | 5.09%      | 5.16%                 | 5.56%      | 5.02%      | 5.31% <sup>7</sup>   |
| Distributions to AMPS Shareholders  |   |            |                       |            |            | 0.02%                |
| Net investment income to Common Shareholders  | 5.13% <sup>6</sup>                                      | 5.09%      | 5.16%                 | 5.56%      | 5.02%      | 5.29%                |
| <b>Supplemental Data</b>  |   |            |                       |            |            |                      |
| Net assets applicable to Common Shareholders, end of period (000)   | \$ 134,760  | \$ 144,927 | \$ 138,203            | \$ 139,723 | \$ 120,962 | \$ 144,587           |
| VMTP Shares outstanding at \$100,000 liquidation value, end of period (000)   | \$ 42,200   | \$ 42,200  | \$ 42,200             | \$ 42,200  | \$ 42,200  | \$ 42,200            |
| Asset coverage per VMTP Shares at \$100,000 liquidation value, end of period  | \$ 419,336  | \$ 443,429 | \$ 427,495            | \$ 431,097 | \$ 386,639 | \$ 442,624           |
| Borrowings outstanding, end of period (000)   | \$ 44,797   | \$ 42,089  | \$ 33,470             | \$ 32,345  | \$ 33,845  | \$ 36,497            |
| Portfolio turnover rate   | 15%   | 29%        | 13%                   | 26%        | 43%        | 51%                  |

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- <sup>1</sup> Based on average Common Shares outstanding.
- <sup>2</sup> Amount is greater than \$(0.005) per share.
- <sup>3</sup> Distributions for annual periods determined in accordance with federal income tax regulations.
- <sup>4</sup> Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
- <sup>5</sup> Aggregate total return.
- <sup>6</sup> Annualized.
- <sup>7</sup> Does not reflect the effect of distributions to AMPS Shareholders.
- <sup>8</sup> Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VMTP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.
- <sup>9</sup> For the year ended August 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 1.05%.

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

65

## Financial Highlights

## BlackRock Municipal Income Quality Trust (BYM)

|   | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) |            | Year Ended August 31, |            |            |                      |
|---|---|------------|-----------------------|------------|------------|----------------------|
|   | 2016  | 2015       | 2014                  | 2013       | 2012       |                      |
| <b>Per Share Operating Performance</b>  |   |            |                       |            |            |                      |
| Net asset value, beginning of period  | \$ 16.22  | \$ 15.21   | \$ 15.56              | \$ 13.46   | \$ 16.11   | \$ 14.09             |
| Net investment income <sup>1</sup>  | 0.38  | 0.82       | 0.84                  | 0.86       | 0.91       | 0.93                 |
| Net realized and unrealized gain (loss)   | (1.28)  | 1.02       | (0.33)                | 2.16       | (2.62)     | 2.02                 |
| Distributions to AMPS Shareholders from net investment income   |   |            |                       |            |            | (0.00) <sup>2</sup>  |
| Net increase (decrease) from investment operations  | (0.90)  | 1.84       | 0.51                  | 3.02       | (1.71)     | 2.95                 |
| Distributions to Common Shareholders from net investment income <sup>3</sup>  | (0.40)  | (0.83)     | (0.86)                | (0.92)     | (0.94)     | (0.93)               |
| Net asset value, end of period  | \$ 14.92  | \$ 16.22   | \$ 15.21              | \$ 15.56   | \$ 13.46   | \$ 16.11             |
| Market price, end of period   | \$ 14.04  | \$ 15.55   | \$ 13.67              | \$ 13.96   | \$ 12.59   | \$ 16.73             |
| <b>Total Return Applicable to Common Shareholders<sup>4</sup></b>   |   |            |                       |            |            |                      |
| Based on net asset value  | (5.44)% <sup>5</sup>                                    | 12.71%     | 3.85%                 | 23.69%     | (11.13)%   | 21.54%               |
| Based on market price   | (7.19)% <sup>5</sup>                                    | 20.23%     | 4.03%                 | 18.65%     | (19.96)%   | 28.40%               |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>   |   |            |                       |            |            |                      |
| Total expenses  | 1.86% <sup>6</sup>                                      | 1.56%      | 1.47%                 | 1.55%      | 1.55%      | 1.46% <sup>7</sup>   |
| Total expenses after fees waived and paid indirectly  | 1.86% <sup>6</sup>                                      | 1.56%      | 1.47%                 | 1.55%      | 1.55%      | 1.46% <sup>7</sup>   |
| Total expenses after fees waived and paid indirectly and excluding interest expense, fees and amortization of offering costs <sup>8</sup> | 0.96% <sup>6</sup>                                      | 0.95%      | 0.96%                 | 0.98%      | 0.96%      | 1.00% <sup>7,9</sup> |
| Net investment income   | 5.04% <sup>6</sup>                                      | 5.19%      | 5.42%                 | 5.89%      | 5.77%      | 6.12% <sup>7</sup>   |
| Distributions to AMPS Shareholders  |   |            |                       |            |            | 0.03%                |
| Net investment income to Common Shareholders  | 5.04% <sup>6</sup>                                      | 5.19%      | 5.42%                 | 5.89%      | 5.77%      | 6.09%                |
| <b>Supplemental Data</b>  |   |            |                       |            |            |                      |
| Net assets applicable to Common Shareholders, end of period (000)   | \$ 393,884  | \$ 428,389 | \$ 401,536            | \$ 410,776 | \$ 355,372 | \$ 424,785           |
| VMTP Shares outstanding at \$100,000 liquidation value, end of period (000)   | \$ 137,200  | \$ 137,200 | \$ 137,200            | \$ 137,200 | \$ 137,200 | \$ 137,200           |
| Asset coverage per VMTP Shares at \$100,000 liquidation value, end of period  | \$ 387,087  | \$ 412,237 | \$ 392,665            | \$ 399,399 | \$ 359,018 | \$ 409,610           |
| Borrowings outstanding, end of period (000)   | \$ 112,195  | \$ 100,250 | \$ 101,818            | \$ 93,816  | \$ 114,948 | \$ 105,454           |
| Portfolio turnover rate   | 8%  | 10%        | 12%                   | 20%        | 24%        | 17%                  |



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- <sup>1</sup> Based on average Common Shares outstanding.
- <sup>2</sup> Amount is greater than \$(0.005) per share.
- <sup>3</sup> Distributions for annual periods determined in accordance with federal income tax regulations.
- <sup>4</sup> Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
- <sup>5</sup> Aggregate total return.
- <sup>6</sup> Annualized.
- <sup>7</sup> Does not reflect the effect of distributions to AMPS Shareholders.
- <sup>8</sup> Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VMTP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.
- <sup>9</sup> For the year ended August 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.99%.

See Notes to Financial Statements.

## Financial Highlights

BlackRock Municipal Income Trust II (BLE)

|   | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) |            | Year Ended August 31, |            |            |                      |
|---|---|------------|-----------------------|------------|------------|----------------------|
|   | 2016  | 2015       | 2014                  | 2013       | 2012       |                      |
| <b>Per Share Operating Performance</b>  |   |            |                       |            |            |                      |
| Net asset value, beginning of period  | \$ 16.12  | \$ 15.25   | \$ 15.48              | \$ 13.32   | \$ 16.10   | \$ 13.96             |
| Net investment income <sup>1</sup>  | 0.42  | 0.93       | 0.92                  | 0.93       | 0.97       | 1.02                 |
| Net realized and unrealized gain (loss)   | (1.19)  | 0.87       | (0.19)                | 2.22       | (2.72)     | 2.14                 |
| Distributions to AMPS Shareholders from net investment income   |   |            |                       |            |            | (0.01)               |
| Net increase (decrease) from investment operations  | (0.77)  | 1.80       | 0.73                  | 3.15       | (1.75)     | 3.15                 |
| Distributions to Common Shareholders from net investment income <sup>2</sup>  | (0.44)  | (0.93)     | (0.96)                | (0.99)     | (1.03)     | (1.01)               |
| Net asset value, end of period  | \$ 14.91  | \$ 16.12   | \$ 15.25              | \$ 15.48   | \$ 13.32   | \$ 16.10             |
| Market price, end of period   | \$ 14.86  | \$ 16.34   | \$ 14.18              | \$ 14.70   | \$ 13.20   | \$ 16.74             |
| <b>Total Return Applicable to Common Shareholders<sup>3</sup></b>   |   |            |                       |            |            |                      |
| Based on net asset value  | (4.72)% <sup>4</sup>                                    | 12.21%     | 5.01%                 | 24.73%     | (11.60)%   | 23.25%               |
| Based on market price   | (6.32)% <sup>4</sup>                                    | 22.33%     | 2.83%                 | 19.52%     | (15.75)%   | 26.61%               |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>   |   |            |                       |            |            |                      |
| Total expenses  | 1.98% <sup>5</sup>                                      | 1.62%      | 1.55%                 | 1.64%      | 1.67%      | 1.55% <sup>6</sup>   |
| Total expenses after fees waived and paid indirectly  | 1.98% <sup>5</sup>                                      | 1.62%      | 1.55%                 | 1.64%      | 1.67%      | 1.48% <sup>6</sup>   |
| Total expenses after fees waived and paid indirectly and excluding interest expense, fees and amortization of offering costs <sup>7</sup> | 0.99% <sup>5</sup>                                      | 0.98%      | 0.98%                 | 1.01%      | 1.00%      | 0.96% <sup>6,8</sup> |
| Net investment income   | 5.60% <sup>5</sup>                                      | 5.90%      | 5.94%                 | 6.49%      | 6.17%      | 6.74% <sup>6</sup>   |
| Distributions to AMPS Shareholders  |   |            |                       |            |            | 0.03%                |
| Net investment income to Common Shareholders  | 5.60% <sup>5</sup>                                      | 5.90%      | 5.94%                 | 6.49%      | 6.17%      | 6.71%                |
| <b>Supplemental Data</b>  |   |            |                       |            |            |                      |
| Net assets applicable to Common Shareholders, end of period (000)   | \$ 350,475  | \$ 378,572 | \$ 357,868            | \$ 363,038 | \$ 312,329 | \$ 376,774           |
| VMTP Shares outstanding at \$100,000 liquidation value, end of period (000)   | \$ 151,300  | \$ 151,300 | \$ 151,300            | \$ 151,300 | \$ 151,300 | \$ 151,300           |
| Asset coverage per VMTP Shares at \$100,000 liquidation value, end of period  | \$ 331,643  | \$ 350,213 | \$ 336,529            | \$ 339,946 | \$ 306,430 | \$ 349,025           |
| Borrowings outstanding, end of period (000)   | \$ 72,041   | \$ 77,130  | \$ 68,692             | \$ 68,692  | \$ 73,531  | \$ 88,876            |
| Portfolio turnover rate   | 5%  | 7%         | 10%                   | 16%        | 17%        | 24%                  |

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- <sup>1</sup> Based on average Common Shares outstanding.
- <sup>2</sup> Distributions for annual periods determined in accordance with federal income tax regulations.
- <sup>3</sup> Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
- <sup>4</sup> Aggregate total return.
- <sup>5</sup> Annualized.
- <sup>6</sup> Does not reflect the effect of distributions to AMPS Shareholders.
- <sup>7</sup> Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VMTP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.
- <sup>8</sup> For the year ended August 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.94%.

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

67

## Financial Highlights

## BlackRock MuniHoldings Investment Quality Fund (MFL)

|   | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) |                    | Year Ended August 31, |                    |                    |                    |
|---|---|--------------------|-----------------------|--------------------|--------------------|--------------------|
|   | 2016  | 2015               | 2014                  | 2013               | 2012               |                    |
| <b>Per Share Operating Performance</b>  |   |                    |                       |                    |                    |                    |
| Net asset value, beginning of period  | \$ 15.86  | \$ 15.18           | \$ 15.46              | \$ 13.27           | \$ 15.96           | \$ 14.00           |
| Net investment income <sup>1</sup>  | 0.40  | 0.86               | 0.89                  | 0.89               | 0.87               | 0.86               |
| Net realized and unrealized gain (loss)   | (1.19)  | 0.68               | (0.31)                | 2.16               | (2.66)             | 2.02               |
| Net increase (decrease) from investment operations  | (0.79)  | 1.54               | 0.58                  | 3.05               | (1.79)             | 2.88               |
| Distributions to Common Shareholders from net investment income <sup>2</sup>  | (0.43)  | (0.86)             | (0.86)                | (0.86)             | (0.90)             | (0.92)             |
| Net asset value, end of period  | \$ 14.64  | \$ 15.86           | \$ 15.18              | \$ 15.46           | \$ 13.27           | \$ 15.96           |
| Market price, end of period   | \$ 14.48  | \$ 15.86           | \$ 14.06              | \$ 13.92           | \$ 12.59           | \$ 16.13           |
| <b>Total Return Applicable to Common Shareholders<sup>3</sup></b>   |   |                    |                       |                    |                    |                    |
| Based on net asset value  | (4.95)% <sup>4</sup>                                    | 10.56%             | 4.29%                 | 24.24%             | (11.70)%           | 21.22%             |
| Based on market price   | (5.99)% <sup>4</sup>                                    | 19.37%             | 7.28%                 | 17.91%             | (17.11)%           | 23.93%             |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>   |   |                    |                       |                    |                    |                    |
| Total expenses  | 2.13% <sup>5</sup>                                      | 1.65%              | 1.54%                 | 1.64%              | 1.71%              | 1.87%              |
| Total expenses after fees waived and paid indirectly  | 2.03% <sup>5</sup>                                      | 1.60%              | 1.49%                 | 1.57%              | 1.62%              | 1.80%              |
| Total expenses after fees waived and paid indirectly and excluding interest expense, fees and amortization of offering costs <sup>6</sup> | 0.95% <sup>5,7</sup>                                    | 0.94% <sup>7</sup> | 0.95% <sup>7</sup>    | 1.19% <sup>7</sup> | 1.29% <sup>7</sup> | 1.39% <sup>7</sup> |
| Net investment income to Common Shareholders  | 5.33% <sup>5</sup>                                      | 5.54%              | 5.73%                 | 6.18%              | 5.55%              | 5.76%              |
| <b>Supplemental Data</b>  |   |                    |                       |                    |                    |                    |
| Net assets applicable to Common Shareholders, end of period (000)   | \$ 554,056  | \$ 599,930         | \$ 573,885            | \$ 584,690         | \$ 501,810         | \$ 602,780         |
| VRDP Shares outstanding at \$100,000 liquidation value, end of period (000)   | \$ 274,600  | \$ 274,600         | \$ 274,600            | \$ 274,600         | \$ 274,600         | \$ 274,600         |
| Asset coverage per VRDP Shares at \$100,000 liquidation value, end of period  | \$ 301,768  | \$ 318,474         | \$ 308,990            | \$ 312,924         | \$ 282,742         | \$ 319,152         |
| Borrowings outstanding, end of period (000)   | \$ 133,900  | \$ 131,279         | \$ 85,502             | \$ 89,157          | \$ 95,959          | \$ 131,323         |
| Portfolio turnover rate   | 10%   | 27%                | 13%                   | 25%                | 59%                | 44%                |

<sup>1</sup> Based on average Common Shares outstanding.

<sup>2</sup> Distributions for annual periods determined in accordance with federal income tax regulations.

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- <sup>3</sup> Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
- <sup>4</sup> Aggregate total return.
- <sup>5</sup> Annualized.
- <sup>6</sup> Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VRDP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.
- <sup>7</sup> For the six months ended February 28, 2017 and the year ended August 31, 2016, August 31, 2015, August 31, 2014, August 31, 2013 and August 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.94%, 0.93%, 0.94%, 0.95%, 0.92% and 0.99%, respectively.

See Notes to Financial Statements.

## Financial Highlights

BlackRock MuniVest Fund, Inc. (MVF)

|   | Six Months Ended<br>February 28,<br>2017<br>(Unaudited) |            | Year Ended August 31, |            |            |                      |
|---|---|------------|-----------------------|------------|------------|----------------------|
|   | 2016  | 2015       | 2014                  | 2013       | 2012       |                      |
| <b>Per Share Operating Performance</b>  |   |            |                       |            |            |                      |
| Net asset value, beginning of period  | \$ 10.38  | \$ 10.04   | \$ 10.27              | \$ 9.14    | \$ 10.68   | \$ 9.55              |
| Net investment income <sup>1</sup>  | 0.28  | 0.61       | 0.62                  | 0.63       | 0.67       | 0.69                 |
| Net realized and unrealized gain (loss)   | (0.74)  | 0.36       | (0.21)                | 1.18       | (1.50)     | 1.16                 |
| Distributions to AMPS Shareholders from net investment income   |   |            |                       |            |            | (0.01)               |
| Net increase (decrease) from investment operations  | (0.46)  | 0.97       | 0.41                  | 1.81       | (0.83)     | 1.84                 |
| Distributions to Common Shareholders from net investment income <sup>2</sup>  | (0.30)  | (0.63)     | (0.64)                | (0.68)     | (0.71)     | (0.71)               |
| Net asset value, end of period  | \$ 9.62   | \$ 10.38   | \$ 10.04              | \$ 10.27   | \$ 9.14    | \$ 10.68             |
| Market price, end of period   | \$ 10.00  | \$ 10.77   | \$ 9.65               | \$ 9.83    | \$ 8.91    | \$ 11.28             |
| <b>Total Return Applicable to Common Shareholders<sup>3</sup></b>   |   |            |                       |            |            |                      |
| Based on net asset value  | (4.46)% <sup>4</sup>                                    | 9.96%      | 4.27%                 | 20.70%     | (8.39)%    | 19.85%               |
| Based on market price   | (4.28)% <sup>4</sup>                                    | 18.70%     | 4.71%                 | 18.50%     | (15.45)%   | 24.24%               |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>   |   |            |                       |            |            |                      |
| Total expenses  | 1.88% <sup>5</sup>                                      | 1.55%      | 1.43%                 | 1.49%      | 1.54%      | 1.51% <sup>6</sup>   |
| Total expenses after fees waived and paid indirectly  | 1.88% <sup>5</sup>                                      | 1.55%      | 1.43%                 | 1.49%      | 1.54%      | 1.51% <sup>6</sup>   |
| Total expenses after fees waived and paid indirectly and excluding interest expense, fees and amortization of offering costs <sup>7</sup> | 0.90% <sup>5</sup>                                      | 0.89%      | 0.89%                 | 0.91%      | 0.91%      | 0.98% <sup>6,8</sup> |
| Net investment income   | 5.79% <sup>5</sup>                                      | 5.95%      | 6.03%                 | 6.53%      | 6.43%      | 6.79% <sup>6</sup>   |
| Distributions to AMPS Shareholders  |   |            |                       |            |            | 0.05%                |
| Net investment income to Common Shareholders  | 5.79% <sup>5</sup>                                      | 5.95%      | 6.03%                 | 6.53%      | 6.43%      | 6.74%                |
| <b>Supplemental Data</b>  |   |            |                       |            |            |                      |
| Net assets applicable to Common Shareholders, end of period (000)   | \$ 620,620  | \$ 667,589 | \$ 642,889            | \$ 656,922 | \$ 584,718 | \$ 679,207           |
| VMTP Shares outstanding at \$100,000 liquidation value, end of period (000)   | \$ 243,800  | \$ 243,800 | \$ 243,800            | \$ 243,800 | \$ 243,800 | \$ 243,800           |
| Asset coverage per VMTP Shares at \$100,000 liquidation value, end of period  | \$ 354,561  | \$ 373,827 | \$ 363,695            | \$ 369,451 | \$ 339,835 | \$ 378,592           |
| Borrowings outstanding, end of period (000)   | \$ 160,196  | \$ 161,957 | \$ 148,867            | \$ 145,111 | \$ 149,085 | \$ 199,256           |
| Portfolio turnover rate   | 11%   | 13%        | 18%                   | 14%        | 11%        | 11%                  |

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- <sup>1</sup> Based on average Common Shares outstanding.
- <sup>2</sup> Distributions for annual periods determined in accordance with federal income tax regulations.
- <sup>3</sup> Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
- <sup>4</sup> Aggregate total return.
- <sup>5</sup> Annualized.
- <sup>6</sup> Does not reflect the effect of distributions to AMPS Shareholders.
- <sup>7</sup> Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VMTP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.
- <sup>8</sup> For the year ended August 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.96%.

See Notes to Financial Statements.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

69

## Notes to Financial Statements (Unaudited)

### 1. Organization:

The following are registered under the Investment Company Act of 1940, as amended (the 1940 Act), as closed-end management investment companies and are referred to herein collectively as the Trusts, or individually, a Trust:

| Trust Name  | Herein Referred to As | Organized     | Diversification Classification |
|---|-----------------------|---------------|--------------------------------|
| BlackRock Municipal Bond Trust                      | BBK                   | Delaware      | Diversified                    |
| BlackRock Municipal Income Investment Quality Trust | BAF                   | Delaware      | Diversified                    |
| BlackRock Municipal Income Quality Trust            | BYM                   | Delaware      | Diversified                    |
| BlackRock Municipal Income Trust II                 | BLE                   | Delaware      | Diversified                    |
| BlackRock MuniHoldings Investment Quality Fund      | MFL                   | Massachusetts | Diversified                    |
| BlackRock MuniVest Fund, Inc.                       | MVF                   | Maryland      | Diversified                    |

The Boards of Trustees/Directors of the Trusts are collectively referred to throughout this report as the Board of Trustees or the Board, and the trustees thereof are collectively referred to throughout this report as Trustees. The Trusts determine and make available for publication the net asset values ( NAVs ) of their Common Shares on a daily basis.

The Trusts, together with certain other registered investment companies advised by BlackRock Advisors, LLC (the Manager) or its affiliates, are included in a complex of closed-end funds referred to as the Closed-End Complex.

### 2. Significant Accounting Policies:

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ( U.S. GAAP ), which may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. Each Trust is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies. Below is a summary of significant accounting policies:

**Segregation and Collateralization:** In cases where a Trust enters into certain investments (e.g., futures contracts) or certain borrowings (e.g., TOB Trust transactions) that would be treated as senior securities for 1940 Act purposes, a Trust may segregate or designate on its books and records cash or liquid assets having a market value at least equal to the amount of its future obligations under such investments or borrowings. Doing so allows the investment or borrowing to be excluded from treatment as a senior security. Furthermore, if required by an exchange or counterparty agreement, the Trusts may be required to deliver/deposit cash and/or securities to/with an exchange, or broker-dealer or custodian as collateral for certain investments or obligations.

**Investment Transactions and Investment Income:** For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend date. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis.

**Distributions:** Distributions from net investment income are declared monthly and paid monthly. Distributions of capital gains are recorded on the ex-dividend date and made at least annually. The character and timing of distributions are determined in accordance with U.S. federal income tax regulations, which may differ from U.S. GAAP.

Distributions to Preferred Shareholders are accrued and determined as described in Note 10.

**Deferred Compensation Plan:** Under the Deferred Compensation Plan (the Plan) approved by each Trust's Board, the independent Trustees ( Independent Trustees ) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Trustees. This has the same economic effect for the Independent Trustees as if the Independent Trustees had invested the deferred amounts directly in certain other BlackRock Closed-End Funds.



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The Plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Trust, if applicable. Deferred compensation liabilities are included in officer's and trustees' fees payable in the Statements of Assets and Liabilities and will remain as a liability of the Trusts until such amounts are distributed in accordance with the Plan.

Recent Accounting Standard: In November 2016, the Financial Accounting Standards Board issued Accounting Standards Update Restricted Cash which will require entities to include the total of cash, cash equivalents, restricted cash, and restricted cash equivalents in the beginning and ending cash balances in the Statements of Cash Flows. The guidance will be applied retrospectively and is effective for fiscal years beginning after December 15, 2017, and interim periods within those years. Management is evaluating the impact, if any, of this guidance on the Trusts' presentation in the Statements of Cash Flows.

## Notes to Financial Statements (continued)

**Indemnifications:** In the normal course of business, a Trust enters into contracts that contain a variety of representations that provide general indemnification. A Trust's maximum exposure under these arrangements is unknown because it involves future potential claims against a Trust, which cannot be predicted with any certainty.

**Other:** Expenses directly related to a Trust are charged to that Trust. Other operating expenses shared by several funds, including other funds managed by the Manager, are prorated among those funds on the basis of relative net assets or other appropriate methods.

Through May 31, 2016, the Trusts had an arrangement with their custodian whereby credits were earned on uninvested cash balances, which could be used to reduce custody fees and/or overdraft charges. Credits previously earned have been utilized until December 31, 2016. Under current arrangements effective June 1, 2016, the Trusts no longer earn credits on uninvested cash, and may incur charges on uninvested cash balances and overdrafts, subject to certain conditions.

### **3. Investment Valuation and Fair Value Measurements:**

**Investment Valuation Policies:** The Trusts' investments are valued at fair value (also referred to as market value within the financial statements) as of the close of trading on the New York Stock Exchange ( NYSE ) (generally 4:00 p.m., Eastern time). U.S. GAAP defines fair value as the price the Trusts would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Trusts determine the fair values of their financial instruments using various independent dealers or pricing services under policies approved by the Board. The BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee ) is the committee formed by management to develop global pricing policies and procedures and to oversee the pricing function for all financial instruments.

**Fair Value Inputs and Methodologies:** The following methods and inputs are used to establish the fair value of each Trust's assets and liabilities:

Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments.

Investments in open-end U.S. mutual funds are valued at NAV each business day.

Futures contracts traded on exchanges are valued at their last sale price.

If events (e.g., a company announcement, market volatility or a natural disaster) occur that are expected to materially affect the value of such investments, or in the event that the application of these methods of valuation results in a price for an investment that is deemed not to be representative of the market value of such investment, or if a price is not available, the investment will be valued by the Global Valuation Committee, or its delegate, in accordance with a policy approved by the Board as reflecting fair value ( Fair Valued Investments ). The fair valuation approaches that may be used by the Global Valuation Committee will include Market approach, Income approach and the Cost approach. Valuation techniques such as discounted cash flow, use of market comparables and matrix pricing are types of valuation approaches and typically used in determining fair value. When determining the price for Fair Valued Investments, the Global Valuation Committee, or its delegate, seeks to determine the price that each Trust might reasonably expect to receive or pay from the current sale or purchase of that asset or liability in an arm's-length transaction. Fair value determinations shall be based upon all available factors that the Global Valuation Committee, or its delegate, deems relevant and consistent with the principles of fair value measurement. The pricing of all Fair Valued Investments is subsequently reported to the Board or a committee thereof on a quarterly basis.

**Fair Value Hierarchy:** Various inputs are used in determining the fair value of investments and derivative financial instruments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

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Level 1 unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Trust has the ability to access

Level 2 other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs)

Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Trust's own assumptions used in determining the fair value of investments and derivative financial instruments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments classified within Level 3 have significant unobservable inputs used by the Global Valuation Committee in determining the price for Fair

## Notes to Financial Statements (continued)

Valued Investments. Level 3 investments include equity or debt issued by private companies. There may not be a secondary market, and/or there are a limited number of investors. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Global Valuation Committee in the absence of market information.

Changes in valuation techniques may result in transfers into or out of an assigned level within the hierarchy. In accordance with each Trust's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investments and derivative financial instruments and is not necessarily an indication of the risks associated with investing in those securities.

### 4. Securities and Other Investments:

Zero-Coupon Bonds: Zero-coupon bonds are normally issued at a significant discount from face value and do not provide for periodic interest payments. These bonds may experience greater volatility in market value than other debt obligations of similar maturity which provide for regular interest payments.

Forward Commitments and When-Issued Delayed Delivery Securities: Certain Trusts may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such transactions normally occurs within a month or more after the purchase or sale commitment is made. A Trust may purchase securities under such conditions with the intention of actually acquiring them, but may enter into a separate agreement to sell the securities before the settlement date. Since the value of securities purchased may fluctuate prior to settlement, a Trust may be required to pay more at settlement than the security is worth. In addition, a Trust is not entitled to any of the interest earned prior to settlement. When purchasing a security on a delayed delivery basis, a Trust assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations. In the event of default by the counterparty, a Trust's maximum amount of loss is the unrealized appreciation of unsettled when-issued transactions.

Municipal Bonds Transferred to TOB Trusts: Certain Trusts leverage their assets through the use of TOB Trust transactions. The Trusts transfer municipal bonds into a special purpose trust (a TOB Trust). A TOB Trust generally issues two classes of beneficial interests: short-term floating rate interests (TOB Trust Certificates), which are sold to third party investors, and residual inverse floating rate interests (TOB Residuals), which are generally issued to the participating funds that contributed the municipal bonds to the TOB Trust. The TOB Trust Certificates have interest rates that generally reset weekly and their holders have the option to tender such certificates to the TOB Trust for redemption at par and any accrued interest at each reset date. The TOB Residuals held by a Trust generally provide the Trust with the right to cause the holders of a proportional share of the TOB Trust Certificates to tender their certificates to the TOB Trust at par plus accrued interest. The Trusts may withdraw a corresponding share of the municipal bonds from the TOB Trust. Other funds managed by the investment adviser may also contribute municipal bonds to a TOB Trust into which each Trust has contributed bonds. If multiple BlackRock advised funds participate in the same TOB Trust, the economic rights and obligations under the TOB Residuals will be shared among the funds ratably in proportion to their participation in the TOB Trust.

TOB Trusts are generally supported by a liquidity facility provided by a third party bank or other financial institution (the Liquidity Provider) that allows the holders of the TOB Trust Certificates to tender their certificates in exchange for payment of par plus accrued interest on any business day. The tendered TOB Trust Certificates may be purchased by the Liquidity Provider and are usually remarketed by a Remarketing Agent, which is typically an affiliated entity of the Liquidity Provider. The Remarketing Agent may also purchase the tendered TOB Trust Certificates for its own account in the event of a failed remarketing.

The TOB Trust may be collapsed without the consent of a Trust, upon the occurrence of tender option termination events (TOTEs) or mandatory termination events (MTEs), as defined in the TOB Trust agreements. TOTEs include the bankruptcy or default of the issuer of the municipal bonds held in the TOB Trust, a substantial downgrade in the credit quality of the issuer of the municipal bonds held in the TOB Trust, failure of any scheduled payment of principal or interest on the municipal bonds, and/or a judgment or ruling that interest on the municipal bond is subject to U.S. federal income taxation. MTEs may include, among other things, a failed remarketing of the TOB Trust Certificates, the inability of the TOB Trust to obtain renewal of the liquidity support agreement and a substantial decline in the market value of the municipal bonds held in the TOB Trust. Upon the occurrence of a TOTE or an MTE, the TOB Trust would be liquidated with the proceeds applied first to any accrued fees owed to the trustee of the TOB Trust, the Remarketing Agent and the Liquidity Provider. In the case of an MTE, after the payment of fees, the TOB Trust Certificates holders would be paid before the TOB Residuals holders (i.e., the Trusts). In contrast, in the case of a TOTE, after payment of fees, the TOB Trust Certificates holders and the TOB Residuals holders would be paid pro rata in proportion to the respective face values of their certificates. During the six months ended February 28, 2017, no TOB Trusts in which a Trust participated were terminated without the consent of a Trust.

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While a Trust's investment policies and restrictions expressly permit investments in inverse floating rate securities, such as TOB Residuals, they generally restrict the ability of a Trust to borrow money for purposes of making investments. MVF's management believes that the Trust's restrictions on borrowings do not apply to the Trust's TOB transactions. Each Trust's transfer of the municipal bonds to a TOB Trust is considered a secured borrowing for financial reporting purposes. The cash received by the TOB Trust from the sale of the TOB Trust Certificates, less certain transaction expenses, is paid to a Trust. A Trust typically invests the cash received in additional municipal bonds. The municipal bonds deposited into a TOB Trust are presented in a Trust's Schedule of Investments and the TOB Trust Certificates are shown in Other Liabilities in the Statements of Assets and Liabilities. Any loans drawn by the TOB Trust pursuant to the liquidity facility to purchase tendered TOB Trust Certificates would be shown as Loan for TOB Trust Certificates.

## Notes to Financial Statements (continued)

**Volcker Rule Impact:** On December 10, 2013, regulators published final rules implementing section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule), which precludes banking entities and their affiliates from sponsoring and investing in TOB Trusts. Banking entities subject to the Volcker Rule were required to fully comply by July 21, 2015, with respect to investments in and relationships with TOB Trusts established after December 31, 2013 ( Non-Legacy TOB Trusts ), and by July 21, 2017, with respect to investments in and relationships with TOB Trusts established prior to December 31, 2013 ( Legacy TOB Trusts ).

As a result, a new structure for TOB Trusts has been designed in which no banking entity would sponsor the TOB Trust. Specifically, a Trust establishes, structures and sponsors the TOB Trusts in which it holds TOB Residuals. In such a structure, certain responsibilities that previously belonged to a third party bank are performed by, or on behalf of, the Trusts. The Trusts have restructured any Non-Legacy TOB Trusts and are in the process of restructuring Legacy TOB Trusts in conformity with regulatory guidelines. Until all restructurings are completed, a Trust may, for a period of time, hold TOB Residuals in both Legacy TOB Trusts and new or restructured non-bank sponsored TOB Trusts.

Under the new TOB Trust structure, the Liquidity Provider or Remarketing Agent will no longer purchase the tendered TOB Trust Certificates even in the event of failed remarketing. This may increase the likelihood that a TOB Trust will need to be collapsed and liquidated in order to purchase the tendered TOB Trust Certificates. The TOB Trust may draw upon a loan from the Liquidity Provider to purchase the tendered TOB Trust Certificates. Any loans made by the Liquidity Provider will be secured by the purchased TOB Trust Certificates held by the TOB Trust and will be subject to an increased interest rate based on the number of days the loan is outstanding.

**Accounting for TOB Trusts:** The municipal bonds deposited into a TOB Trust are presented in a Trust's Schedule of Investments and the TOB Trust Certificates are shown in Other Liabilities in the Statements of Assets and Liabilities. Any loans drawn by the TOB Trust pursuant to the liquidity facility to purchase tendered TOB Trust Certificates are shown as Loan for TOB Trust Certificates. The carrying amount of a Trust's payable to the holder of the TOB Trust Certificates or the Liquidity Provider, as reported in the Statements of Assets and Liabilities as TOB Trust Certificates or Loan for TOB Trust Certificates, approximates its fair value.

Interest income, including amortization and accretion of premiums and discounts, from the underlying municipal bonds is recorded by a Trust on an accrual basis. Interest expense incurred on the TOB Trust transaction and other expenses related to remarketing, administration, trustee, liquidity and other services to a TOB Trust are shown as interest expense, fees and amortization of offering costs in the Statements of Operations. Fees paid upon creation of the TOB Trust are recorded as debt issuance costs and are amortized to interest expense, fees and amortization of offering costs in the Statements of Operations to the expected maturity of the TOB Trust. In connection with the restructurings of the TOB Trusts to non-bank sponsored TOB Trusts, a Trust incurred non-recurring, legal and restructuring fees, which are recorded as interest expense, fees and amortization of deferred offering costs in the Statements of Operations.

For the six months ended February 28, 2017, the following table is a summary of each Trust's TOB Trusts:

|     | Underlying<br>Municipal<br>Bonds<br>Transferred to<br>TOB Trusts <sup>1</sup> | Liability for<br>TOB Trust<br>Certificates <sup>2</sup> | Range of<br>Interest Rates on<br>TOB Trust<br>Certificates at<br>Period End | Average<br>TOB<br>Trust<br>Certificates<br>Outstanding | Daily Weighted<br>Average Rate of<br>Interest and Other<br>Expenses on<br>TOB Trusts |
|-----|---|---|---|--|--|
| BBK | \$ 39,438,964   | \$ 22,403,733   | 0.67% - 0.82%   | \$ 24,677,759  | 1.37%  |
| BAF | \$ 80,523,512   | \$ 43,297,138   | 0.65% - 0.89%   | \$ 42,333,679  | 1.38%  |
| BYM | \$ 189,967,331  | \$ 109,945,937  | 0.67% - 1.00%   | \$ 101,562,665   | 1.33%  |
| BLE | \$ 125,653,051  | \$ 72,040,526   | 0.65% - 0.89%   | \$ 74,531,253  | 1.34%  |
| MFL | \$ 267,431,377  | \$ 133,899,769  | 0.67% - 0.99%   | \$ 132,173,668   | 1.36%  |
| MVF | \$ 311,058,704  | \$ 156,696,838  | 0.65% - 0.79%   | \$ 156,772,379   | 1.35%  |

<sup>1</sup> The municipal bonds transferred to a TOB Trust are generally high grade municipal bonds. In certain cases, when municipal bonds transferred are lower grade municipal bonds, the TOB Trust transaction may include a credit enhancement feature that provides for the timely payment of principal and interest on the bonds to the TOB Trust by a credit enhancement provider in the event of default of the municipal bond. The TOB Trust would be responsible for the payment of the credit enhancement fee and the Trusts, as TOB Residuals holders, would be responsible for reimbursement of any payments of principal and interest made by the credit enhancement provider. The maximum potential amounts owed by the Trusts, for such reimbursements, as applicable, are included in the maximum potential amounts disclosed for recourse TOB Trusts.

- <sup>2</sup> The Trusts may invest in TOB Trusts that are structured on a non-recourse or recourse basis. When a Trust invests in TOB Trusts on a non-recourse basis, the Liquidity Provider may be required to make a payment under the liquidity facility. In such an event, the Liquidity Provider will typically either (i) fund the full amount owed under the liquidity facility and be subsequently reimbursed from only the proceeds of the liquidation of all or a portion of the municipal bonds held in the TOB Trust or the remarketing of the TOB Trust Certificates, or (ii) liquidate all or a portion of the municipal bonds held in the TOB Trust and then fund the balance, if any, of the amount owed under the liquidity facility over the liquidation proceeds (the "Liquidation Shortfall"). If a Trust invests in a TOB Trust on a recourse basis, a Trust will usually enter into a reimbursement agreement with the Liquidity Provider where a Trust is required to reimburse the Liquidity Provider the amount of any Liquidation Shortfall. As a result, if a Trust invests in a recourse TOB Trust, a Trust will bear the risk of loss with respect to any Liquidation Shortfall. If multiple funds participate in any such TOB Trust, these losses will be shared ratably, including the maximum potential amounts owed by a Trust at February 28, 2017, in proportion to their participation in the TOB Trust. The recourse TOB Trusts are identified in the Schedules of Investments including the maximum potential amounts owed by a Trust at February 28, 2017.

## Notes to Financial Statements (continued)

For the six months ended February 28, 2017, the following table is a summary of each Trust's Loan for TOB Trust Certificates:

|     | Loans<br>Outstanding at<br>Period End | Range of Interest<br>Rates on<br>Loans<br>at Period End | Average Loans<br>Outstanding | Daily Weighted<br>Average Rate of<br>Interest and<br>Other<br>Expenses on Loans |
|-----|---------------------------------------|---|------------------------------|---|
| BAF | \$ 1,499,475                          | 0.25%   | \$ 464,810                   | 0.78%   |
| BYM | \$ 2,249,213                          | 0.25%   | \$ 306,745                   | 0.80%   |
| BLE |                                       |   | \$ 1,650                     | 0.78%   |
| MFL |                                       |   | \$ 1,685,330                 | 0.78%   |
| MVF | \$ 3,498,775                          | 0.25%   | \$ 115,981                   | 0.78%   |

**5. Derivative Financial Instruments:**

The Trusts engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Trusts and/or to manage their exposure to certain risks such as credit risk, equity risk, interest rate risk, foreign currency exchange rate risk, commodity price risk or other risks (e.g., inflation risk). Derivative financial instruments categorized by risk exposure are included in the Schedules of Investments. These contracts may be transacted on an exchange or over-the-counter (OTC).

Futures Contracts: Certain Trusts invest in long and/or short positions in futures and options on futures contracts to gain exposure to, or manage exposure to, changes in interest rates (interest rate risk), changes in the value of equity securities (equity risk) or foreign currencies (foreign currency exchange rate risk).

Futures contracts are agreements between the Trusts and a counterparty to buy or sell a specific quantity of an underlying instrument at a specified price and on a specified date. Depending on the terms of a contract, it is settled either through physical delivery of the underlying instrument on the settlement date or by payment of a cash amount on the settlement date. Upon entering into a futures contract, the Trusts are required to deposit initial margin with the broker in the form of cash or securities in an amount that varies depending on a contract's size and risk profile. The initial margin deposit must then be maintained at an established level over the life of the contract.

Securities deposited as initial margin are designated in the Schedules of Investments and cash deposited, if any, is shown as cash pledged for futures contracts in the Statements of Assets and Liabilities. Pursuant to the contract, the Trusts agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in market value of the contract (variation margin). Variation margin is recorded as unrealized appreciation (depreciation) and, if any, shown as variation margin receivable (or payable) on futures contracts in the Statements of Assets and Liabilities. When the contract is closed, a realized gain or loss is recorded in the Statements of Operations equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The use of futures contracts involves the risk of an imperfect correlation in the movements in the price of futures contracts and interest, foreign currency exchange rates or underlying assets.

**6. Investment Advisory Agreement and Other Transactions with Affiliates:**

The PNC Financial Services Group, Inc. is the largest stockholder and an affiliate of BlackRock, Inc. (BlackRock) for 1940 Act purposes.

Investment Advisory: Each Trust entered into an Investment Advisory Agreement with the Manager, the Trusts' investment adviser, an indirect, wholly-owned subsidiary of BlackRock, to provide investment advisory services. The Manager is responsible for the management of each Trust's portfolio and provides the personnel, facilities, equipment and certain other services necessary to the operations of each Trust.

For such services, each Trust, except MFL and MVF, pays the Manager a monthly fee at an annual rate equal to the following percentages of the average weekly value of each Trust's managed assets:

|                          | BBK   | BAF   | BYM   | BLE   |
|--------------------------|-------|-------|-------|-------|
| Investment advisory fees | 0.65% | 0.55% | 0.55% | 0.55% |



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For purposes of calculating these fees, **managed assets** mean the total assets of a Trust minus the sum of its accrued liabilities (other than the aggregate indebtedness constituting financial leverage).

For such services, MFL and MVF each pays the Manager a monthly fee based on an annual rate of 0.55% and 0.50%, respectively, of the average daily value of the Trust's net assets.

For purposes of calculating these fees, **net assets** mean the total assets of a Trust minus the sum of its accrued liabilities (which does not include liabilities represented by TOB Trusts and the liquidation preference of preferred shares). It is understood that the liquidation preference of any outstanding preferred stock (other than accumulated dividends) and TOB Trusts is not considered a liability in determining a Trust's NAV.

## Notes to Financial Statements (continued)

Expense Waivers: The Manager voluntarily agreed to waive its investment advisory fees by the amount of investment advisory fees each Trust pays to the Manager indirectly through its investment in affiliated money market funds (the affiliated money market fund waiver). These amounts are included in fees waived by the Manager in the Statements of Operations. For the six months ended February 28, 2017, the amounts waived were as follows:

|                | BBK      | BAF    | BYM      | BLE      | MFL      | MVF      |
|----------------|----------|--------|----------|----------|----------|----------|
| Amounts waived | \$ 1,114 | \$ 188 | \$ 1,727 | \$ 1,410 | \$ 1,452 | \$ 4,118 |

Effective September 1, 2016, the Manager voluntarily agreed to waive its investment advisory fee with respect to any portion of Trusts' assets invested in affiliated equity or fixed-income mutual funds or affiliated exchange-traded funds that have a contractual management fee. Prior to September 1, 2016, the Manager did not waive such fees. On December 2, 2016, the Manager entered into a Master Advisory Fee Agreement (Agreement), contractually committing to this arrangement through June 30, 2017. The Agreement can be renewed for annual periods thereafter, and may be terminated on 90 days' notice, each subject to approval by a majority of the Trusts' Independent Trustees.

The Manager, for MFL, voluntarily agreed to waive its investment advisory fee on the proceeds of the Preferred Shares and TOB Trusts that exceed 35% of total assets minus the sum of its accrued liabilities (which does not include liabilities represented by TOB Trusts and the liquidation preference of preferred shares). This amount is included in fees waived by the Manager in the Statements of Operations. For the six months ended February 28, 2017, the waiver was \$281,961.

Officers and Trustees: Certain officers and/or trustees of the Trusts are officers and/or directors of BlackRock or its affiliates. The Trusts reimburse the Manager for a portion of the compensation paid to the Trusts' Chief Compliance Officer, which is included in Officer and Trustees in the Statements of Operations.

#### 7. Purchases and Sales:

For the six months ended February 28, 2017, purchases and sales of investments, excluding short-term securities, were as follows:

|           | BBK           | BAF           | BYM           | BLE           | MFL            | MVF            |
|-----------|---------------|---------------|---------------|---------------|----------------|----------------|
| Purchases | \$ 53,629,141 | \$ 33,708,640 | \$ 63,443,779 | \$ 30,545,100 | \$ 104,445,828 | \$ 120,750,442 |
| Sales     | \$ 59,693,068 | \$ 36,350,608 | \$ 53,442,942 | \$ 34,499,447 | \$ 95,607,164  | \$ 113,531,936 |

#### 8. Income Tax Information

It is the Trusts' policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies, and to distribute substantially all of their taxable income to their shareholders. Therefore, no U.S. federal income tax provision is required.

Each Trust files U.S. federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on each Trust's U.S. federal tax returns generally remains open for each of the four years ended August 31, 2016. The statutes of limitations on each Trust's state and local tax returns may remain open for an additional year depending upon the jurisdiction.

Management has analyzed tax laws and regulations and their application to the Trusts as of February 28, 2017, inclusive of the open tax return years, and does not believe that there are any uncertain tax positions that require recognition of a tax liability in the Trusts' financial statements.

As of August 31, 2016, the Trusts had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

| Expires August 31,              | BBK | BAF          | BYM          | BLE          | MFL           | MVF           |
|---------------------------------|-----|--------------|--------------|--------------|---------------|---------------|
| No expiration date <sup>1</sup> |     | \$ 5,146,672 | \$ 6,788,126 | \$ 7,274,757 | \$ 20,594,174 | \$ 10,786,147 |

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|              |  |              |               |               |               |
|--------------|--|--------------|---------------|---------------|---------------|
| 2017         |  | 6,430,212    | 2,066,643     | 1,863,647     | 7,618,622     |
| 2018         |  | 2,209,430    | 4,366,226     | 11,734,707    |               |
| 2019         |  |              | 2,448,693     |               | 5,276,524     |
| <b>Total</b> |  | \$ 5,146,672 | \$ 15,427,768 | \$ 16,156,319 | \$ 34,192,528 |
|              |  |              |               | \$ 23,681,293 |               |

<sup>1</sup> Must be utilized prior to losses subject to expiration.

As of February 28, 2017, gross unrealized appreciation and depreciation based on cost for U.S. federal income tax purposes were as follows:

|                               | <b>BBK</b>     | <b>BAF</b>     | <b>BYM</b>     | <b>BLE</b>     | <b>MFL</b>     | <b>MVF</b>     |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Tax cost                      | \$ 231,408,387 | \$ 158,640,465 | \$ 494,063,645 | \$ 463,758,859 | \$ 765,373,845 | \$ 800,686,640 |
| Gross unrealized appreciation | \$ 16,471,507  | \$ 14,934,749  | \$ 41,058,980  | \$ 36,704,259  | \$ 60,842,702  | \$ 63,192,263  |
| Gross unrealized depreciation | (4,404,836)    | (698,619)      | (5,192,170)    | (4,973,448)    | (8,982,864)    | (5,459,616)    |
| Net unrealized appreciation   | \$ 12,066,671  | \$ 14,236,130  | \$ 35,866,810  | \$ 31,730,811  | \$ 51,859,838  | \$ 57,732,647  |

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

75

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## Notes to Financial Statements (continued)

### 9. Principal Risks:

Many municipalities insure repayment of their bonds, which may reduce the potential for loss due to credit risk. The market value of these bonds may fluctuate for other reasons, including market perception of the value of such insurance, and there is no guarantee that the insurer will meet its obligation.

Inventories of municipal bonds held by brokers and dealers may decrease, which would lessen their ability to make a market in these securities. Such a reduction in market making capacity could potentially decrease a Trust's ability to buy or sell bonds. As a result, a Trust may sell a security at a lower price, sell other securities to raise cash, or give up an investment opportunity, any of which could have a negative impact on performance. If a Trust needed to sell large blocks of bonds, those sales could further reduce the bonds' prices and impact performance.

In the normal course of business, certain Trusts invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer to meet all its obligations, including the ability to pay principal and interest when due (issuer credit risk). The value of securities held by the Trusts may decline in response to certain events, including those directly involving the issuers of securities owned by the Trusts. Changes arising from the general economy, the overall market and local, regional or global political and/or social instability, as well as currency, interest rate and price fluctuations, may also affect the securities' value.

Each Trust may be exposed to prepayment risk, which is the risk that borrowers may exercise their option to prepay principal earlier than scheduled during periods of declining interest rates, which would force each Trust to reinvest in lower yielding securities. Each Trust may also be exposed to reinvestment risk, which is the risk that income from each Trust's portfolio will decline if each Trust invests the proceeds from matured, traded or called fixed income securities at market interest rates that are below each Trust portfolio's current earnings rate.

The Trusts may hold a significant amount of bonds subject to calls by the issuers at defined dates and prices. When bonds are called by issuers and the Trusts reinvest the proceeds received, such investments may be in securities with lower yields than the bonds originally held, and correspondingly, could adversely impact the yield and total return performance of a Trust.

It is possible that regulators could take positions that could limit the market for non-bank sponsored TOB Trust transactions or the Trusts' ability to hold TOB Residuals. Under the new TOB Trust structure, the Trusts will have certain additional duties and responsibilities, which may give rise to certain additional risks including, but not limited to, compliance, securities law and operational risks.

There can be no assurance that the Trusts can successfully enter into restructured TOB Trust transactions in order to refinance their existing TOB Residuals holdings prior to the compliance date for the Volcker Rule, which may require that the Trusts unwind existing TOB Trusts. There can be no assurance that alternative forms of leverage will be available to the Trusts and any alternative forms of leverage may be more or less advantageous to the Trusts than existing TOB leverage.

Should short-term interest rates rise, the Trusts' investments in TOB Trust transactions may adversely affect the Trusts' net investment income and dividends to Common Shareholders. Also, fluctuations in the market value of municipal bonds deposited into the TOB Trust may adversely affect the Trusts' NAVs per share.

The SEC and various federal banking and housing agencies have adopted credit risk retention rules for securitizations (the Risk Retention Rules), which took effect in December 2016. The Risk Retention Rules would require the sponsor of a TOB Trust to retain at least 5% of the credit risk of the underlying assets supporting the TOB Trust's municipal bonds. The Risk Retention Rules may adversely affect the Trusts' ability to engage in TOB Trust transactions or increase the costs of such transactions in certain circumstances.

TOB Trust transactions constitute an important component of the municipal bond market. Accordingly, implementation of the Volcker Rule and Risk Retention Rules may adversely impact the municipal market, including through reduced demand for and liquidity of municipal bonds and increased financing costs for municipal issuers. Any such developments could adversely affect the Trusts. The ultimate impact of these rules on the TOB Trust market and the overall municipal market is not yet certain.

**Counterparty Credit Risk:** Similar to issuer credit risk, the Trusts may be exposed to counterparty credit risk, or the risk that an entity may fail to or be unable to perform on its commitments related to unsettled or open transactions. The Trusts manage counterparty credit risk by entering into transactions only with counterparties that the Manager believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Trusts to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Trusts' exposure to market, issuer and counterparty credit risks with respect to these financial assets is approximately their value recorded in the Statements of Assets and Liabilities,

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less any collateral held by the Trusts.

A derivative contract may suffer a mark-to-market loss if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument. Losses can also occur if the counterparty does not perform under the contract.

With exchange-traded futures, there is less counterparty credit risk to the Trusts since the exchange or clearinghouse, as counterparty to such instruments, guarantees against a possible default. The clearinghouse stands between the buyer and the seller of the contract; therefore, credit risk is limited to failure of the clearinghouse. While offset rights may exist under applicable law, a Trust does not have a contractual right of offset against a clearing broker or clearinghouse in the event of a default (including the bankruptcy or insolvency).

## Notes to Financial Statements (continued)

Additionally, credit risk exists in exchange-traded futures with respect to initial and variation margin that is held in a clearing broker's customer accounts. While clearing brokers are required to segregate customer margin from their own assets, in the event that a clearing broker becomes insolvent or goes into bankruptcy and at that time there is a shortfall in the aggregate amount of margin held by the clearing broker for all its clients, typically the shortfall would be allocated on a pro rata basis across all the clearing broker's customers, potentially resulting in losses to the Trusts.

**Concentration Risk:** As of period end, BAF invested a significant portion of its assets in securities in the transportation and county, city, special district and school district sectors. BYM and MFL invested a significant portion of their assets in securities in the transportation sector. Changes in economic conditions affecting such sectors would have a greater impact on the Trusts and could affect the value, income and/or liquidity of positions in such securities.

Certain Trusts invest a significant portion of their assets in fixed income securities and/or use derivatives tied to the fixed income markets. Changes in market interest rates or economic conditions may affect the value and/or liquidity of such investments. Interest rate risk is the risk that prices of bonds and other fixed income securities will increase as interest rates fall and decrease as interest rates rise. The Trusts may be subject to a greater risk of rising interest rates due to the current period of historically low rates.

### 10. Capital Share Transactions:

Each of BBK, BAF, BYM and BLE is authorized to issue an unlimited number of shares, including Preferred Shares, par value \$0.001 per share, all of which were initially classified as Common Shares. The Board is authorized, however, to reclassify any unissued Common Shares to Preferred Shares, including AMPS, without the approval of Common Shareholders.

MFL is authorized to issue an unlimited number of shares, including 1 million Preferred Shares, including AMPS, par value \$0.10 per share.

MVF is authorized to issue 160 million shares, 150 million of which were initially classified as Common Shares, par value \$0.10 per share and 10 million of which were classified as Preferred Shares, including AMPS, par value \$0.10 per share.

#### Common Shares

For the periods shown, shares issued and outstanding increased by the following amounts as a result of dividend reinvestment:

|                                    | BBK   | BLE    | MFL    | MVF     |
|------------------------------------|-------|--------|--------|---------|
| Six Months Ended February 28, 2017 | 4,967 | 9,956  | 24,980 | 154,630 |
| Year Ended August 31, 2016         | 5,768 | 19,952 | 13,338 | 300,473 |

For the six months ended February 28, 2017 and the year ended August 31, 2016 for BAF and BYM, shares issued and outstanding remained constant.

#### Preferred Shares

Each Trust's Preferred Shares rank prior to the Trust's Common Shares as to the payment of dividends by the Trusts and distribution of assets upon dissolution or liquidation of a Trust. The 1940 Act prohibits the declaration of any dividend on a Trust's Common Shares or the repurchase of a Trust's Common Shares if a Trust fails to maintain asset coverage of at least 200% of the liquidation preference of the Trust's outstanding Preferred Shares. In addition, pursuant to the Preferred Shares' governing instruments, a Trust is restricted from declaring and paying dividends on classes of shares ranking junior to or on parity with the Trust's Preferred Shares or repurchasing such shares if a Trust fails to declare and pay dividends on the Preferred Shares, redeem any Preferred Shares required to be redeemed under the Preferred Shares' governing instruments or comply with the basic maintenance amount requirement of the ratings agencies rating the Preferred Shares.

The holders of Preferred Shares have voting rights equal to the voting rights of the holders of Common Shares (one vote per share) and will vote together with holders of Common Shares (one vote per share) as a single class on certain matters. However, the holders of Preferred Shares, voting as a separate class, are also entitled to elect two Trustees to the Board of each Trust. The holders of Preferred Shares are also entitled to elect the full Board of Trustees if dividends on the Preferred Shares are not paid for a period of two years. The holders of Preferred Shares are also generally entitled to a separate class vote to amend the Preferred Share governing documents. In addition, the 1940 Act requires the

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approval of the holders of a majority of any outstanding Preferred Shares, voting as a separate class, to (a) adopt any plan of reorganization that would adversely affect the Preferred Shares, (b) change a Trust's sub-classification as a closed-end investment company or change its fundamental investment restrictions or (c) change its business so as to cease to be an investment company.

### VRDP Shares

MFL has issued Series W-7 VRDP Shares, \$100,000 liquidation preference per share, in a privately negotiated offering. The VRDP Shares were offered to qualified institutional buyers as defined pursuant to Rule 144A under the Securities Act of 1933, as amended, (the Securities Act). The VRDP Shares include a liquidity feature and are currently in a special rate period, each as described below.

## Notes to Financial Statements (continued)

As of period end, the VRDP Shares outstanding of MFL were as follows:

|     | Issue Date | Shares Issued | Aggregate Principal | Maturity Date |
|-----|------------|---------------|---------------------|---------------|
| MFL | 6/30/11    | 2,746         | \$ 274,600,000      | 7/01/41       |

Redemption Terms: MFL is required to redeem its VRDP Shares on the maturity date, unless earlier redeemed or repurchased. Six months prior to the maturity date, MFL is required to begin to segregate liquid assets with the Trust's custodian to fund the redemption. In addition, MFL is required to redeem certain of its outstanding VRDP Shares if it fails to comply with certain asset coverage, basic maintenance amount or leverage requirements.

Subject to certain conditions, the VRDP Shares may also be redeemed, in whole or in part, at any time at the option of MFL. The redemption price per VRDP Share is equal to the liquidation preference per share plus any outstanding unpaid dividends.

Liquidity Feature: MFL entered into a fee agreement with the liquidity provider that requires a per annum liquidity fee payable to the liquidity provider. These fees, if applicable, are shown as liquidity fees in the Statements of Operations.

The fee agreement between the MFL and the liquidity provider is for a three-year term and is scheduled to expire on April 19, 2017, unless renewed or terminated in advance.

In the event the fee agreement is not renewed or is terminated in advance, and MFL does not enter into a fee agreement with an alternate liquidity provider, the VRDP Shares will be subject to mandatory purchase by the liquidity provider prior to the termination of the fee agreement. In the event of such mandatory purchase, MFL is required to redeem the VRDP Shares six months after the purchase date. Immediately after such mandatory purchase, MFL is required to begin to segregate liquid assets with its custodian to fund the redemption. There is no assurance MFL will replace such redeemed VRDP Shares with any other preferred shares or other form of leverage.

Remarketing: MFL may incur remarketing fees of 0.10% on the aggregate principal amount of all the Trust's VRDP Shares, which, if any, are included in remarketing fees on Preferred Shares in the Statements of Operations. During any special rate period (as described below), MFL may incur no remarketing fees.

Dividends: Dividends on the VRDP Shares are payable monthly at a variable rate set weekly by the remarketing agent. Such dividend rates are generally based upon a spread over a base rate and cannot exceed a maximum rate. In the event of a failed remarketing, the dividend rate of the VRDP Shares will be reset to a maximum rate. The maximum rate is determined based on, among other things, the long-term preferred share rating assigned to the VRDP Shares and the length of time that the VRDP Shares fail to be remarketed. At the date of issuance, the VRDP Shares were assigned long-term ratings of Aaa from Moody's and AAA from Fitch. Subsequent to the issuance of the VRDP Shares, Moody's completed a review of its methodology for rating securities issued by registered closed-end funds. As of period end, the VRDP Shares were assigned a long-term rating of Aa1 from Moody's under its new ratings methodology. The VRDP Shares continue to be assigned a long-term rating of AAA from Fitch.

For the six months ended February 28, 2017, the annualized dividend rate for MFL's VRDP Shares was 1.53%.

Special Rate Period: On April 17, 2014, MFL commenced a three-year term ending April 19, 2017 (the special rate period), with respect to the VRDP Shares, during which time the VRDP Shares will not be subject to any remarketing and the dividend rate will be based on a predetermined methodology. The implementation of the special rate period resulted in a mandatory tender of the VRDP Shares prior to the commencement of the special rate period. The mandatory tender event was not the result of a failed remarketing. The short-term ratings on the VRDP Shares for MFL will be withdrawn by Moody's, Fitch and/or S&P at the commencement of the special rate period. Prior to April 19, 2017, the holder of the VRDP Shares and MFL may mutually agree to extend the special rate period. If the special rate period is not extended, the VRDP Shares will revert to remarketable securities upon the termination of the special rate period and will be remarketed and available for purchase by qualified institutional investors.

During the special rate period, the liquidity and fee agreements remain in effect and the VRDP Shares remain subject to mandatory redemption by MFL on the maturity date. The VRDP Shares will not be remarketed or subject to optional or mandatory tender events during the special rate period. During the special rate period, MFL is required to comply with the same asset coverage, basic maintenance amount and leverage requirements for the VRDP Shares as is required when the VRDP Shares are not in a special rate period. MFL pays a nominal fee at the annual



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rate of 0.01% to the liquidity provider and remarketing agent during the special rate period. MFL also pays dividends monthly based on the sum of the Securities Industry and Financial Markets Association ( SIFMA ) Municipal Swap Index rate and a percentage per annum based on the long-term ratings assigned to the VRDP Shares.

If MFL redeems the VRDP Shares prior to the end of the special rate period and the VRDP Shares have long-term ratings above A1/A+ and its equivalent by all ratings agencies then rating the VRDP Shares, then such redemption may be subject to a redemption premium payable to the holder of the VRDP Shares based on the time remaining in the special rate period, subject to certain exceptions for redemptions that are required to comply with minimum asset coverage requirements.

For the six months ended February 28, 2017, VRDP Shares issued and outstanding of MFL remained constant.

## Notes to Financial Statements (continued)

## VMTP Shares

BBK, BAF, BYM, BLE and MVF (collectively, the VMTP Trusts), have issued Series W-7 VMTP Shares, \$100,000 liquidation preference per share, in privately negotiated offerings and sale of VMTP Shares exempt from registration under the Securities Act. The VMTP Shares are subject to certain restrictions on transfer, and VMTP Trusts may also be required to register the VMTP Shares for sale under the Securities Act under certain circumstances. In addition, amendments to the VMTP governing documents generally require the consent of the holders of VMTP Shares.

As of period end, the VMTP Shares outstanding of each Trust were as follows:

|     | Issue Date | Shares Issued | Aggregate Principal | Term Redemption Date |
|-----|------------|---------------|---------------------|----------------------|
| BBK | 12/16/11   | 799           | \$ 79,900,000       | 1/02/19              |
| BAF | 12/16/11   | 422           | \$ 42,200,000       | 1/02/19              |
| BYM | 12/16/11   | 1,372         | \$ 137,200,000      | 1/02/19              |
| BLE | 12/16/11   | 1,513         | \$ 151,300,000      | 1/02/19              |
| MVF | 12/16/11   | 2,438         | \$ 243,800,000      | 1/02/19              |

Redemption Terms: Each VMTP Trust is required to redeem its VMTP Shares on the term redemption date, unless earlier redeemed or repurchased or unless extended. There is no assurance that the term of a Trust's VMTP Shares will be extended further or that a Trust's VMTP Shares will be replaced with any other preferred shares or other form of leverage upon the redemption or repurchase of the VMTP Shares. Six months prior to the term redemption date, each VMTP Trust is required to begin to segregate liquid assets with each Trust's custodian to fund the redemption. In addition, each VMTP Trust is required to redeem certain of its outstanding VMTP Shares if it fails to comply with certain asset coverage, basic maintenance amount or leverage requirements.

Subject to certain conditions, a Trust's VMTP Shares may be redeemed, in whole or in part, at any time at the option of the Trust. The redemption price per VMTP Share is equal to the liquidation preference per share plus any outstanding unpaid dividends and applicable redemption premium. If Trusts redeem the VMTP Shares prior to the term redemption date and the VMTP Shares have long-term ratings above A1/A+ or its equivalent by the ratings agencies then rating the VMTP Shares, then such redemption may be subject to a prescribed redemption premium (up to 3% of the liquidation preference) payable to the holder of the VMTP Shares based on the time remaining until the term redemption date, subject to certain exceptions for redemptions that are required to comply with minimum asset coverage requirements.

Dividends: Dividends on the VMTP Shares are declared daily and payable monthly at a variable rate set weekly at a fixed rate spread to the SIFMA Municipal Swap Index. The fixed spread is determined based on the long-term preferred share rating assigned to the VMTP Shares by the ratings agencies then rating the VMTP Shares. At the date of issuance, the VMTP Shares were assigned long-term ratings of Aaa from Moody's and AAA from Fitch. Subsequent to the issuance of the VMTP Shares, Moody's completed a review of its methodology for rating securities issued by registered closed-end funds. As of period end, the VMTP Shares were assigned a long-term rating of Aa1 from Moody's under its new rating methodology. The VMTP Shares continue to be assigned a long-term rating of AAA from Fitch. The dividend rate on the VMTP Shares is subject to a step-up spread if the Trusts fail to comply with certain provisions, including, among other things, the timely payment of dividends, redemptions or gross-up payments, and complying with certain asset coverage and leverage requirements.

For the six months ended February 28, 2017, the average annualized dividend rates for the VMTP Shares were as follows:

|      | BBK   | BAF   | BYM   | BLE   | MVF   |
|------|-------|-------|-------|-------|-------|
| Rate | 2.01% | 1.65% | 1.65% | 1.65% | 1.65% |

For the six months ended February 28, 2017, VMTP Shares issued and outstanding of each Trust remained constant.

Offering Costs: The Trusts incurred costs in connection with the issuance of VRDP and VMTP Shares, which were recorded as a direct deduction from the carrying value of the related debt liability and will be amortized over the life of the VRDP and VMTP Shares with the exception of upfront fees paid to the liquidity provider which were amortized over the life of the liquidity agreement. Amortization of these costs is included in interest expense, fees and amortization of offering costs in the Statements of Operations.

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Financial Reporting: The VRDP and VMTP Shares are considered debt of the issuer; therefore, the liquidation preference, which approximates fair value of the VRDP and VMTP Shares, is recorded as a liability in the Statements of Assets and Liabilities net of deferred offering costs. Unpaid dividends are included in interest expense and fees payable in the Statements of Assets and Liabilities, and the dividends accrued and paid on the VRDP and VMTP Shares are included as a component of interest expense, fees and amortization of offering costs in the Statements of Operations. The VRDP and VMTP Shares are treated as equity for tax purposes. Dividends paid to holders of the VRDP and VMTP Shares are generally classified as tax-exempt income for tax-reporting purposes.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

79

## Notes to Financial Statements (concluded)

**11. Subsequent Events:**

Management's evaluation of the impact of all subsequent events on the Trusts' financial statements was completed through the date the financial statements were issued and the following items were noted:

|     | Common Dividend Per Share |                       | Preferred Shares <sup>3</sup> |        |            |
|-----|---------------------------|-----------------------|-------------------------------|--------|------------|
|     | Paid <sup>1</sup>         | Declared <sup>2</sup> | Shares                        | Series | Declared   |
| BBK | \$ 0.0635                 | \$ 0.0635             | VMTP                          | W-7    | \$ 115,231 |
| BAF | \$ 0.0685                 | \$ 0.0685             | VMTP                          | W-7    | \$ 60,861  |
| BYM | \$ 0.0660                 | \$ 0.0660             | VMTP                          | W-7    | \$ 197,869 |
| BLE | \$ 0.0735                 | \$ 0.0735             | VMTP                          | W-7    | \$ 218,204 |
| MFL | \$ 0.0715                 | \$ 0.0715             | VRDP                          | W-7    | \$ 368,039 |
| MVF | \$ 0.0460                 | \$ 0.0460             | VMTP                          | W-7    | \$ 351,606 |

<sup>1</sup> Net investment income dividend paid on April 3, 2017 to Common Shareholders of record on March 15, 2017.

<sup>2</sup> Net investment income dividend declared on April 3, 2017, payable to Common Shareholders of record on April 13, 2017.

<sup>3</sup> Dividends declared for period March 1, 2017 to March 31, 2017.

## Officers and Trustees

Richard E. Cavanagh, Chair of the Board and Trustee

Karen P. Robards, Vice Chair of the Board and Trustee

Michael J. Castellano, Trustee

Cynthia L. Egan, Trustee

Frank J. Fabozzi, Trustee

Jerrold B. Harris, Trustee

R. Glenn Hubbard, Trustee

W. Carl Kester, Trustee

Catherine A. Lynch, Trustee

Barbara G. Novick, Trustee

John M. Perlowski, Trustee, President and Chief Executive Officer

Jonathan Diorio, Vice President

Neal J. Andrews, Chief Financial Officer

Jay M. Fife, Treasurer

Charles Park, Chief Compliance Officer

Janey Ahn, Secretary

|                                       |                                     |                                    |                               |
|---------------------------------------|-------------------------------------|------------------------------------|-------------------------------|
| <b>Investment Adviser</b>             | <b>Transfer Agent</b>               | <b>VRDP Remarketing Agent</b>      | <b>Independent Registered</b> |
| BlackRock Advisors, LLC               | Computershare Trust Company, N.A.   | Citigroup Global Markets Inc.      | <b>Public Accounting Firm</b> |
| Wilmington, DE 19809                  | Canton, MA 02021                    | New York, NY 10179                 | Deloitte & Touche LLP         |
|                                       |                                     |                                    | Boston, MA 02116              |
| <b>Accounting Agent and Custodian</b> | <b>VRDP Tender and Paying Agent</b> | <b>VRDP Liquidity Provider</b>     | <b>Legal Counsel</b>          |
| State Street Bank and                 | <b>and VMTP Redemption and</b>      | Bank of America, N.A. <sup>1</sup> | Skadden, Arps, Slate,         |
| Trust Company                         | <b>Paying Agent</b>                 | New York, NY 10036                 | Meagher & Flom LLP            |
| Boston, MA 02111                      | The Bank of New York Mellon         |                                    | Boston, MA 02116              |
|                                       | New York, NY 10289                  |                                    | <b>Address of the Trusts</b>  |
|                                       |                                     |                                    | 100 Bellevue Parkway          |

<sup>1</sup> For MFL.

SEMI-ANNUAL REPORT

FEBRUARY 28, 2017

81

## Additional Information

### Trust Certification

Certain Trusts are listed for trading on the NYSE and have filed with the NYSE their annual chief executive officer certification regarding compliance with the NYSE's listing standards. The Trusts filed with the SEC the certification of its chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

### Dividend Policy

Each Trust's dividend policy is to distribute all or a portion of its net investment income to its shareholders on a monthly basis. In order to provide shareholders with a more stable level of distributions, the Trusts may at times pay out less than the entire amount of net investment income earned in any particular month and may at times in any particular month pay out such accumulated but undistributed income in addition to net investment income earned in that month. As a result, the distributions paid by the Trusts for any particular month may be more or less than the amount of net investment income earned by the Trusts during such month. The Trusts' current accumulated but undistributed net investment income, if any, is disclosed in the Statements of Assets and Liabilities, which comprises part of the financial information included in this report.

### General Information

The Trusts do not make available copies of their Statements of Additional Information because the Trusts' shares are not continuously offered, which means that the Statement of Additional Information of each Trust has not been updated after completion of the respective Trust's offerings and the information contained in each Trust's Statement of Additional Information may have become outdated.

During the period, there were no material changes in the Trusts' investment objectives or policies or to the Trusts' charters or by-laws that would delay or prevent a change of control of the Trusts that were not approved by the shareholders or in the principal risk factors associated with investment in the Trusts. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Trusts' portfolios.

Effective September 26, 2016, BlackRock implemented a new methodology for calculating effective duration for BlackRock's municipal bond portfolios. The new methodology replaces the model previously used by BlackRock to evaluate municipal bond duration, and is a common indicator of an investment's sensitivity to interest rate movements. The new methodology is applied to each Trust's duration reported for periods after September 26, 2016.

Quarterly performance, semi-annual and annual reports, current net asset value and other information regarding the Trusts may be found on BlackRock's website, which can be accessed at <http://www.blackrock.com>. Any reference to BlackRock's website in this report is intended to allow investors public access to information regarding the Trusts and does not, and is not intended to, incorporate BlackRock's website in this report.

### Electronic Delivery

Shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual shareholder reports by enrolling in the electronic delivery program. Electronic copies of shareholder reports are available on BlackRock's website.

To enroll in electronic delivery:

Shareholders Who Hold Accounts with Investment Advisers, Banks or Brokerages:

Please contact your financial advisor. Please note that not all investment advisers, banks or brokerages may offer this service.

### Householding

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The Trusts will mail only one copy of shareholder documents, annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Trusts at (800) 882-0052.



## Additional Information (concluded)

### General Information (concluded)

#### Availability of Quarterly Schedule of Investments

The Trusts file their complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Trusts' Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may also be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room or how to access documents on the SEC's website without charge may be obtained by calling (800) SEC-0330. The Trusts' Forms N-Q may also be obtained upon request and without charge by calling (800) 882-0052.

#### Availability of Proxy Voting Policies and Procedures

A description of the policies and procedures that the Trusts use to determine how to vote proxies relating to portfolio securities is available upon request and without charge (1) by calling (800) 882-0052; (2) at <http://www.blackrock.com>; and (3) on the SEC's website at <http://www.sec.gov>.

#### Availability of Proxy Voting Record

Information about how the Trusts voted proxies relating to securities held in the Trusts' portfolios during the most recent 12-month period ended June 30 is available upon request and without charge (1) at <http://www.blackrock.com>; or by calling (800) 882-0052; and (2) on the SEC's website at <http://www.sec.gov>.

#### Availability of Trust Updates

BlackRock will update performance and certain other data for the Trusts on a monthly basis on its website in the Closed-end Funds section of <http://www.blackrock.com> as well as certain other material information as necessary from time to time. Investors and others are advised to check the website for updated performance information and the release of other material information about the Trusts. This reference to BlackRock's website is intended to allow investors public access to information regarding the Trusts and does not, and is not intended to, incorporate BlackRock's website in this report.

### BlackRock Privacy Principles

BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, "Clients") and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following:

(i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our websites.

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.



This report is intended for current holders. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. The Trusts have leveraged their Common Shares, which creates risks for Common Shareholders, including the likelihood of greater volatility of net asset value and market price of the Common Shares, and the risk that fluctuations in short-term interest rates may reduce the Common Shares yield. Statements and other information herein are as dated and are subject to change.

CEF-NTL-6-2/17-SAR

Item 2 Code of Ethics Not Applicable to this semi-annual report

Item 3 Audit Committee Financial Expert Not Applicable to this semi-annual report

Item 4 Principal Accountant Fees and Services Not Applicable to this semi-annual report

Item 5 Audit Committee of Listed Registrants Not Applicable to this semi-annual report

Item 6 Investments

(a) The registrant's Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this Form.

(b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.

Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies  
Not Applicable to this semi-annual report

Item 8 Portfolio Managers of Closed-End Management Investment Companies

(a) Not Applicable to this semi-annual report.

(b) As of the date of this filing, there have been no changes in any of the portfolio managers identified in the most recent annual report on Form N-CSR.

Item 9 Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers  
Not Applicable

Item 10 Submission of Matters to a Vote of Security Holders There have been no material changes to these procedures.

Item 11 Controls and Procedures

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

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

Item 12 Exhibits attached hereto

- (a)(1) Code of Ethics Not Applicable to this semi-annual report
- (a)(2) Certifications Attached hereto
- (a)(3) Not Applicable
- (b) Certifications Attached hereto

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

BlackRock Municipal Income Trust II

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Municipal Income Trust II

Date: May 3, 2017

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

By: /s/ John M. Perlowski  
John M. Perlowski  
Chief Executive Officer (principal executive officer) of  
BlackRock Municipal Income Trust II

Date: May 3, 2017

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock Municipal Income Trust II

Date: May 3, 2017