

BLACKROCK MUNI ENHANCED FUND INC  
Form N-CSR  
July 02, 2009  
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 811-05739

Name of Fund: BlackRock MuniEnhanced Fund, Inc. (MEN)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive Officer, BlackRock MuniEnhanced Fund, Inc., 800 Scudders Mill Road, Plainsboro, NJ, 08536. Mailing address: P.O. Box 9011, Princeton, NJ, 08543-9011

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

Date of fiscal year end: 04/30/2009

Date of reporting period: 04/30/2009

Item 1 – Report to Stockholders

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EQUITIES FIXED INCOME REAL ESTATE LIQUIDITY ALTERNATIVES BLACKROCK SOLUTIONS

## Annual Report

APRIL 30, 2009

BlackRock Apex Municipal Fund, Inc. (APX)

BlackRock MuniAssets Fund, Inc. (MUA)

BlackRock MuniEnhanced Fund, Inc. (MEN)

BlackRock MuniHoldings Fund, Inc. (MHD)

BlackRock MuniHoldings Fund II, Inc. (MUH)

BlackRock MuniHoldings Insured Fund, Inc. (MUS)

BlackRock Muni Intermediate Duration Fund, Inc. (MUI)

BlackRock MuniVest Fund II, Inc. (MVT)

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

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**Dear Shareholder**

The past 12 months reveal a tale of two markets – one of investor pessimism and decided weakness, and another of optimism and some early signs of recovery. The majority of the past year was characterized by the former as the global financial crisis erupted into the worst recession in decades. Economic data were uniformly poor and daily headlines recounted the downfalls of storied financial firms, volatile swings in global financial markets, and monumental government actions that included widespread (and globally coordinated) monetary and quantitative easing by central banks and large-scale fiscal stimuli. Sentiment improved noticeably in March 2009, however, on the back of new program announcements by the Treasury and Federal Reserve Board, as well as signs of improved economic performance, such as in retail sales, consumer confidence and select areas of the housing market.

Against this backdrop, US equities contended with unprecedented levels of volatility, posting steep declines early, and then pared some of those losses in March and April. The experience in international markets was similar to that in the United States, though there was a marked divergence in regional performance. Notably, emerging economies, which lagged most developed regions through the downturn, were among the market leaders during the late-period rally.

In fixed income markets, while risk aversion remained a dominant theme overall, relatively attractive yields and distressed valuations, alongside a more favorable macro environment, eventually captured investor attention, leading to a modest recovery in non-Treasury assets. A notable example from the opposite end of the credit spectrum was the high yield sector, which generally outperformed in the first four months of 2009 after extraordinary challenges and severe underperformance last year. At the same time, the new year ushered in a return to normalcy for the tax-exempt market, which had registered one of its worst years on record in 2008.

All told, the major benchmark indexes posted mixed results for the current reporting period, reflective of a bifurcated market.

| <b>Total Returns as of April 30, 2009</b>  | <b>6-month</b> | <b>12-month</b> |
|--|----------------|-----------------|
| US equities (S&P 500 Index)  | (8.53)%        | (35.31)%        |
| Small cap US equities (Russell 2000 Index)   | (8.40)         | (30.74)         |
| International equities (MSCI Europe, Australasia, Far East Index)                  | (2.64)         | (42.76)         |
| US Treasury securities (Merrill Lynch 10-Year US Treasury Index)                   | 8.98           | 9.30            |
| Taxable fixed income (Barclays Capital US Aggregate Bond Index)                    | 7.74           | 3.84            |
| Tax-exempt fixed income (Barclays Capital Municipal Bond Index)                    | 8.20           | 3.11            |
| High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index) | 16.39          | (12.55)         |

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

On June 16, 2009, BlackRock, Inc. announced that it received written notice from Barclays PLC ( "Barclays" ) in which Barclays' Board of Directors had accepted BlackRock's offer to acquire Barclays Global Investors ( "BGI" ). Barclays also notified BlackRock that its Board will recommend the transaction to Barclays' shareholders for approval at a special meeting to be held in early August 2009. The combination of BlackRock and BGI will bring together market leaders in active and index strategies to create the preeminent asset management firm. The transaction is expected to close in the fourth quarter 2009 following approval by Barclays' shareholders, the receipt of client consents and regulatory approvals, and satisfaction of customary closing conditions.

Through periods of market turbulence, as ever, BlackRock's full resources are dedicated to the management of our clients' assets. We thank you for entrusting BlackRock with your investments and look forward to continuing to serve you in the months and years ahead.

Sincerely,

Rob Kapito  
President, BlackRock Advisors, LLC

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THIS PAGE NOT PART OF YOUR FUND REPORT

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Fund Summary as of April 30, 2009

BlackRock Apex Municipal Fund, Inc.

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**Investment Objective**


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**BlackRock Apex Municipal Fund, Inc. (APX) (the Fund)** seeks to provide shareholders with high current income exempt from federal income taxes by investing primarily in a portfolio of medium- to lower-grade or unrated municipal obligations, the interest on which is exempt from federal income taxes in the opinion of bond counsel to the issuer. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

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**Performance**


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For the 10 months ended April 30, 2009, the Fund returned (11.58)% based on market price and (10.81)% based on net asset value (NAV). For the same period, the closed-end Lipper High Yield Municipal Debt Funds category posted an average return of (17.67)% on a market price basis and (16.21)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. Factors that contributed to the Fund's outperformance included an up-in-quality bias and a below-market duration stance, offset somewhat by a moderately below-average distribution yield. Recent efforts to lengthen duration and increase credit risk exposure have proven to be beneficial, given the sharp recovery in credit spreads and overall improved market tone.

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.

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**Fund Information**


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|  |               |
|--|---------------|
| Symbol on New York Stock Exchange  | APX           |
| Initial Offering Date  | July 25, 1989 |
| Yield on Closing Market Price as of April 30, 2009 (\$7.72) <sup>1</sup> | 7.23%         |
| Tax Equivalent Yield <sup>2</sup>  | 11.12%        |
| Current Monthly Distribution per Common Share <sup>3</sup>               | \$0.0465      |
| Current Annualized Distribution per Common Share <sup>3</sup>            | \$0.5580      |
| Leverage as of April 30, 2009 <sup>4</sup>                               | 5%            |

<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 federal tax rate of 35%.

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

<sup>4</sup> Represents tender option bond trusts (TOBs) as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized

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by the Fund, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Fund's market price and NAV per share:

|                 | 4/30/09 | 6/30/08 | Change   | High    | Low     |
|-----------------|---------|---------|----------|---------|---------|
| Market Price    | \$ 7.72 | \$ 9.28 | (16.81)% | \$ 9.70 | \$ 5.55 |
| Net Asset Value | \$ 7.67 | \$ 9.14 | (16.08)% | \$ 9.21 | \$ 6.91 |

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

|  | 4/30/09 | 6/30/08 |
|--|---------|---------|
| Corporate                                    | 24%     | 21%     |
| Health                                       | 22      | 26      |
| County/City/Special District/School District | 20      | 23      |
| Transportation                               | 11      | 9       |
| Education                                    | 6       | 5       |
| Housing                                      | 6       | 7       |
| Utilities                                    | 6       | 4       |
| Tobacco                                      | 3       | 2       |
| State  | 2       | 3       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/09 | 6/30/08 |
|------------------------|---------|---------|
| AAA/Aaa                | 7%      | 7%      |
| AA/Aa                  | 5       | 7       |
| A/A                    | 12      | 4       |
| BBB/Baa                | 23      | 18      |
| BB/Ba                  | 10      | 11      |
| B/B                    | 5       | 5       |
| CCC/Caa                | 3       | 4       |
| CC/Ca                  |         | 1       |
| Not Rated <sup>6</sup> | 35      | 43      |

<sup>5</sup> Using the higher of Standard & Poor's (S&P's) or Moody's Investors Service (Moody's) ratings.

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2009 and June 30, 2008, the market value of these securities was \$8,923,111 representing 6% and \$8,940,500, representing 5%, respectively, of the Fund's long-term investments.





Fund Summary as of April 30, 2009

BlackRock MuniAssets Fund, Inc.

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**Investment Objective**


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**BlackRock MuniAssets Fund, Inc. (MUA) (the Fund)** seeks to provide shareholders with current income exempt from federal income taxes by investing primarily in a portfolio of medium- to lower-grade or unrated municipal obligations, the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

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**Performance**


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For the 11 months ended April 30, 2009, the Fund returned (12.45)% based on market price and (11.29)% based on NAV. For the same period, the closed-end Lipper High Yield Municipal Debt Funds category posted an average return of (18.93)% on a market price basis and (17.73)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. Factors contributing to the Fund's outperformance include an up-in-quality bias and a below-market duration stance, offset somewhat by a moderately below-average distribution yield. Recent efforts to lengthen duration and increase credit risk exposure have proven to be beneficial, given the sharp recovery in credit spreads and overall improved market tone.

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.

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**Fund Information**


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|   |               |
|---|---------------|
| Symbol on New York Stock Exchange   | MUA           |
| Initial Offering Date   | June 25, 1993 |
| Yield on Closing Market Price as of April 30, 2009 (\$10.91) <sup>1</sup> | 7.42%         |
| Tax Equivalent Yield <sup>2</sup>   | 11.42%        |
| Current Monthly Distribution per Common Share <sup>3</sup>                | \$0.0675      |
| Current Annualized Distribution per Common Share <sup>3</sup>             | \$0.8100      |
| Leverage as of April 30, 2009 <sup>4</sup>                                | 5%            |

<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 federal tax rate of 35%.

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

<sup>4</sup> Represents TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

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The table below summarizes the changes in the Fund's market price and NAV per share:

|                 | 4/30/09  | 5/31/08  | Change   | High     | Low     |
|-----------------|----------|----------|----------|----------|---------|
| Market Price    | \$ 10.91 | \$ 13.35 | (18.28)% | \$ 13.55 | \$ 7.28 |
| Net Asset Value | \$ 10.59 | \$ 12.79 | (17.20)% | \$ 12.84 | \$ 9.54 |

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

|  | 4/30/09 | 5/31/08 |
|--|---------|---------|
| Corporate                                    | 26%     | 27%     |
| Health                                       | 25      | 26      |
| County/City/Special District/School District | 18      | 19      |
| Transportation                               | 12      | 6       |
| Utilities                                    | 7       | 7       |
| Education                                    | 4       | 9       |
| Housing                                      | 4       | 1       |
| State  | 2       | 3       |
| Tobacco                                      | 2       | 2       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/09 | 5/31/08 |
|------------------------|---------|---------|
| AAA/Aaa                | 9%      | 12%     |
| AA/Aa                  | 3       | 4       |
| A/A                    | 19      | 7       |
| BBB/Baa                | 19      | 15      |
| BB/Ba                  | 9       | 10      |
| B/B                    | 5       | 5       |
| CCC/Caa                | 3       | 4       |
| CC/Ca                  | 1       |         |
| Not Rated <sup>6</sup> | 32      | 43      |

<sup>5</sup> Using the higher of S&P's or Moody's ratings.

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2009 and May 31, 2008 the market value of these securities was \$12,884,659 representing 6% and \$12,388,252 representing 5%, respectively, of the Fund's long-term investments.



Fund Summary as of April 30, 2009

BlackRock MuniEnhanced Fund, Inc.

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**Investment Objective**


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**BlackRock MuniEnhanced Fund, Inc. (MEN) (the Fund)** seeks to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies by investing primarily in a portfolio of long-term, investment grade municipal obligations, the interest on which is exempt from federal income taxes in the opinion of the bond counsel to the issuer. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

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**Performance**


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For the three months ended April 30, 2009, the Fund returned 8.48% based on market price and 8.40% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 6.96% on a market price basis and 5.92% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. During the period, the Fund benefited from its above-average yield. Performance also was aided by our constructive market positioning during a period of declining yields, a higher-than-average exposure to the longer end of the yield curve (as it flattened) and, finally, the stabilization of credit spreads, which began to tighten toward the end of the period. The Fund is more sensitive to credit spreads, in general, since the downgrades of the monoline insurers and, in particular, because of greater-than-average exposure to weaker underlying insured bonds. The municipal market generally returned to more typical functioning after an extended period of volatility, which allowed us to continue upgrading the Fund's overall credit quality.

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**Fund Information**


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|  |               |
|--|---------------|
| Symbol on New York Stock Exchange  | MEN           |
| Initial Offering Date  | March 2, 1989 |
| Yield on Closing Market Price as of April 30, 2009 (\$8.88) <sup>1</sup> | 5.81%         |
| Tax Equivalent Yield <sup>2</sup>  | 8.94%         |
| Current Monthly Distribution per Common Share <sup>3</sup>               | \$0.043       |
| Current Annualized Distribution per Common Share <sup>3</sup>            | \$0.516       |
| Leverage as of April 30, 2009 <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 federal tax rate of 35%.

<sup>3</sup> The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.0505. 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 further change in the future.

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<sup>4</sup> Represents Auction Market Preferred Shares ( Preferred Shares ) and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Fund's market price and NAV per share:

|                 | 4/30/09 | 1/31/09 | Change | High    | Low     |
|-----------------|---------|---------|--------|---------|---------|
| Market Price    | \$ 8.88 | \$ 8.31 | 6.86%  | \$ 8.99 | \$ 7.59 |
| Net Asset Value | \$ 9.77 | \$ 9.15 | 6.78%  | \$ 9.94 | \$ 9.14 |

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

|  | 4/30/09 | 1/31/09 |
|--|---------|---------|
| County/City/Special District/School District | 29%     | 26%     |
| Transportation                               | 23      | 24      |
| State  | 21      | 22      |
| Utilities                                    | 12      | 14      |
| Corporate                                    | 4       | 4       |
| Health                                       | 4       | 5       |
| Housing                                      | 4       | 3       |
| Education                                    | 2       | 1       |
| Tobacco                                      | 1       | 1       |

### Credit Quality Allocations<sup>5</sup>

|         | 4/30/09 | 1/31/09 |
|---------|---------|---------|
| AAA/Aaa | 45%     | 47%     |
| AA/Aa   | 33      | 30      |
| A/A     | 19      | 20      |
| BBB/Baa | 3       | 3       |

<sup>5</sup> Using the higher of S&P's or Moody's ratings.



Fund Summary as of April 30, 2009

BlackRock MuniHoldings Fund, Inc.

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**Investment Objective**


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**BlackRock MuniHoldings Fund, Inc. (MHD) (the Fund)** seeks to provide shareholders with current income exempt from federal income taxes by investing primarily in a portfolio of long-term, investment grade municipal obligations the interest on which, in the opinion of bond counsel to the issuers, is exempt from federal income taxes. No assurance can be given that the Fund's investment objective will be achieved.

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**Performance**


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For the 12 months ended April 30, 2009, the Fund returned (12.97)%, based on market price and (6.24)% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of (9.85)% on a market price basis and (9.02)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Portfolio positioning, with respect to duration, was generally neutral, while a bias toward limiting exposure to longer-dated bonds proved to be beneficial, given a steepening yield curve environment. In general, the Fund's credit profile consistently reflected a high level of exposure to the lower end of the ratings spectrum. While this strategy generates an above-average dividend yield, it also subjects the Fund to additional volatility during periods when credit spreads are fluctuating. Consequently, performance tended to suffer late in 2008 when spreads widened, but more recently, the strong rebound in lower-rated bonds allowed the Fund to generate a strong competitive return, while maintaining the historically attractive dividend.

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.

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**Fund Information**


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|   |             |
|---|-------------|
| Symbol on New York Stock Exchange   | MHD         |
| Initial Offering Date   | May 2, 1997 |
| Yield on Closing Market Price as of April 30, 2009 (\$11.97) <sup>1</sup> | 7.12%       |
| Tax Equivalent Yield <sup>2</sup>   | 10.95%      |
| Current Monthly Distribution per Common Share <sup>3</sup>                | \$0.071     |
| Current Annualized Distribution per Common Share <sup>3</sup>             | \$0.852     |
| Leverage as of April 30, 2009 <sup>4</sup>                                | 40%         |

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<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 federal tax rate of 35%.

<sup>3</sup> The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.0835. 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 further change in the future.

<sup>4</sup> Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques

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used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Fund's market price and NAV per share:

|                 | 4/30/09  | 4/30/08  | Change   | High     | Low      |
|-----------------|----------|----------|----------|----------|----------|
| Market Price    | \$ 11.97 | \$ 14.77 | (18.96)% | \$ 15.20 | \$ 7.53  |
| Net Asset Value | \$ 13.27 | \$ 15.20 | (12.70)% | \$ 15.36 | \$ 11.11 |

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

|  | 4/30/09 | 4/30/08 |
|--|---------|---------|
| Health                                       | 19%     | 19%     |
| Corporate                                    | 15      | 20      |
| County/City/Special District/School District | 13      | 25      |
| Transportation                               | 11      | 7       |
| State  | 10      | 8       |
| Utilities                                    | 10      | 7       |
| Education                                    | 9       | 4       |
| Housing                                      | 9       | 5       |
| Tobacco                                      | 4       | 5       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/09 | 4/30/08 |
|------------------------|---------|---------|
| AAA/Aaa                | 29%     | 40%     |
| AA/Aa                  | 21      | 12      |
| A/A                    | 24      | 18      |
| BBB/Baa                | 10      | 8       |
| BB/Ba                  | 2       | 1       |
| B/B                    | 1       | 2       |
| CCC/Caa                | 2       | 2       |
| Not Rated <sup>6</sup> | 11      | 17      |

<sup>5</sup> Using the higher of S&P's or Moody's ratings.

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2009 and 2008, the market value of these securities was \$6,532,075 representing 2% and \$10,735,995 representing 3%, respectively, of the Fund's long-term investments.





Fund Summary as of April 30, 2009

BlackRock MuniHoldings Fund II, Inc.

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**Investment Objective**


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**BlackRock MuniHoldings Fund II, Inc. (MUH) (the Fund)** seeks to provide shareholders with current income exempt from federal income taxes by investing primarily in a portfolio of long-term, investment grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

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**Performance**


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For the nine months ended April 30, 2009, the Fund returned (7.99)% based on market price and (3.55)% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of (6.02)% on a market price basis and (7.10)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Portfolio positioning, with respect to duration, was generally neutral, while a bias toward limiting exposure to longer-dated bonds proved to be beneficial, given a steepening yield curve environment. In general, the Fund's credit profile consistently reflected a high level of exposure to the lower end of the ratings spectrum. While this strategy generates an above-average dividend yield, it also subjects the Fund to additional volatility during periods when credit spreads are fluctuating. Consequently, performance tended to suffer late in 2008 when spreads widened, but more recently, the strong rebound in lower-rated bonds allowed the Fund to generate a strong competitive return, while maintaining the historically attractive dividend.

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.

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**Fund Information**


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|   |                   |
|---|-------------------|
| Symbol on New York Stock Exchange   | MUH               |
| Initial Offering Date   | February 27, 1998 |
| Yield on Closing Market Price as of April 30, 2009 (\$11.33) <sup>1</sup> | 6.67%             |
| Tax Equivalent Yield <sup>2</sup>   | 10.26%            |
| Current Monthly Distribution per Common Share <sup>3</sup>                | \$0.063           |
| Current Annualized Distribution per Common Share <sup>3</sup>             | \$0.756           |
| Leverage as of April 30, 2009 <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 federal tax rate of 35%.

<sup>3</sup> The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.0755. 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 further change in the future.

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<sup>4</sup> Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Fund's market price and NAV per share:

|                 | 4/30/09  | 7/31/08  | Change   | High     | Low      |
|-----------------|----------|----------|----------|----------|----------|
| Market Price    | \$ 11.33 | \$ 13.01 | (12.91)% | \$ 13.15 | \$ 7.08  |
| Net Asset Value | \$ 12.47 | \$ 13.66 | (8.71)%  | \$ 13.95 | \$ 10.46 |

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

|  | 4/30/09 | 7/31/08 |
|--|---------|---------|
| Health                                       | 18%     | 20%     |
| County/City/Special District/School District | 16      | 25      |
| Transportation                               | 13      | 9       |
| Corporate                                    | 11      | 14      |
| Education                                    | 11      | 5       |
| State  | 10      | 7       |
| Utilities                                    | 9       | 9       |
| Housing                                      | 8       | 7       |
| Tobacco                                      | 4       | 4       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/09 | 7/31/08 |
|------------------------|---------|---------|
| AAA/Aaa                | 26%     | 37%     |
| AA/Aa                  | 26      | 20      |
| A/A                    | 25      | 18      |
| BBB/Baa                | 10      | 8       |
| BB/Ba                  | 1       | 1       |
| B/B                    | 2       | 1       |
| CCC/Caa                | 1       | 2       |
| Not Rated <sup>6</sup> | 9       | 13      |

<sup>5</sup> Using the higher of S&P's or Moody's ratings.

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2009 and July 31, 2008, the market value of these securities was \$4,974,331 representing 2% and \$4,249,701 representing 2%, respectively, of

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the Fund's long-term investments.

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ANNUAL REPORT

APRIL 30, 2009

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Fund Summary as of April 30, 2009

BlackRock MuniHoldings Insured Fund, Inc.

**Investment Objective**

**BlackRock MuniHoldings Insured Fund, Inc. (MUS) (the Fund)** seeks to provide shareholders with current income exempt from federal income taxes by investing primarily in a portfolio of long-term, investment grade municipal obligations the interest on which, in the opinion of bond counsel to the issuers, is exempt from federal income taxes. Under normal circumstances, the Fund invests at least 80% of its total assets in municipal bonds that are covered by insurance. No assurance can be given that the Fund's investment objective will be achieved.

**Performance**

For the 12 months ended April 30, 2009, the Fund returned (3.97)% based on market price and (2.52)% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of (2.77)% on a market price basis and (3.22)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Sector allocation continued to play a significant role in determining how the Fund performed during the past year. The Fund was significantly overweight in pre-refunded securities within the one- to five-year maturity range, which benefited comparative performance. Notably, according to the S&P/Investor Tools Main Municipal Bond Index, the pre-refunded sector was the best-performing sector for the past twelve months. Conversely, exposure to healthcare and housing issues detracted from results for the period. At period end, the Fund's cash position remains elevated and will be deployed opportunistically.

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.

**Fund Information**

|   |             |
|---|-------------|
| Symbol on New York Stock Exchange   | MUS         |
| Initial Offering Date   | May 1, 1998 |
| Yield on Closing Market Price as of April 30, 2009 (\$10.87) <sup>1</sup> | 5.35%       |
| Tax Equivalent Yield <sup>2</sup>   | 8.23%       |
| Current Monthly Distribution per Common Share <sup>3</sup>                | \$0.0485    |
| Current Annualized Distribution per Common Share <sup>3</sup>             | \$0.5820    |
| Leverage as of April 30, 2009 <sup>4</sup>                                | 43%         |

<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 federal tax rate of 35%.

<sup>3</sup> The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.066. 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 further change in the future.

<sup>4</sup> Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Fund's market price and NAV per share:

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|                 | 4/30/09  | 4/30/08  | Change  | High     | Low     |
|-----------------|----------|----------|---------|----------|---------|
| Market Price    | \$ 10.87 | \$ 11.97 | (9.19)% | \$ 12.23 | \$ 6.84 |
| Net Asset Value | \$ 12.27 | \$ 13.31 | (7.81)% | \$ 13.51 | \$ 9.70 |

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

**Sector Allocations**

|  | 4/30/09 | 4/30/08 |
|--|---------|---------|
| County/City/Special District/School District | 42%     | 39%     |
| Transportation                               | 17      | 17      |
| Utilities                                    | 14      | 9       |
| State  | 12      | 17      |
| Health                                       | 7       | 6       |
| Housing                                      | 6       | 9       |
| Corporate                                    | 2       | 2       |
| Education                                    |         | 1       |

**Credit Quality Allocations<sup>5</sup>**

|           | 4/30/09        | 4/30/08 |
|-----------|----------------|---------|
| AAA/Aaa   | 50%            | 83%     |
| AA/Aa     | 39             | 8       |
| A/A       | 6              | 8       |
| BBB/Baa   | 4              | 1       |
| Not Rated | 1 <sup>6</sup> |         |

<sup>5</sup> Using the higher of S&P's or Moody's ratings.

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2009, the market value of these securities was \$3,333,138 representing 1% of the Fund's long-term investments.

Fund Summary as of April 30, 2009

BlackRock Muni Intermediate Duration Fund, Inc.

**Investment Objective**

**BlackRock Muni Intermediate Duration Fund, Inc. (MUI) (the Fund)** seeks to provide shareholders with high current income exempt from federal income taxes by investing primarily in a portfolio of municipal obligations, the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

**Performance**

For the 11 months ended April 30, 2009, the Fund returned (9.21)% based on market price and (4.56)% based on NAV. For the same period, the closed-end Lipper Intermediate Municipal Debt Funds category posted an average return of (2.86)% on a market price basis and (3.27)% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Negatively affecting the Fund's performance were its lower-rated holdings, which underperformed the market as credit spreads widened and liquidity became scarcer. The Fund's underweight in tax-backed and utility credits, which were some of the better-performing sectors, also hindered results. Adding to returns were the Fund's overweight in pre-refunded bonds, a greater-than-average distribution rate and its largely neutral duration positioning during a period of extreme volatility and historical municipal underperformance versus Treasuries. Many of the trends in place at the close of the calendar year showed signs of reversing as liquidity returned to the municipal market and credit spreads began to narrow. We seek to capitalize on opportunities in the new-issue market as anxious issuers, prohibited from issuing debt due to recent market forces, have provided many attractive values in their rush to tap the loosening credit markets. The Fund maintains a neutral to slightly long duration bias.

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.

**Fund Information**

|   |                |
|---|----------------|
| Symbol on New York Stock Exchange   | MUI            |
| Initial Offering Date   | August 1, 2003 |
| Yield on Closing Market Price as of April 30, 2009 (\$11.77) <sup>1</sup> | 5.91%          |
| Tax Equivalent Yield <sup>2</sup>   | 9.09%          |
| Current Monthly Distribution per Common Share <sup>3</sup>                | \$0.058        |
| Current Annualized Distribution per Common Share <sup>3</sup>             | \$0.696        |
| Leverage as of April 30, 2009 <sup>4</sup>                                | 41%            |

<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 federal tax rate of 35%.

<sup>3</sup> The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.0655. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new

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distribution rate. The new distribution rate is not constant and is subject to further change in the future.

- <sup>4</sup> Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Fund's market price and NAV per share:

|                 | 4/30/09  | 5/31/08  | Change   | High     | Low      |
|-----------------|----------|----------|----------|----------|----------|
| Market Price    | \$ 11.77 | \$ 13.70 | (14.09)% | \$ 13.78 | \$ 7.82  |
| Net Asset Value | \$ 13.05 | \$ 14.45 | (9.69)%  | \$ 14.51 | \$ 11.49 |

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

|  | 4/30/09 | 5/31/08 |
|--|---------|---------|
| City/County/Special/District/School District | 25%     | 21%     |
| Industrial & Pollution Control               | 23      | 22      |
| Transportation                               | 13      | 11      |
| Corporate                                    | 11      | 13      |
| Health                                       | 10      | 14      |
| Utilities                                    | 7       | 7       |
| Tobacco                                      | 6       | 6       |
| Housing                                      | 3       | 3       |
| Education                                    | 2       | 3       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/09 | 5/31/08 |
|------------------------|---------|---------|
| AAA/Aaa                | 36%     | 47%     |
| AA/Aa                  | 30      | 11      |
| A/A                    | 11      | 11      |
| BBB/Baa                | 12      | 14      |
| BB/Ba                  | 1       | 1       |
| B/B                    | 1       | 1       |
| CCC/Caa                | 1       | 3       |
| Not Rated <sup>6</sup> | 9       | 12      |

<sup>5</sup> Using the higher of S&P's or Moody's ratings.

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2009 and May 31, 2008, the market value of these securities was \$16,548,864 representing 2% and \$20,190,323 representing 2%, respectively, of the



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Fund's long-term investments.

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ANNUAL REPORT

APRIL 30, 2009

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Fund Summary as of April 30, 2009

BlackRock MuniVest Fund II, Inc.

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**Investment Objective**


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**BlackRock MuniVest Fund II, Inc. (MVT) (the Fund )** seeks to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management by investing primarily in a portfolio of long-term, investment grade municipal obligations, the interest on which, in the opinion of bond counsel to the issuers, is exempt from federal income taxes. No assurance can be given that the Fund's investment objective will be achieved.

The Fund's year end was changed to April 30.

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**Performance**


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For the six months ended April 30, 2009, the Fund returned 24.49%, based on market price and 13.71% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 16.50% on a market price basis and 9.58% on a NAV basis. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance, based on price and performance based on NAV. Portfolio positioning, with respect to duration and yield curve, was generally neutral relative to the Fund's peer group. In general, the Fund's credit profile consistently reflected a high level of exposure to the lower end of the ratings spectrum. While this strategy generates an above-average dividend yield, it also subjects the Fund to additional volatility during periods when credit spreads are fluctuating. Consequently, performance tended to suffer late in 2008 when spreads widened, but more recently, the strong rebound in lower-rated bonds has allowed the Fund to generate a strong competitive return, while maintaining the historically attractive dividend.

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.

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**Fund Information**


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|   |                |
|---|----------------|
| Symbol on New York Stock Exchange   | MVT            |
| Initial Offering Date   | March 29, 1993 |
| Yield on Closing Market Price as of April 30, 2009 (\$11.65) <sup>1</sup> | 7.31%          |
| Tax Equivalent Yield <sup>2</sup>   | 11.25%         |
| Current Monthly Distribution per Common Share <sup>3</sup>                | \$0.071        |
| Current Annualized Distribution per Common Share <sup>3</sup>             | \$0.852        |
| Leverage as of April 30, 2009 <sup>4</sup>                                | 45%            |

<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 federal tax rate of 35%.

<sup>3</sup> The Monthly Distribution per Share, declared on June 1, 2009, was increased to \$0.0835. 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 further change in the future.

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- <sup>4</sup> Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

The table below summarizes the changes in the Fund's market price and NAV per share:

|                 | 4/30/09  | 10/31/08 | Change | High     | Low     |
|-----------------|----------|----------|--------|----------|---------|
| Market Price    | \$ 11.65 | \$ 9.75  | 19.49% | \$ 12.00 | \$ 7.51 |
| Net Asset Value | \$ 11.95 | \$ 10.95 | 9.13%  | \$ 11.95 | \$ 9.76 |

The following unaudited charts show the sector and credit quality allocations of the Fund's long-term investments:

### Sector Allocations

|  | 4/30/09 | 10/31/08 |
|--|---------|----------|
| Health                                       | 18%     | 18%      |
| Corporate                                    | 16      | 19       |
| State  | 14      | 14       |
| County/City/Special District/School District | 13      | 14       |
| Transportation                               | 13      | 11       |
| Utilities                                    | 11      | 11       |
| Education                                    | 6       | 4        |
| Housing                                      | 5       | 4        |
| Tobacco                                      | 4       | 5        |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/09 | 10/31/08 |
|------------------------|---------|----------|
| AAA/Aaa                | 26%     | 29%      |
| AA/Aa                  | 28      | 22       |
| A/A                    | 18      | 16       |
| BBB/Baa                | 12      | 14       |
| BB/Ba                  | 1       | 2        |
| B/B                    | 2       | 1        |
| Not Rated <sup>6</sup> | 13      | 16       |

- <sup>5</sup> Using the higher of S&P's or Moody's ratings.

- <sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2009 and October 31, 2008, the market value of these securities was \$10,825,769 representing 3% and \$9,997,993 representing 2%, respectively, of the Fund's long-term investments.



**The Benefits and Risks of Leveraging**

The Funds may utilize leverage to seek to enhance the yield and NAV of their Common Shares. However, these objectives cannot be achieved in all interest rate environments.

To leverage all of the Funds, except BlackRock Apex Municipal Fund, Inc. and BlackRock MuniAssets Fund, Inc., issue Preferred Shares, which pay dividends at prevailing short-term interest rates, and invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund's Common Shareholders will benefit from the incremental yield.

To illustrate these concepts, assume a Fund's Common Shares capitalization is \$100 million and it issues Preferred Shares for an additional \$50 million, creating a total value of \$150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund pays dividends on the \$50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the Fund's total portfolio of \$150 million earns the income based on long-term interest rates. In this case, the dividends paid to Preferred Shareholders are significantly lower than the income earned on the Fund's long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental yield.

Conversely, if prevailing short-term interest rates rise above long-term interest rates of 6%, the yield curve has a negative slope. In this case, the Fund pays dividends on the higher short-term interest rates whereas the Fund's total portfolio earns income based on lower long-term interest rates. If short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental yield pickup on the Common Shares will be reduced or eliminated completely.

Furthermore, the value of the Fund's 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 redemption value of the Fund's Preferred Shares does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Fund's NAV positively or negatively in addition to the impact on Fund performance from leverage from Preferred Shares discussed above.

The Funds may also, from time to time, leverage their assets through the use of tender option bond ( TOB ) programs, as described in Note 1 of the Notes to Financial Statements. TOB investments generally will provide the Funds with economic benefits in periods of declining short-term interest rates, but expose the Funds to risks during periods of rising short-term interest rates similar to those associated with Preferred Shares issued by the Funds, as described above. Additionally, fluctuations in the market value of municipal bonds deposited into the TOB trust may adversely affect each Fund's NAV per share.

The use of leverage may enhance opportunities for increased returns to the Funds and Common Shareholders, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Funds' NAV, market price and dividend rate than a comparable portfolio without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Funds' net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, the Funds' net income will be less than if leverage had not been used, and therefore the amount available for distribution to shareholders will be reduced. The Funds may be required to sell portfolio securities at inopportune times or below fair market 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 Funds to incur losses. The use of leverage may limit the Funds' ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by ratings agencies that rate preferred shares issued by a Fund. The Funds will incur expenses in connection with the use of leverage, all of which are borne by the holders of the Common Shares and may reduce returns on the Common Shares.

Under the Investment Company Act of 1940, the Funds are permitted to issue Preferred Shares in an amount up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Fund anticipates that the total economic leverage from Preferred Shares and/or TOBs will not exceed 50% of its total managed assets at the time such leverage is incurred. As of April 30, 2009, the Funds had economic leverage from Preferred Shares and TOBs as a percentage of their total managed assets as follows:

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**Percent of  
Leverage**

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|   |     |
|---|-----|
| BlackRock Apex Municipal Fund, Inc.             | 5%  |
| BlackRock MuniAssets Fund, Inc.                 | 5%  |
| BlackRock MuniEnhanced Fund, Inc.               | 42% |
| BlackRock MuniHoldings Fund, Inc.               | 40% |
| BlackRock MuniHoldings Fund II, Inc.            | 38% |
| BlackRock MuniHoldings Insured Fund, Inc.       | 43% |
| BlackRock Muni Intermediate Duration Fund, Inc. | 41% |
| BlackRock MuniVest Fund II, Inc.                | 45% |

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### Derivative Instruments

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The Funds may invest in various derivative instruments, including swap agreements and futures, and other instruments specified in the Notes to Financial Statements, which constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset, possible default of the other party to the transaction and illiquidity of the derivative instrument. The Funds' ability to successfully use a derivative instrument depends on the Advisor's ability to accurately predict pertinent market movements, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require a Fund to sell or purchase portfolio securities at inopportune times or for prices other than current market values, may limit the amount of appreciation a Fund can realize on an investment or may cause a Fund to hold a security that it might otherwise sell. The Funds' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Schedule of Investments April 30, 2009

BlackRock Apex Municipal Fund, Inc. (APX)  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value            |
|--|--------------|------------------|
| <b>Alabama 0.6%</b>  |              |                  |
| Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5%, 1/01/10   | \$ 475       | \$ 435,618       |
| Tuscaloosa, Alabama, Special Care Facilities Financing Authority, Residential Care Facility Revenue Bonds (Capstone Village, Inc. Project), Series A, 5.875%, 8/01/36 (a)(b) | 1,255        | 535,119          |
|  |              | <u>970,737</u>   |
| <b>Alaska 1.1%</b>   |              |                  |
| Alaska Industrial Development and Export Authority Revenue Bonds (Williams Lynxs Alaska Cargoport), AMT, 8%, 5/01/23   | 2,000        | 1,650,040        |
| <b>Arizona 3.9%</b>  |              |                  |
| Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.625%, 7/01/20  | 1,100        | 826,221          |
| Maricopa County, Arizona, IDA, M/F Housing Revenue Bonds (Sun King Apartments Project), Series A: 6%, 11/01/10   | 15           | 14,750           |
| 6.75%, 5/01/31   | 1,020        | 717,335          |
| Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds (America West Airlines Inc. Project), AMT, 6.30%, 4/01/23   | 2,950        | 1,814,221        |
| Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project), Series E, 7.25%, 7/01/31   | 960          | 714,403          |
| Salt Verde Financial Corp., Arizona, Senior Gas Revenue Bonds: 5%, 12/01/32  | 1,950        | 1,354,061        |
| 5%, 12/01/37   | 230          | 154,960          |
| Yavapai County, Arizona, IDA, Hospital Facility Revenue Bonds (Yavapai Regional Medical Center), Series A, 6%, 8/01/33   | 500          | 394,465          |
|  |              | <u>5,990,416</u> |
| <b>California 2.6%</b>   |              |                  |
| Fontana, California, Special Tax, Refunding (Community Facilities District Number 22 Sierra), 6%, 9/01/34  | 1,000        | 748,840          |
| San Jose, California, Airport Revenue Refunding Bonds, AMT, Series A, 5.50%, 3/01/32 (c)   | 2,220        | 2,028,791        |
| Southern California Public Power Authority, Natural Gas Project Number 1 Revenue Bonds, Series A, 5%, 11/01/29   | 1,435        | 1,147,526        |
|  |              | <u>3,925,157</u> |

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| Municipal Bonds   | Par<br>(000) | Value      |
|---|--------------|------------|
| <b>Colorado 4.1%</b>  |              |            |
| Colorado Health Facilities Authority, Revenue Refunding Bonds (Christian Living Communities Project), Series A, 5.75%, 1/01/26                                    | \$ 450       | \$ 346,657 |
| Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Fee), Series A, 7.30%, 9/01/22   | 2,800        | 2,457,308  |
| North Range Metropolitan District Number 1, Colorado, GO, 7.25%, 12/15/11 (d)   | 1,235        | 1,403,429  |
| Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees): 8%, 12/01/25  | 2,000        | 1,696,020  |
| 8.125%, 12/01/25  | 500          | 384,250    |
|   |              | 6,287,664  |
| <b>Connecticut 0.9%</b>   |              |            |
| Connecticut State Development Authority, Airport Facility Revenue Bonds (Learjet Inc. Project), AMT, 7.95%, 4/01/26   | 490          | 433,106    |
| Mashantucket Western Pequot Tribe, Connecticut, Revenue Refunding Bonds, Sub-Series A, 5.50%, 9/01/36   | 615          | 292,746    |
| Mohegan Tribe Indians Gaming Authority, Connecticut, Public Improvement Revenue Refunding Bonds (Priority Distribution), 5.25%, 1/01/33                           | 1,500        | 712,530    |
|   |              | 1,438,382  |
| <b>Florida 10.2%</b>  |              |            |
| Capital Region Community Development District, Florida, Special Assessment Revenue Bonds, Series A, 7%, 5/01/39   | 645          | 455,086    |
| Halifax Hospital Medical Center, Florida, Hospital Revenue Refunding Bonds, Series A, 5%, 6/01/38   | 840          | 599,659    |
| Hillsborough County, Florida, IDA, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT: Series A, 7.125%, 4/01/30                                      | 2,500        | 1,284,175  |
| Series B, 7.125%, 4/01/30   | 1,060        | 544,490    |
| Jacksonville, Florida, Economic Development Commission, Health Care Facilities, Revenue Refunding Bonds (Florida Proton Therapy Institute), Series A, 6%, 9/01/17 | 915          | 784,127    |
| Jacksonville, Florida, Economic Development Commission, IDR (Gerdau Ameristeel US, Inc.), AMT, 5.30%, 5/01/37   | 900          | 459,603    |
| Lakewood Ranch, Florida, Community Development District Number 5, Special Assessment Revenue Refunding Bonds, Series A, 6.70%, 5/01/11 (d)                        | 725          | 796,702    |
| Lee County, Florida, IDA, IDR (Lee Charter Foundation), Series A, 5.375%, 6/15/37   | 1,810        | 1,024,351  |
| Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds, Series A: 6%, 5/01/24   | 1,430        | 1,019,762  |
| 6.25%, 5/01/37  | 1,350        | 862,839    |



**Portfolio Abbreviations**

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To simplify the listings of portfolio holdings in the Schedules of Investments, the names and descriptions of many of the securities have been abbreviated according to the list on the right.

|             |                                      |
|-------------|--------------------------------------|
| <b>AMT</b>  | Alternative Minimum Tax (subject to) |
| <b>CABS</b> | Capital Appreciation Bonds           |
| <b>COP</b>  | Certificates of Participation        |
| <b>EDA</b>  | Economic Development Authority       |
| <b>EDR</b>  | Economic Development Revenue Bonds   |
| <b>GO</b>   | General Obligation Bonds             |
| <b>HDA</b>  | Housing Development Authority        |
| <b>HFA</b>  | Housing Finance Agency               |
| <b>IDA</b>  | Industrial Development Authority     |
| <b>IDB</b>  | Industrial Development Bonds         |
| <b>IDR</b>  | Industrial Development Revenue Bonds |
| <b>M/F</b>  | Multi-Family                         |
| <b>PCR</b>  | Pollution Control Revenue Bonds      |
| <b>S/F</b>  | Single-Family                        |
| <b>VRDN</b> | Variable Rate Demand Notes           |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Apex Municipal Fund, Inc. (APX)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Florida (concluded)</b>  |              |              |
| Orlando, Florida, Urban Community Development District,<br>Capital Improvement Special Assessment Bonds,<br>Series A, 6.95%, 5/01/11 (d)                                | \$ 1,405     | \$ 1,551,120 |
| Santa Rosa Bay Bridge Authority, Florida, Revenue<br>Bonds, 6.25%, 7/01/28  | 2,140        | 1,223,973    |
| Sarasota County, Florida, Health Facilities Authority,<br>Retirement Facility Revenue Refunding Bonds<br>(Village on the Isle Project):                                 |              |              |
| 5.50%, 1/01/27  | 590          | 406,528      |
| 5.50%, 1/01/32  | 550          | 353,447      |
| Sumter Landing Community Development District,<br>Florida, Recreational Revenue Bonds, Sub-Series B,<br>5.70%, 10/01/38   | 1,645        | 1,021,068    |
| Tampa Palms, Florida, Open Space and Transportation<br>Community Development District Revenue Bonds,<br>Capital Improvement (Richmond Place Project),<br>7.50%, 5/01/18 | 2,075        | 1,954,920    |
| Tolomato Community Development District, Florida,<br>Special Assessment Bonds, 6.65%, 5/01/40   | 1,850        | 1,244,144    |
|   |              | 15,585,994   |
| <b>Georgia 2.0%</b>   |              |              |
| Atlanta, Georgia, Tax Allocation Bonds (Princeton Lakes<br>Project), 5.50%, 1/01/31   | 395          | 263,311      |
| Clayton County, Georgia, Tax Allocation Bonds<br>(Ellenwood Project), 7.50%, 7/01/33  | 1,640        | 1,386,292    |
| Main Street Natural Gas, Inc., Georgia, Gas Project<br>Revenue Bonds, Series A, 6.375%, 7/15/38 (a)(b)  | 650          | 242,131      |
| Rockdale County, Georgia, Development Authority<br>Revenue Bonds (Visy Paper Project), AMT,<br>Series A, 6.125%, 1/01/34  | 1,680        | 1,115,335    |
|   |              | 3,007,069    |
| <b>Illinois 5.1%</b>  |              |              |
| Chicago, Illinois, O Hare International Airport, Special<br>Facility Revenue Refunding Bonds (American<br>Airlines Inc. Project), 5.50%, 12/01/30                       | 2,860        | 1,086,800    |
| Illinois State Finance Authority Revenue Bonds:<br>(Clare At Water Tower Project), Series A,<br>6.125%, 5/15/38   | 2,050        | 1,019,998    |
| (Landing At Plymouth Place Project), Series A,<br>6%, 5/15/37   | 430          | 273,243      |
| (Monarch Landing, Inc. Project), Series A,<br>7%, 12/01/37  | 575          | 348,341      |
| (Primary Health Care Centers Program),<br>6.60%, 7/01/24  | 490          | 367,206      |
|   | 2,000        | 2,105,100    |

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|  |       |           |
|--|-------|-----------|
| (Rush University Medical Center Obligated Group Project), Series A, 7.25%, 11/01/30<br>Lincolnshire, Illinois, Special Service Area Number 1, Special Tax Bonds (Sedgebrook Project), 6.25%, 3/01/34 | 755   | 481,109   |
| Lombard, Illinois, Public Facilities Corporation, First Tier Revenue Bonds (Conference Center and Hotel), Series A-1, 7.125%, 1/01/36  | 2,400 | 1,597,728 |
| Village of Wheeling, Illinois, Revenue Bonds (North Milwaukee/Lake-Cook Tax Increment Financing Redevelopment Project), 6%, 1/01/25  | 760   | 583,460   |
|  |       | 7,862,985 |

| Municipal Bonds   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Indiana 1.7%</b>   |              |              |
| Indiana Health and Educational Facilities Financing Authority, Hospital Revenue Bonds (Community Foundation of Northwest Indiana), 5.50%, 3/01/37 | \$ 1,770     | \$ 1,372,069 |
| Vanderburgh County, Indiana, Redevelopment Commission, Redevelopment District Tax Allocation Bonds, 5.25%, 2/01/31                                | 820          | 656,927      |
| Vigo County, Indiana, Hospital Authority Revenue Bonds (Union Hospital, Inc.):<br>5.70%, 9/01/37  | 440          | 289,379      |
| 5.75%, 9/01/42  | 545          | 353,449      |
|   |              | 2,671,824    |

|  |       |           |
|--|-------|-----------|
| <b>Louisiana 2.7%</b>  |       |           |
| Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Westlake Chemical Corporation), 6.75%, 11/01/32 | 2,000 | 1,392,100 |
| Louisiana Public Facilities Authority, Hospital Revenue Bonds (Franciscan Missionaries of Our Lady Health System, Inc.), Series A, 5.25%, 8/15/36      | 1,300 | 1,106,651 |
| Saint John Baptist Parish, Louisiana, Revenue Bonds (Marathon Oil Corporation), Series A, 5.125%, 6/01/37  | 2,050 | 1,568,045 |
|  |       | 4,066,796 |

|  |       |           |
|--|-------|-----------|
| <b>Maryland 1.0%</b>   |       |           |
| Baltimore, Maryland, Convention Center Hotel Revenue Bonds, Sub-Series B, 5.875%, 9/01/39  | 385   | 230,992   |
| Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration AES Warrior Run), AMT, 7.40%, 9/01/19 | 1,500 | 1,138,815 |
| Maryland State Health and Higher Educational Facilities Authority Revenue Bonds (Washington Christian Academy), 5.50%, 7/01/38       | 410   | 209,957   |
|  |       | 1,579,764 |

**Massachusetts 2.8%**

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|  |       |           |
|--|-------|-----------|
| Massachusetts State Development Finance Agency,<br>First Mortgage Revenue Bonds (Overlook<br>Communities Inc.), Series A, 6.25%, 7/01/34                     | 1,845 | 1,231,556 |
| Massachusetts State Development Finance Agency,<br>Revenue Refunding Bonds (Eastern Nazarene College),<br>5.625%, 4/01/19                                    | 1,245 | 1,030,860 |
| Massachusetts State Health and Educational Facilities<br>Authority Revenue Bonds (Jordan Hospital), Series E,<br>6.75%, 10/01/33                             | 850   | 616,981   |
| Massachusetts State Health and Educational Facilities<br>Authority, Revenue Refunding Bonds:<br>(Bay Cove Human Services Issue), Series A,<br>5.90%, 4/01/28 | 820   | 578,535   |
| (Milton Hospital), Series, 5.50%, 7/01/16  | 500   | 369,775   |
| Massachusetts State Industrial Finance Agency<br>Revenue Bonds, Sewer Facility (Resource Control<br>Composting), AMT, 9.25%, 6/01/10                         | 500   | 501,250   |
|  |       | 4,328,957 |
| <b>Michigan 2.6%</b>   |       |           |
| Advanced Technology Academy, Michigan, Revenue<br>Bonds, 6%, 11/01/37  | 625   | 438,369   |
| Monroe County, Michigan, Hospital Financing Authority,<br>Hospital Revenue Refunding Bonds (Mercy Memorial<br>Hospital Corporation), 5.50%, 6/01/35          | 1,260 | 734,366   |
| Royal Oak, Michigan, Hospital Finance Authority, Hospital<br>Revenue Refunding Bonds (William Beaumont<br>Hospital), 8.25%, 9/01/39                          | 2,575 | 2,865,357 |
|  |       | 4,038,092 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock Apex Municipal Fund, Inc. (APX)  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>Missouri 0.5%</b>   |              |            |
| Kansas City, Missouri, IDA, First Mortgage Health Facilities Revenue Bonds (Bishop Spencer Place), Series A, 6.50%, 1/01/35                              | \$ 1,000     | \$ 694,750 |
| <b>Nevada 0.7%</b>   |              |            |
| Clark County, Nevada, IDR (Nevada Power Company Project), AMT, Series A, 5.60%, 10/01/30   | 955          | 729,782    |
| Clark County, Nevada, Improvement District Number 142, Special Assessment Bonds, 6.375%, 8/01/23   | 400          | 291,852    |
|  |              | 1,021,634  |
| <b>New Hampshire 0.4%</b>  |              |            |
| New Hampshire Health and Education Facilities Authority, Hospital Revenue Bonds (Catholic Medical Center), 5%, 7/01/36                                   | 835          | 574,756    |
| <b>New Jersey 10.4%</b>  |              |            |
| Camden County, New Jersey, Pollution Control Financing Authority, Solid Waste Resource Recovery, Revenue Refunding Bonds, AMT, Series A, 7.50%, 12/01/10 | 6,000        | 5,973,000  |
| New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50%, 6/15/24  | 2,170        | 1,690,734  |
| New Jersey EDA, IDR, Refunding (Newark Airport Marriott Hotel), 7%, 10/01/14   | 1,500        | 1,350,240  |
| New Jersey EDA, Special Facility Revenue Bonds (Continental Airlines Inc. Project), AMT: 6.625%, 9/15/12   | 3,050        | 2,661,155  |
| 6.25%, 9/15/29   | 1,000        | 639,500    |
| New Jersey Health Care Facilities Financing Authority Revenue Bonds (Pascack Valley Hospital Association), 6.625%, 7/01/36 (a)(b)                        | 1,870        | 48,433     |
| New Jersey Health Care Facilities Financing Authority, Revenue Refunding Bonds (Saint Joseph's Healthcare System), 6.625%, 7/01/38                       | 1,680        | 1,302,437  |
| New Jersey State Transportation Trust Fund Authority, Transportation System Revenue Bonds, CABS, Series C, 5.05%, 12/15/35 (c)(e)                        | 2,760        | 529,258    |
| New Jersey State Educational Facilities Authority, Revenue Refunding Bonds (University of Medicine and Dentistry), Series B: 7.125%, 12/01/23            | 670          | 696,056    |
| 7.50%, 12/01/32  | 1,065        | 1,085,246  |
|  |              | 15,976,059 |
| <b>New Mexico 3.3%</b>   |              |            |
|  | 5,000        | 5,001,050  |

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Farmington, New Mexico, PCR, Refunding (Tucson Electric Power Company San Juan Project), Series A, 6.95%, 10/01/20

**New York 4.9%**

|  |              |                      |
|--|--------------|----------------------|
| Dutchess County, New York, IDA, Civic Facility Revenue Bonds (Saint Francis Hospital), Series B, 7.50%, 3/01/29  | 1,000        | 896,860              |
| Metropolitan Transportation Authority, New York, Revenue Bonds, Series C, 6.50%, 11/15/28  | 2,000        | 2,207,020            |
| New York City, New York, City IDA, Civic Facility Revenue Bonds:<br>Series C, 6.80%, 6/01/28<br>(Special Needs Facility Pooled Program),<br>Series C-1, 6.50%, 7/01/24                                 | 350<br>830   | 343,381<br>652,778   |
| New York City, New York, City IDA, Special Facility Revenue Bonds:<br>(American Airlines, Inc. JFK International Airport),<br>AMT, 8%, 8/01/28<br>(British Airways Plc Project), AMT, 7.625%, 12/01/32 | 720<br>1,730 | 560,160<br>1,163,494 |

| Municipal Bonds  | Par<br>(000) | Value     |
|--|--------------|-----------|
| <b>New York (concluded)</b>  |              |           |
| New York Liberty Development Corporation Revenue Bonds (National Sports Museum Project), Series A, 6.125%, 2/15/19 (a)(b)                          | \$ 630       | \$ 630    |
| New York State Dormitory Authority, Non-State Supported Debt, Revenue Refunding Bonds (New York University Hospital Center), Series A, 5%, 7/01/20 | 2,040        | 1,734,286 |
|  |              | 7,558,609 |

**North Carolina 1.7%**

|  |       |           |
|--|-------|-----------|
| North Carolina Medical Care Commission, Health Care Facilities, First Mortgage Revenue Refunding Bonds (Deerfield Episcopal Project), Series A, 6.125%, 11/01/38 | 3,230 | 2,596,500 |
|--|-------|-----------|

**Ohio 3.2%**

|   |                |                        |
|---|----------------|------------------------|
| Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Bonds, Series A-2:<br>5.125%, 6/01/24<br>6.50%, 6/01/47 | 4,025<br>2,685 | 3,159,786<br>1,658,524 |
|   |                | 4,818,310              |

**Pennsylvania 7.9%**

|   |       |           |
|---|-------|-----------|
| Bucks County, Pennsylvania, IDA, Retirement Community Revenue Bonds (Ann's Choice Inc.), Series A, 6.125%, 1/01/25  | 1,160 | 846,208   |
| Chester County, Pennsylvania, Health and Education Facilities Authority, Senior Living Revenue Refunding Bonds (Jenners Pond Inc. Project), 7.625%, 7/01/12 (d) | 1,750 | 2,107,490 |
| Harrisburg, Pennsylvania, Authority, University Revenue Bonds (Harrisburg University of Science), Series B, 6%, 9/01/36   | 600   | 445,566   |

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|  |       |            |
|--|-------|------------|
| Lancaster County, Pennsylvania, Hospital Authority   |       |            |
| Revenue Bonds (Brethren Village Project), Series A:  |       |            |
| 6.25%, 7/01/26                                       | 475   | 402,748    |
| 6.50%, 7/01/40                                       | 410   | 323,966    |
| Montgomery County, Pennsylvania, IDA, Revenue Bonds  |       |            |
| (Whitemarsh Continuing Care Project), 6.25%, 2/01/35 |       |            |
|  | 1,700 | 1,039,924  |
| Pennsylvania Economic Development Financing          |       |            |
| Authority, Exempt Facilities Revenue Bonds           |       |            |
| (Reliant Energy), AMT, Series B, 6.75%, 12/01/36     |       |            |
|  | 1,940 | 1,784,742  |
| Philadelphia, Pennsylvania, Authority for IDR:       |       |            |
| (Air Cargo), AMT, Series A, 7.50%, 1/01/25           |       |            |
|  | 1,600 | 1,333,024  |
| Commercial Development, 7.75%, 12/01/17              |       |            |
|  | 4,460 | 3,805,540  |
|  |       | 12,089,208 |
| <b>Rhode Island 0.8%</b>                             |       |            |
| Central Falls, Rhode Island, Detention Facility      |       |            |
| Corporation, Revenue Refunding Bonds,                |       |            |
| 7.25%, 7/15/35                                       | 1,750 | 1,198,785  |
| <b>South Carolina 2.8%</b>                           |       |            |
| Connector 2000 Association, Inc., South Carolina,    |       |            |
| Toll Road and Capital Appreciation Revenue Bonds,    |       |            |
| Senior-Series B, 8.755%, 1/01/14 (e)                 | 1,075 | 587,681    |
| South Carolina Housing Finance and Development       |       |            |
| Authority, Mortgage Revenue Refunding Bonds, AMT,    |       |            |
| Series A-2, 5.15%, 7/01/37 (c)                       | 4,000 | 3,661,600  |
|  |       | 4,249,281  |
| <b>Tennessee 1.0%</b>                                |       |            |
| Shelby County, Tennessee, Health, Educational and    |       |            |
| Housing Facilities Board Revenue Bonds               |       |            |
| (Germantown Village):                                |       |            |
| 6.25%, 12/01/34                                      | 245   | 160,032    |
| Series A, 7.25%, 12/01/34                            | 1,800 | 1,341,018  |
|  |       | 1,501,050  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock Apex Municipal Fund, Inc. (APX)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Texas 5.7%</b>   |              |              |
| Brazos River Authority, Texas, PCR, Refunding (TXU Energy Company LLC Project), AMT:  |              |              |
| Series A, 7.70%, 4/01/33  | \$ 2,530     | \$ 1,037,730 |
| Series C, 5.75%, 5/01/36 (m)  | 1,475        | 870,250      |
| Danbury, Texas, Higher Education Authority Revenue Bonds (A.W. Brown-Fellowship Charter School), Series A, 5.125%, 8/15/36 (f)                                    |              |              |
|   | 1,000        | 698,570      |
| Harris County, Texas, Health Facilities Development Corporation, Hospital Revenue Refunding Bonds (Memorial Hermann Healthcare System), Series B, 7.25%, 12/01/35 |              |              |
|   | 1,110        | 1,176,744    |
| Houston, Texas, Airport System, Special Facilities Revenue Bonds (Continental Airlines), AMT, Series E, 6.75%, 7/01/21  |              |              |
|   | 1,865        | 1,379,988    |
| North Texas Tollway Authority, System Revenue Refunding Bonds, Second Tier, Series F, 6.125%, 1/01/31   |              |              |
|   | 2,250        | 2,255,243    |
| Texas State Public Financing Authority, Charter School Financing Corporation, Revenue Refunding Bonds (KIPP, Inc.), Series A, 5%, 2/15/28 (f)                     |              |              |
|   | 2,250        | 1,377,045    |
|   |              | 8,795,570    |
| <b>Utah 1.5%</b>  |              |              |
| Carbon County, Utah, Solid Waste Disposal, Revenue Refunding Bonds (Laidlaw Environmental), AMT, Series A, 7.45%, 7/01/17   |              |              |
|   | 2,240        | 2,241,232    |
| <b>Virginia 1.9%</b>  |              |              |
| Dulles Town Center, Virginia, Community Development Authority, Special Assessment Tax (Dulles Town Center Project), 6.25%, 3/01/26                                |              |              |
|   | 2,385        | 1,716,222    |
| King George County, Virginia, IDA, Solid Waste Disposal Facility Revenue Bonds (Waste Management, Inc.), AMT, Series A, 6%, 6/01/23                               |              |              |
|   | 500          | 500,000      |
| Tobacco Settlement Financing Corporation of Virginia, Revenue Refunding Bonds, Senior Series B-1, 5%, 6/01/47   |              |              |
|   | 1,250        | 667,775      |
|   |              | 2,883,997    |
| <b>West Virginia 0.5%</b>   |              |              |
| Princeton, West Virginia, Hospital Revenue Refunding Bonds (Community Hospital Association Inc. Project), 6.20%, 5/01/13  |              |              |
|   | 795          | 740,105      |
| <b>Wisconsin 0.7%</b>   |              |              |
| Wisconsin State Health and Educational Facilities Authority Revenue Bonds (New Castle Place Project),   |              |              |
|   | 1,320        | 995,676      |



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Series A, 7%, 12/01/31

**Wyoming 1.8%**

|   |       |                  |
|---|-------|------------------|
| Sweetwater County, Wyoming, Solid Waste Disposal, Revenue Refunding Bonds (FMC Corporation Project), AMT, 5.60%, 12/01/35 | 2,500 | 1,849,900        |
| Wyoming Municipal Power Agency, Power Supply Revenue Bonds, Series A, 5.375%, 1/01/42                                     | 1,000 | 957,690          |
|   |       | <u>2,807,590</u> |

**Guam 0.8%**

|   |       |           |
|---|-------|-----------|
| Guam Government Waterworks Authority, Water and Wastewater System, Revenue Refunding Bonds, 5.875%, 7/01/35 | 1,600 | 1,268,000 |
|---|-------|-----------|

**U.S. Virgin Islands 1.1%**

|  |       |           |
|--|-------|-----------|
| Virgin Islands Government Refinery Facilities, Revenue Refunding Bonds (Hovens Coker Project), AMT, 6.50%, 7/01/21 | 2,100 | 1,647,009 |
|--|-------|-----------|

**Total Municipal Bonds 92.9%**

142,063,048

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

**Par (000)**

**Value**

**District of Columbia 1.9%**

|   |          |              |
|---|----------|--------------|
| District of Columbia, Water and Sewer Authority, Public Utility Revenue Refunding Bonds, 6%, 10/01/35 | \$ 2,730 | \$ 2,946,171 |
|---|----------|--------------|

**Florida 3.7%**

|  |       |           |
|--|-------|-----------|
| Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, Series A, 5.25%, 10/01/33 (h) | 6,130 | 5,617,593 |
|--|-------|-----------|

**Virginia 3.7%**

|   |       |           |
|---|-------|-----------|
| Virginia State, HDA, Commonwealth Mortgage Revenue Bonds, Series H, Sub-Series H-1, 5.375%, 7/01/36 (i) | 5,710 | 5,725,189 |
|---|-------|-----------|

**Total Municipal Bonds Transferred to Tender Option Bond Trusts 9.3%**

14,288,953

**Total Long-Term Investments (Cost \$189,876,429) 102.2%**

156,352,001

**Short-Term Securities**

**Mississippi 0.7%**

|   |       |           |
|---|-------|-----------|
| Mississippi Business Finance Corporation, Solid Waste Disposal Revenue Bonds (Waste Management, Inc. Project), VRDN, AMT, 6.875%, 3/01/10 (j) | 1,000 | 1,004,980 |
|---|-------|-----------|

|   | Shares  |                       |
|---|---------|-----------------------|
| <b>Money Market Fund 0.0%</b>   |         |                       |
| FFI Institutional Tax-Exempt Fund, 0.72% (k)(l)   | 100,006 | 100,006               |
| <b>Total Short-Term Securities</b>  |         |                       |
| (Cost \$1,100,006) 0.7%   |         | 1,104,986             |
| <b>Total Investments</b>  |         |                       |
| (Cost \$190,976,435*) 102.9%  |         | 157,456,987           |
| <b>Other Assets Less Liabilities 1.8%</b>   |         | 2,797,170             |
| <b>Liability for Trust Certificates, Including Interest Expense and Fees Payable (4.7)%</b> |         | (7,293,611)           |
| <b>Net Assets 100.0%</b>  |         | <u>\$ 152,960,546</u> |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

|                               |                        |
|-------------------------------|------------------------|
| Aggregate cost                | \$ 183,184,165         |
| Gross unrealized appreciation | \$ 2,951,969           |
| Gross unrealized depreciation | (35,964,593)           |
| Net unrealized depreciation   | <u>\$ (33,012,624)</u> |

- (a) Non-income producing security.
- (b) Issuer filed for bankruptcy and/or is in default of interest payments.
- (c) AMBAC Insured.
- (d) US 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.
- (e) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (f) ACA Insured.
- (g) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (h) Assured Guaranty Insured.
- (i) NPFGC Insured.

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See Notes to Financial Statements.

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ANNUAL REPORT

APRIL 30, 2009

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Schedule of Investments (concluded)

BlackRock Apex Municipal Fund, Inc. (APX)

- (j) Security may have a maturity of more than one year at time of issuance but has variable rate and demand features that qualify it as a short-term security. Rate shown is as of report date and maturity shown is the date the principal owed can be recovered through demand.
- (k) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate                         | Net Activity   | Income    |
|-----------------------------------|----------------|-----------|
| FFI Institutional Tax-Exempt Fund | \$ (4,405,068) | \$ 31,470 |

- (l) Represents the current yield as of report date.
- (m) Variable rate security. Rate shown is as of report date.

Effective July 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements ( FAS 157 ). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|------------------|---------------------------|
|                  | Assets                    |
| Level 1          | \$ 100,006                |
| Level 2          | 157,356,981               |
| Level 3          |                           |
| <b>Total</b>     | <b>\$ 157,456,987</b>     |

See Notes to Financial Statements.

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ANNUAL REPORT

APRIL 30, 2009

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Schedule of Investments April 30, 2009

**BlackRock MuniAssets Fund, Inc. (MUA)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value             |
|--|--------------|-------------------|
| <b>Alabama 0.6%</b>  |              |                   |
| Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5%, 1/01/10   | \$ 685       | \$ 628,207        |
| Tuscaloosa, Alabama, Special Care Facilities Financing Authority, Residential Care Facility Revenue Bonds (Capstone Village, Inc. Project), Series A, 5.875%, 8/01/36 (a)(b) | 1,820        | 776,030           |
|  |              | <u>1,404,237</u>  |
| <b>Alaska 0.3%</b>   |              |                   |
| Alaska Industrial Development and Export Authority Revenue Bonds (Williams Lynxs Alaska Cargoport), AMT, 7.80%, 5/01/14  | 590          | 555,225           |
| <b>Arizona 7.5%</b>  |              |                   |
| Coconino County, Arizona, Pollution Control Corporation Revenue Refunding Bonds (Tucson Electric Power Navajo):  |              |                   |
| AMT, Series A, 7.125%, 10/01/32  | 3,000        | 2,780,340         |
| Series B, 7%, 10/01/32   | 2,500        | 2,343,275         |
| Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.625%, 7/01/20  | 1,625        | 1,220,554         |
| Maricopa County, Arizona, IDA, M/F Housing Revenue Bonds (Sun King Apartments Project), Series A, 6.75%, 5/01/31   | 1,615        | 1,135,781         |
| Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds (America West Airlines Inc. Project), AMT, 6.30%, 4/01/23   | 4,800        | 2,951,952         |
| Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project), Series E, 7.25%, 7/01/31   | 1,375        | 1,023,234         |
| Pima County, Arizona, IDA, Education Revenue Refunding Bonds (Arizona Charter Schools Project II):   |              |                   |
| Series A, 6.75%, 7/01/11 (c)   | 415          | 463,787           |
| Series A, 6.75%, 7/01/31   | 675          | 474,167           |
| Series O, 5.25%, 7/01/31   | 500          | 284,580           |
| Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds:   |              |                   |
| 5%, 12/01/32   | 2,840        | 1,972,068         |
| 5%, 12/01/37   | 1,850        | 1,246,419         |
| Show Low, Arizona, Improvement District Number 5, Special Assessment Bonds, 6.375%, 1/01/15  | 865          | 814,155           |
|  |              | <u>16,710,312</u> |
| <b>California 3.8%</b>   |              |                   |
| California State, Various Purpose, GO, 5.25%, 11/01/25   | 1,900        | 1,906,194         |

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|  |       |           |
|--|-------|-----------|
| Fontana, California, Special Tax, Refunding (Community Facilities District Number 22 Sierra), 6%, 9/01/34      | 1,320 | 988,469   |
| San Jose, California, Airport Revenue Refunding Bonds, AMT, Series A, 5.50%, 3/01/32 (d)                       | 4,290 | 3,920,502 |
| Southern California Public Power Authority, Natural Gas Project Number 1 Revenue Bonds, Series A, 5%, 11/01/29 | 2,085 | 1,667,312 |

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8,482,477

**Colorado 4.7%**

|  |       |           |
|--|-------|-----------|
| Colorado Health Facilities Authority, Revenue Refunding Bonds (Christian Living Communities Project), Series A, 5.75%, 1/01/26 | 650   | 500,728   |
| Denver, Colorado, City and County Airport Revenue Bonds, AMT, Series D, 7.75%, 11/15/13 (d)                                    | 1,540 | 1,657,302 |

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

**Colorado (concluded)**

|   |          |              |
|---|----------|--------------|
| Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Fee):                        |          |              |
| Series A, 7.10%, 9/01/14  | \$ 1,410 | \$ 1,389,851 |
| Series A, 7.30%, 9/01/22  | 2,095    | 1,838,593    |
| Series B, 7.45%, 9/01/31  | 260      | 208,832      |
| North Range Metropolitan District Number 1, Colorado, GO, 7.25%, 12/15/11 (c)                           | 1,760    | 2,000,029    |
| Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees): |          |              |
| 8%, 12/01/25  | 2,850    | 2,416,829    |
| 8.125%, 12/01/25  | 525      | 403,463      |

---

10,415,627

**Connecticut 1.8%**

|   |       |           |
|---|-------|-----------|
| Connecticut State Development Authority, Airport Facility Revenue Bonds (Learjet Inc. Project), AMT, 7.95%, 4/01/26 | 680   | 601,045   |
| Connecticut State Development Authority, IDR (AFCO Cargo BDL-LLC Project), AMT, 8%, 4/01/30                         | 3,490 | 3,010,579 |
| Mashantucket Western Pequot Tribe, Connecticut, Revenue Refunding Bonds, Sub-Series A, 5.50%, 9/01/36               | 885   | 421,269   |

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4,032,893

**Florida 10.0%**

|  |       |         |
|--|-------|---------|
| Capital Region Community Development District, Florida, Special Assessment Revenue Bonds, Series A, 7%, 5/01/39                  | 945   | 666,754 |
| Greater Orlando Aviation Authority, Florida, Airport Facilities Revenue Bonds (JetBlue Airways Corp.), AMT, 6.375%, 11/15/26     | 1,180 | 743,553 |
| Halifax Hospital Medical Center, Florida, Hospital Revenue Refunding Bonds, Series A, 5%, 6/01/38                                | 1,160 | 828,101 |
| Harbor Bay, Florida, Community Development District, Capital Improvement Special Assessment Revenue Bonds, Series A, 7%, 5/01/33 | 455   | 419,451 |

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|   |       |           |
|---|-------|-----------|
| Hillsborough County, Florida, IDA, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT:  |       |           |
| Series A, 7.125%, 4/01/30   | 2,000 | 1,027,340 |
| Series B, 7.125%, 4/01/30   | 1,540 | 791,052   |
| Hillsborough County, Florida, IDA, Hospital Revenue Bonds (Tampa General Hospital Project), 5%, 10/01/36  | 4,170 | 3,078,794 |
| Jacksonville, Florida, Economic Development Commission, Health Care Facilities, Revenue Refunding Bonds (Florida Proton Therapy Institute), Series A, 6%, 9/01/17 | 920   | 788,412   |
| Jacksonville, Florida, Economic Development Commission, IDR (Gerdau Ameristeel US, Inc.), AMT, 5.30%, 5/01/37   | 1,300 | 663,871   |
| Lee County, Florida, IDA, IDR (Lee Charter Foundation), Series A, 5.375%, 6/15/37   | 2,620 | 1,482,763 |
| Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds, Series A, 6.25%, 5/01/37  | 3,255 | 2,080,401 |
| Orlando, Florida, Urban Community Development District, Capital Improvement Special Assessment Bonds, Series A, 6.95%, 5/01/11 (c)                                | 2,245 | 2,478,480 |
| Santa Rosa Bay Bridge Authority, Florida, Revenue Bonds, 6.25%, 7/01/28   | 3,040 | 1,738,728 |
| Sarasota County, Florida, Health Facilities Authority, Retirement Facility Revenue Refunding Bonds (Village on the Isle Project):                                 |       |           |
| 5.50%, 1/01/27  | 860   | 592,566   |
| 5.50%, 1/01/32  | 795   | 510,891   |

See Notes to Financial Statements.



## Schedule of Investments (continued)

**BlackRock MuniAssets Fund, Inc. (MUA)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value             |
|---|--------------|-------------------|
| <b>Florida (concluded)</b>  |              |                   |
| Sumter Landing Community Development District, Florida,<br>Recreational Revenue Bonds, Sub-Series B,<br>5.70%, 10/01/38                           | \$ 2,405     | \$ 1,492,808      |
| Tolomato Community Development District, Florida,<br>Special Assessment Bonds, 6.65%, 5/01/40   | 2,680        | 1,802,327         |
| Waterchase, Florida, Community Development District,<br>Capital Improvement Revenue Bonds, Series A, 6.70%,<br>5/01/11 (c)                        | 870          | 956,156           |
|   |              | <u>22,142,448</u> |
| <b>Georgia 2.0%</b>   |              |                   |
| Atlanta, Georgia, Tax Allocation Bonds (Princeton Lakes<br>Project), 5.50%, 1/01/31   | 640          | 426,630           |
| Clayton County, Georgia, Tax Allocation Bonds<br>(Ellenwood Project), 7.50%, 7/01/33  | 2,375        | 2,007,588         |
| Main Street Natural Gas, Inc., Georgia, Gas Project<br>Revenue Bonds, Series A, 6.375%, 7/15/38 (a)(b)  | 940          | 350,159           |
| Rockdale County, Georgia, Development Authority<br>Revenue Bonds (Visy Paper Project), AMT, Series A,<br>6.125%, 1/01/34                          | 2,435        | 1,616,572         |
|   |              | <u>4,400,949</u>  |
| <b>Guam 0.8%</b>  |              |                   |
| Guam Government Waterworks Authority, Water and<br>Wastewater System, Revenue Refunding Bonds,<br>5.875%, 7/01/35                                 | 2,305        | 1,826,712         |
| <b>Illinois 3.9%</b>  |              |                   |
| Chicago, Illinois, O Hare International Airport, Special<br>Facility Revenue Refunding Bonds (American<br>Airlines Inc. Project), 5.50%, 12/01/30 | 4,140        | 1,573,200         |
| Illinois State Finance Authority Revenue Bonds:<br>(Clare At Water Tower Project), Series A,<br>6.125%, 5/15/38                                   | 2,950        | 1,467,802         |
| (Landing At Plymouth Place Project), Series A,<br>6%, 5/15/37   | 600          | 381,270           |
| (Monarch Landing, Inc. Project), Series A,<br>7%, 12/01/37  | 820          | 496,764           |
| (Primary Health Care Centers Program),<br>6.60%, 7/01/24  | 685          | 513,339           |
| (Rush University Medical Center Obligated Group<br>Project), Series B, 7.25%, 11/01/30  | 1,170        | 1,231,483         |
| Lincolnshire, Illinois, Special Service Area Number 1,<br>Special Tax Bonds (Sedgebrook Project),<br>6.25%, 3/01/34                               | 1,070        | 681,836           |
|   | 2,600        | 1,730,872         |

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|   |     |         |
|---|-----|---------|
| Lombard, Illinois, Public Facilities Corporation, First Tier Revenue Bonds (Conference Center and Hotel), Series A-1, 7.125%, 1/01/36 |     |         |
| Village of Wheeling, Illinois, Revenue Bonds (North Milwaukee/Lake-Cook Tax Increment Financing Redevelopment Project), 6%, 1/01/25   | 825 | 633,361 |

8,709,927

**Indiana 0.8%**

|  |       |         |
|--|-------|---------|
| Vanderburgh County, Indiana, Redevelopment Commission, Redevelopment District Tax Allocation Bonds, 5.25%, 2/01/31 | 1,200 | 961,356 |
| Vigo County, Indiana, Hospital Authority Revenue Bonds (Union Hospital, Inc.):                                     |       |         |
| 5.70%, 9/01/37   | 615   | 404,473 |
| 5.75%, 9/01/42   | 765   | 496,125 |

1,861,954

**Iowa 1.1%**

|  |       |           |
|--|-------|-----------|
| Iowa Finance Authority, Health Care Facilities, Revenue Refunding Bonds (Care Initiatives Project), 9.25%, 7/01/11 (c) | 2,165 | 2,544,914 |
|--|-------|-----------|

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

**Louisiana 2.7%**

|  |          |              |
|--|----------|--------------|
| Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Westlake Chemical Corporation), 6.75%, 11/01/32 | \$ 3,000 | \$ 2,088,150 |
| Louisiana Public Facilities Authority, Hospital Revenue Bonds (Franciscan Missionaries of Our Lady Health System, Inc.), Series A, 5.25%, 8/15/36      | 1,870    | 1,591,875    |
| Saint John Baptist Parish, Louisiana, Revenue Bonds (Marathon Oil Corporation), Series A, 5.125%, 6/01/37  | 2,950    | 2,256,455    |

5,936,480

**Maryland 1.4%**

|   |       |           |
|---|-------|-----------|
| Maryland State Economic Development Corporation Revenue Refunding Bonds (Baltimore Association for Retarded Citizens Health and Mental Hygiene Program), Series A, 7.75%, 3/01/25 | 1,765 | 1,646,286 |
| Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration AES Warrior Run), AMT, 7.40%, 9/01/19  | 1,500 | 1,138,815 |
| Maryland State Health and Higher Educational Facilities Authority Revenue Bonds (Washington Christian Academy), 5.50%, 7/01/38  | 590   | 302,133   |

3,087,234

**Massachusetts 1.7%**

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|  |       |                  |
|--|-------|------------------|
| Massachusetts State Health and Educational Facilities Authority Revenue Bonds (Jordan Hospital), Series E, 6.75%, 10/01/33                         | 1,150 | 834,739          |
| Massachusetts State Health and Educational Facilities Authority, Revenue Refunding Bonds (Bay Cove Human Services Issue), Series A, 5.90%, 4/01/28 | 1,930 | 1,361,673        |
| Massachusetts State Port Authority, Special Facilities Revenue Bonds (Delta Air Lines Inc. Project), AMT, Series A, 5.50%, 1/01/19 (d)             | 2,400 | 1,510,632        |
|  |       | <u>3,707,044</u> |
| <b>Michigan 2.6%</b>   |       |                  |
| Advanced Technology Academy, Michigan, Revenue Bonds, 6%, 11/01/37   | 900   | 631,251          |
| Monroe County, Michigan, Hospital Financing Authority, Hospital Revenue Refunding Bonds (Mercy Memorial Hospital Corporation), 5.50%, 6/01/35      | 1,740 | 1,014,124        |
| Royal Oak, Michigan, Hospital Finance Authority, Hospital Revenue Refunding Bonds (William Beaumont Hospital), 8.25%, 9/01/39                      | 3,735 | 4,156,159        |
|  |       | <u>5,801,534</u> |
| <b>Minnesota 0.8%</b>  |       |                  |
| Minneapolis, Minnesota, Health Care System Revenue Refunding Bonds (Fairview Health Services), Series A, 6.75%, 11/15/32                           | 1,785 | 1,857,453        |
| <b>Missouri 0.3%</b>   |       |                  |
| Kansas City, Missouri, IDA, First Mortgage Health Facilities Revenue Bonds (Bishop Spencer Place), Series A, 6.50%, 1/01/35                        | 1,000 | 694,750          |
| <b>Nevada 0.7%</b>   |       |                  |
| Clark County, Nevada, IDR (Nevada Power Company Project), AMT, Series A, 5.60%, 10/01/30   | 1,380 | 1,054,555        |
| Clark County, Nevada, Improvement District Number 142, Special Assessment Bonds, 6.375%, 8/01/23   | 630   | 459,667          |
|  |       | <u>1,514,222</u> |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniAssets Fund, Inc. (MUA)**  
 (Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>New Hampshire 0.4%</b>  |              |            |
| New Hampshire Health and Education Facilities Authority, Hospital Revenue Bonds (Catholic Medical Center), 5%, 7/01/36                       | \$ 1,165     | \$ 801,904 |
| <b>New Jersey 11.4%</b>  |              |            |
| Camden County, New Jersey, Pollution Control Financing Authority, Solid Waste Resource Recovery, Revenue Refunding Bonds, AMT:               |              |            |
| Series A, 7.50%, 12/01/10  | 9,000        | 8,959,500  |
| Series B, 7.50%, 12/01/09  | 125          | 125,255    |
| New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50%, 6/15/24  | 3,065        | 2,388,064  |
| New Jersey EDA, IDR, Refunding (Newark Airport Marriott Hotel), 7%, 10/01/14   | 2,500        | 2,250,400  |
| New Jersey EDA, Retirement Community Revenue Bonds (Cedar Crest Village Inc. Facility), Series A, 7.25%, 11/15/11 (c)                        | 1,665        | 1,891,024  |
| New Jersey EDA, Special Facility Revenue Bonds (Continental Airlines Inc. Project), AMT:   |              |            |
| 6.25%, 9/15/19   | 2,000        | 1,460,020  |
| 6.25%, 9/15/29   | 3,330        | 2,129,535  |
| 9%, 6/01/33  | 1,250        | 1,057,987  |
| New Jersey Health Care Facilities Financing Authority Revenue Bonds (Pascack Valley Hospital Association), 6.625%, 7/01/36 (a)(b)            | 2,000        | 51,800     |
| New Jersey Health Care Facilities Financing Authority, Revenue Refunding Bonds (Saint Joseph's Healthcare System), 6.625%, 7/01/38           | 2,410        | 1,868,377  |
| New Jersey State Educational Facilities Authority, Revenue Refunding Bonds (University of Medicine and Dentistry), Series B, 7.50%, 12/01/32 | 2,510        | 2,557,715  |
| New Jersey State Transportation Trust Fund Authority, Transportation System Revenue Bonds, CABS, Series C, 5.05%, 12/15/35 (d)(e)            | 3,450        | 661,572    |
|  |              | 25,401,249 |
| <b>New Mexico 1.1%</b>   |              |            |
| Farmington, New Mexico, PCR, Refunding (Tucson Electric Power Company - San Juan Project), Series A, 6.95%, 10/01/20                         | 2,500        | 2,500,525  |
| <b>New York 6.1%</b>   |              |            |
| Dutchess County, New York, IDA, Civic Facility Revenue Refunding Bonds (Saint Francis Hospital), Series A, 7.50%, 3/01/29                    | 1,400        | 1,255,604  |
| Metropolitan Transportation Authority, New York, Revenue Bonds, Series C, 6.50%, 11/15/28  | 3,685        | 4,066,434  |

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New York City, New York, City IDA, Civic Facility

Revenue Bonds:

|   |       |           |
|---|-------|-----------|
| Series C, 6.80%, 6/01/28<br>(Special Needs Facilities Pooled Program),  | 510   | 500,356   |
| Series C-1, 6.625%, 7/01/29   | 1,515 | 1,166,611 |
| New York City, New York, City IDA, Special Facility<br>Revenue Bonds (American Airlines, Inc. JFK<br>International Airport), AMT, 8%, 8/01/28 | 1,045 | 813,010   |
| New York City, New York, City IDA, Special Facility<br>Revenue Bonds (British Airways Plc Project), AMT,<br>7.625%, 12/01/32                  | 2,400 | 1,614,096 |
| New York Liberty Development Corp. Revenue Bonds<br>(National Sports Museum Project), Series A, 6.125%,<br>2/15/19 (a)(b)                     | 870   | 870       |

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

**New York (concluded)**

|  |          |              |
|--|----------|--------------|
| New York State Dormitory Authority, Non-State<br>Supported Debt, Revenue Refunding Bonds:<br>(Mount Sinai-NYU Medical Center Health System),<br>Series C, 5.50%, 7/01/26 | \$ 1,470 | \$ 1,400,836 |
| (New York University Hospital Center), Series A,<br>5%, 7/01/20  | 2,960    | 2,516,414    |
| Westchester County, New York, IDA, Continuing Care<br>Retirement, Mortgage Revenue Bonds (Kendal on<br>Hudson Project), Series A, 6.50%, 1/01/13 (c)                     | 100      | 116,575      |
|  |          | 13,450,806   |

**North Carolina 1.5%**

|   |       |           |
|---|-------|-----------|
| North Carolina Medical Care Commission, Health Care<br>Facilities, First Mortgage Revenue Refunding<br>Bonds (Deerfield Episcopal Project), Series A,<br>6.125%, 11/01/38 | 2,335 | 1,877,036 |
| North Carolina Medical Care Commission, Retirement<br>Facilities, First Mortgage Revenue Bonds (Givens<br>Estates Project), Series A, 6.50%, 7/01/13 (c)                  | 1,250 | 1,499,887 |
|   |       | 3,376,923 |

**Ohio 2.0%**

|  |       |           |
|--|-------|-----------|
| Buckeye Tobacco Settlement Financing Authority, Ohio,<br>Tobacco Settlement Asset-Backed Bonds, Series A-2:<br>5.125%, 6/01/24 | 2,390 | 1,876,246 |
| 6.50%, 6/01/47   | 3,935 | 2,430,649 |
|  |       | 4,306,895 |

**Pennsylvania 8.9%**

|   |       |           |
|---|-------|-----------|
| Allegheny County, Pennsylvania, Hospital<br>Development Authority, Revenue Refunding Bonds<br>(WestPenn Allegheny Health System), Series A,<br>5.375%, 11/15/40 | 3,015 | 1,596,654 |
| Bucks County, Pennsylvania, IDA, Retirement Community<br>Revenue Bonds (Ann's Choice Inc.), Series A:<br>6.125%, 1/01/25  | 200   | 145,898   |
| 6.25%, 1/01/35  | 1,550 | 1,046,916 |

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|   |       |            |
|---|-------|------------|
| Harrisburg, Pennsylvania, Authority, University Revenue Bonds (Harrisburg University of Science), Series B, 6%, 9/01/36                               | 900   | 668,349    |
| Lancaster County, Pennsylvania, Hospital Authority Revenue Bonds (Brethren Village Project), Series A: 6.25%, 7/01/26                                 | 685   | 580,805    |
| 6.50%, 7/01/40  | 590   | 466,194    |
| Montgomery County, Pennsylvania, IDA, Revenue Bonds (Whitemarsh Continuing Care Project), 6.125%, 2/01/28   | 2,330 | 1,527,338  |
| Pennsylvania Economic Development Financing Authority, Exempt Facilities Revenue Bonds: (National Gypsum Company), AMT, Series A, 6.25%, 11/01/27     | 3,250 | 1,686,945  |
| (Reliant Energy), AMT, Series B, 6.75%, 12/01/36  | 2,810 | 2,585,116  |
| Pennsylvania State Higher Educational Facilities Authority, Health Services Revenue Refunding (Allegheny Delaware Valley), Series A, 5.875%, 11/15/16 | 2,410 | 1,998,107  |
| Philadelphia, Pennsylvania, Authority for IDR (Air Cargo), AMT, Series A, 7.50%, 1/01/25  | 2,270 | 1,891,228  |
| Philadelphia, Pennsylvania, Authority for IDR, Commercial Development, 7.75%, 12/01/17  | 6,440 | 5,494,994  |
|   |       | 19,688,544 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniAssets Fund, Inc. (MUA)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Rhode Island 0.8%</b>  |              |              |
| Central Falls, Rhode Island, Detention Facility Corporation, Revenue Refunding Bonds, 7.25%, 7/15/35  | \$ 2,495     | \$ 1,709,125 |
| <b>South Carolina 0.4%</b>  |              |              |
| Connector 2000 Association, Inc., South Carolina, Toll Road and Capital Appreciation Revenue Bonds, Senior-Series B, 8.755%, 1/01/14 (e)                              | 1,485        | 811,820      |
| <b>Tennessee 1.3%</b>   |              |              |
| Knox County, Tennessee, Health, Educational and Housing Facilities Board, Hospital Facilities Revenue Refunding Bonds (Covenant Health), Series A, 5.06%, 1/01/40 (e) | 6,785        | 693,563      |
| Shelby County, Tennessee, Health, Educational and Housing Facilities Board Revenue Bonds (Germantown Village):  |              |              |
| 6.25%, 12/01/34   | 355          | 231,882      |
| Series A, 7.25%, 12/01/34   | 2,500        | 1,862,525    |
|   |              | 2,787,970    |
| <b>Texas 4.5%</b>   |              |              |
| Brazos River Authority, Texas, PCR, Refunding: (TXU Energy Company LLC Project), AMT, Series A, 7.70%, 4/01/33  | 2,550        | 1,045,933    |
| (TXU Energy Company Project), AMT, Series C, 5.75%, 5/01/36 (k)   | 2,885        | 1,702,150    |
| Harris County, Texas, Health Facilities Development Corporation, Hospital Revenue Refunding Bonds (Memorial Hermann Healthcare System), Series B, 7.125%, 12/01/31    | 1,500        | 1,586,820    |
| Houston, Texas, Airport System, Special Facilities Revenue Bonds (Continental Airlines), AMT, Series E, 6.75%, 7/01/21  | 2,685        | 1,986,739    |
| North Texas Tollway Authority, System Revenue Refunding Bonds, Second Tier, Series F, 6.125%, 1/01/31   | 3,675        | 3,683,563    |
|   |              | 10,005,205   |
| <b>U.S. Virgin Islands 1.1%</b>   |              |              |
| Virgin Islands Government Refinery Facilities, Revenue Refunding Bonds (Hovensa Coker Project), AMT, 6.50%, 7/01/21   | 3,000        | 2,352,870    |
| <b>Utah 0.7%</b>  |              |              |
|   | 1,660        | 1,660,913    |

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Carbon County, Utah, Solid Waste Disposal, Revenue Refunding Bonds (Laidlaw Environmental), AMT, Series A, 7.45%, 7/01/17

| <b>Virginia 1.3%</b>   |       |           |
|--|-------|-----------|
| Dulles Town Center, Virginia, Community Development Authority, Special Assessment Tax (Dulles Town Center Project), 6.25%, 3/01/26     | 1,435 | 1,032,612 |
| Fairfax County, Virginia, EDA, Residential Care Facilities, Mortgage Revenue Refunding Bonds (Goodwin House, Inc.):                    |       |           |
| 5.125%, 10/01/37   | 750   | 523,253   |
| 5.125%, 10/01/42   | 450   | 305,676   |
| Lexington, Virginia, IDA, Residential Care Facility, Mortgage Revenue Refunding Bonds (Kendal at Lexington), Series A, 5.375%, 1/01/28 | 540   | 366,557   |
| Tobacco Settlement Financing Corporation of Virginia, Revenue Refunding Bonds, Senior Series B-1, 5%, 6/01/47                          | 1,320 | 705,170   |
|  |       | 2,933,268 |

| <b>Municipal Bonds</b>  | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|----------------------|--------------|
| <b>Washington 0.5%</b>  |                      |              |
| Washington State Housing Financing Commission, Nonprofit Revenue Bonds (Skyline at First Hill Project), Series A, 5.625%, 1/01/38 | \$ 1,750             | \$ 1,005,358 |
| <b>Wisconsin 0.6%</b>   |                      |              |
| Wisconsin State Health and Educational Facilities Authority Revenue Bonds (New Castle Place Project), Series A, 7%, 12/01/31      | 1,855                | 1,399,227    |
| <b>Wyoming 2.5%</b>   |                      |              |
| Sweetwater County, Wyoming, Solid Waste Disposal, Revenue Refunding Bonds (FMC Corporation Project), AMT, 5.60%, 12/01/35         | 3,600                | 2,663,856    |
| Wyoming Municipal Power Agency, Power Supply Revenue Bonds, Series A, 5.375%, 1/01/42   | 3,030                | 2,901,801    |
|   |                      | 5,565,657    |
| <b>Total Municipal Bonds 92.6%</b>  |                      | 205,444,651  |

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

|   |       |           |
|---|-------|-----------|
| <b>District of Columbia 1.9%</b>  |       |           |
| District of Columbia, Water and Sewer Authority, Public Utility Revenue Refunding Bonds, 6%, 10/01/35 | 3,951 | 4,262,775 |



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|  |       |             |
|--|-------|-------------|
| <b>Florida 3.7%</b>  |       |             |
| Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, Series A, 5.25%, 10/01/33 (g) | 8,870 | 8,128,557   |
| <b>Virginia 3.9%</b>   |       |             |
| Virginia State, HDA, Commonwealth Mortgage Revenue Bonds, Series H, Sub-Series H-1, 5.375%, 7/01/36 (h)                        | 8,690 | 8,713,115   |
| <b>Total Municipal Bonds Transferred to Tender Option Bond Trusts 9.5%</b>   |       | 21,104,447  |
| <b>Total Long-Term Investments</b><br>(Cost \$275,050,319) 102.1%  |       | 226,549,098 |

| Short-Term Securities   | Shares    |                |
|---|-----------|----------------|
| <b>Money Market Fund 0.9%</b>   |           |                |
| FFI Institutional Tax-Exempt Fund, 0.72% (i)(j)   | 2,001,534 | 2,001,534      |
| <b>Total Short-Term Securities</b><br>(Cost \$2,001,534) 0.9%                               |           | 2,001,534      |
| <b>Total Investments</b><br>(Cost \$277,051,853*) 103.0%                                    |           | 228,550,632    |
| <b>Other Assets Less Liabilities 1.9%</b>   |           | 4,118,934      |
| <b>Liability for Trust Certificates, Including Interest Expense and Fees Payable (4.9)%</b> |           | (10,770,111)   |
| <b>Net Assets 100.0%</b>  |           | \$ 221,899,455 |

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniAssets Fund, Inc. (MUA)

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

|                               |                 |
|-------------------------------|-----------------|
| Aggregate cost                | \$ 265,956,396  |
| Gross unrealized appreciation | \$ 4,346,799    |
| Gross unrealized depreciation | (52,508,209)    |
| Net unrealized depreciation   | \$ (48,161,410) |

- (a) Non-income producing security.
- (b) Issuer filed for bankruptcy and/or is in default of interest payments.
- (c) US 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.
- (d) AMBAC Insured.
- (e) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (f) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (g) Assured Guaranty Insured.
- (h) NPFGC Insured.
- (i) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate                         | Net<br>Activity | Income     |
|-----------------------------------|-----------------|------------|
| FFI Institutional Tax-Exempt Fund | (1,198,907)     | \$ 106,721 |

- (j) Represents the current yield as of report date.
- (k) Variable rate security. Rate shown is as of report date.

Effective June 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements ( FAS 157 ). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

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Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|------------------|---------------------------|
|                  | Assets                    |
| Level 1          | \$ 2,001,534              |
| Level 2          | 226,549,098               |
| Level 3          |                           |
| <b>Total</b>     | <b>\$ 228,550,632</b>     |

See Notes to Financial Statements.

Schedule of Investments April 30, 2009

BlackRock MuniEnhanced Fund, Inc. (MEN)  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value            |
|--|--------------|------------------|
| <b>Alabama 1.1%</b>  |              |                  |
| Jefferson County, Alabama, Limited Obligation School Warrants, Series A:   |              |                  |
| 5.50%, 1/01/22   | \$ 2,750     | \$ 1,707,420     |
| 4.75%, 1/01/25   | 2,200        | 1,323,740        |
|  |              | <u>3,031,160</u> |
| <b>Arizona 0.6%</b>  |              |                  |
| Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, 5%, 12/01/37  |              |                  |
|  | 2,640        | 1,778,674        |
| <b>California 23.9%</b>  |              |                  |
| Alameda Corridor Transportation Authority, California, Capital Appreciation Revenue Refunding Bonds, Subordinate Lien, Series A (a)(b):  |              |                  |
| 5.543%, 10/01/24   | 10,285       | 7,643,915        |
| 5.496%, 10/01/25   | 6,000        | 4,385,100        |
| Anaheim, California, Public Financing Authority, Lease Revenue Bonds (Public Improvements Project), Senior Series A, 6%, 9/01/24 (c)     |              |                  |
|  | 5,000        | 5,684,900        |
| Antelope Valley, California, Community College District, GO (Election of 2004), Series B, 5.25%, 8/01/39 (d)                             |              |                  |
|  | 600          | 596,346          |
| Arcadia, California, Unified School District, GO (Election of 2006), CABS, Series A, 4.961%, 8/01/39 (c)(e)                              |              |                  |
|  | 1,600        | 224,832          |
| Cabrillo, California, Community College District, GO (Election of 2004), Series B, 5.188%, 8/01/37 (d)(e)                                |              |                  |
|  | 2,400        | 389,040          |
| California State, GO, Refunding:   |              |                  |
| 5.125%, 6/01/27  | 20           | 19,709           |
| 5.125%, 6/01/31  | 60           | 56,993           |
| California State University, Systemwide Revenue Bonds, Series A, 5%, 11/01/35 (d)(f)   |              |                  |
|  | 2,600        | 2,493,192        |
| Chino Valley, California, Unified School District, GO (Election of 2002), Series C, 5.25%, 8/01/30 (d)                                   |              |                  |
|  | 850          | 845,622          |
| Fresno, California, Unified School District, GO (Election of 2001), Series E, 5%, 8/01/30 (c)  |              |                  |
|  | 900          | 891,792          |
| Los Angeles, California, Department of Water and Power, Waterworks Revenue Bonds, Series C, 5%, 7/01/29 (d)                              |              |                  |
|  | 5,160        | 5,185,284        |
| Metropolitan Water District of Southern California, Waterworks Revenue Bonds, Series B-1 (d)(f):   |              |                  |
| 5%, 10/01/29   | 2,965        | 3,002,359        |
| 5%, 10/01/36   | 1,655        | 1,658,840        |
| Norco, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Norco Redevelopment Project Area Number 1), 5.125%, 3/01/30 (d) |              |                  |
|  | 5,000        | 4,617,200        |
| Orange County, California, Sanitation District, COP:   |              |                  |
| 5%, 2/01/30 (c)  | 1,500        | 1,507,545        |
| 5%, 2/01/31 (c)  | 900          | 901,080          |
| 5%, 2/01/33 (d)(f)   | 7,455        | 7,382,836        |
|  | 1,750        | 1,442,228        |

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|   |       |            |
|---|-------|------------|
| Poway, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Paguay Redevelopment Project), 5.125%, 6/15/33 (a) |       |            |
| Redding, California, Electric System, COP, Series A, 5%, 6/01/30 (c)  | 1,720 | 1,684,809  |
| Sacramento, California, Unified School District, GO (Election of 2002), 5%, 7/01/30 (d)                                     | 4,150 | 4,096,341  |
| San Diego, California, Community College District, GO (Election of 2002), 5.25%, 8/01/33 (g)                                | 400   | 403,756    |
| Stockton, California, Public Financing Authority, Lease Revenue Bonds (Parking & Capital Projects), 5.125%, 9/01/30 (d)(f)  | 6,145 | 5,475,134  |
| University of California Revenue Bonds, Series O, 5.75%, 5/15/34  | 850   | 890,936    |
| Ventura County, California, Community College District, GO (Election of 2002), Series B, 5%, 8/01/30 (d)                    | 2,325 | 2,303,796  |
| West Basin, California, Municipal Water District, COP, Refunding, Series B, 5%, 8/01/30 (h)                                 | 5,035 | 4,931,329  |
|   |       | 68,714,914 |

| Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>Colorado 1.3%</b>   |              |            |
| Colorado HFA, Revenue Refunding Bonds (S/F Program), AMT, Senior Series A-2, 7.50%, 4/01/31                              | \$ 420       | \$ 451,336 |
| Colorado Health Facilities Authority Revenue Bonds (Covenant Retirement Communities Inc.), Series A (i): 5.50%, 12/01/27 | 1,200        | 906,516    |
| 5.50%, 12/01/33  | 675          | 470,617    |
| Denver, Colorado, City and County Airport, Revenue Refunding Bonds, AMT, Series A, 6%, 11/15/18 (a)                      | 2,000        | 2,019,780  |
|  |              | 3,848,249  |
| <b>District of Columbia 2.9%</b>   |              |            |
| District of Columbia, Ballpark Revenue Bonds, Series B-1, 5%, 2/01/31 (d)(f)   | 9,600        | 7,373,280  |
| District of Columbia, Income Tax Revenue Bonds, Series A, 5.50%, 12/01/30  | 1,000        | 1,059,230  |
|  |              | 8,432,510  |
| <b>Florida 7.9%</b>  |              |            |
| Broward County, Florida, School Board, COP, Series A, 5.25%, 7/01/33 (c)   | 1,600        | 1,565,584  |
| Broward County, Florida, Water and Sewer Utility Revenue Bonds, Series A, 5.25%, 10/01/34                                | 850          | 849,371    |
| Duval County, Florida, School Board, COP (Master Lease Program), 5%, 7/01/33 (c)   | 2,300        | 2,173,500  |
| Hillsborough County, Florida, Aviation Authority Revenue Bonds, AMT, Series A, 5.375%, 10/01/33 (h)                      | 1,750        | 1,631,822  |
| Miami, Florida, Special Obligation Revenue Bonds (Street and Sidewalk Improvement Program), 5%, 1/01/37 (d)              | 820          | 753,293    |
| Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport),                              | 9,900        | 8,536,869  |

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|  |       |            |
|--|-------|------------|
| AMT, 5%, 10/01/40 (h)(i)   |       |            |
| Miami-Dade County, Florida, GO (Building Better Communities Program), Series B-1, 5.75%, 7/01/33 | 1,400 | 1,423,814  |
| Miami-Dade County, Florida, School Board, COP, Refunding, Series B, 5.25%, 5/01/31 (h)           | 1,800 | 1,797,660  |
| Orange County, Florida, Sales Tax Revenue Refunding Bonds, Series B, 5.125%, 1/01/32 (d)(f)      | 4,200 | 4,044,390  |
|  |       | 22,776,303 |

**Georgia 6.2%**

|   |       |            |
|---|-------|------------|
| Atlanta, Georgia, Water and Wastewater Revenue Bonds:   |       |            |
| 5%, 11/01/34 (c)  | 1,800 | 1,779,534  |
| Series A, 5%, 11/01/33 (d)  | 1,000 | 886,510    |
| Series A, 5%, 11/01/39 (d)  | 4,250 | 3,690,232  |
| Augusta, Georgia, Water and Sewer Revenue Bonds, 5.25%, 10/01/39 (c)                            | 2,300 | 2,331,257  |
| Georgia Municipal Electric Authority, Power Revenue Refunding Bonds, Series EE, 7%, 1/01/25 (a) | 7,475 | 9,131,161  |
|   |       | 17,818,694 |

**Illinois 18.4%**

|   |        |            |
|---|--------|------------|
| Chicago, Illinois, O Hare International Airport, General Airport Revenue Bonds, Third Lien, AMT, Series B-2:                            |        |            |
| 5.75%, 1/01/23 (c)  | 5,670  | 5,752,782  |
| 6%, 1/01/29 (j)   | 2,300  | 2,253,011  |
| Chicago, Illinois, O Hare International Airport, General Airport Revenue Refunding Bonds, Third Lien, AMT, Series A, 5.75%, 1/01/21 (d) | 9,100  | 9,076,249  |
| Cook County, Illinois, Capital Improvement, GO, Series C, 5.50%, 11/15/12 (a)(k)  | 2,460  | 2,808,680  |
| Illinois Sports Facilities Authority, State Tax Supported Revenue Bonds, 5.473%, 6/15/30 (a)(b)   | 20,120 | 18,320,266 |
| Illinois State Toll Highway Authority Revenue Bonds, Series B, 5.50%, 1/01/33   | 1,875  | 1,942,837  |
| Regional Transportation Authority, Illinois, Revenue Bonds, Series A, 7.20%, 11/01/20 (a)   | 10,115 | 12,533,699 |
|   |        | 52,687,524 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniEnhanced Fund, Inc. (MEN)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value      |
|---|--------------|------------|
| <b>Indiana 0.1%</b>   |              |            |
| Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series B, 5.75%, 1/01/34   | \$ 400       | \$ 402,076 |
| <b>Louisiana 6.3%</b>   |              |            |
| East Baton Rouge, Louisiana, Sewerage Commission, Revenue Refunding Bonds, Series A, 5.25%, 2/01/39   | 250          | 242,908    |
| Louisiana Local Government Environmental Facilities and Community Development Authority, Revenue Bonds (Capital Projects and Equipment Acquisition Program), Series A, 6.30%, 7/01/30 (a) | 3,600        | 3,250,224  |
| Louisiana Public Facilities Authority, Revenue Refunding Bonds (Christus Health), Series B, 6.50%, 7/01/30 (h)  | 1,500        | 1,619,355  |
| Louisiana State Gas and Fuels Tax Revenue Bonds, Series A (c):  |              |            |
| 4.75%, 5/01/39  | 4,075        | 3,899,245  |
| 5%, 5/01/36   | 5,400        | 5,412,636  |
| Louisiana State Transportation Authority, Senior Lien Toll Revenue Capital Appreciation Bonds, Series B, 5.310%, 12/01/27 (a)(e)  | 3,735        | 1,172,902  |
| Rapides Financing Authority, Louisiana, Revenue Bonds (Cleco Power LLC Project), AMT, 4.70%, 11/01/36 (a)   | 3,650        | 2,457,837  |
|   |              | 18,055,107 |
| <b>Maryland 1.6%</b>  |              |            |
| Maryland State Community Development Administration, Department of Housing and Community Development, Residential Revenue Refunding Bonds, AMT, Series A, 5.75%, 9/01/39                  | 4,645        | 4,676,679  |
| <b>Massachusetts 4.7%</b>   |              |            |
| Massachusetts State Port Authority, Special Facilities Revenue Bonds (Delta Air Lines Inc. Project), AMT, Series A (a):   |              |            |
| 5.50%, 1/01/16  | 3,100        | 2,418,558  |
| 5.50%, 1/01/18  | 4,000        | 2,680,720  |
| 5.50%, 1/01/19  | 2,775        | 1,746,668  |
| Massachusetts State, HFA, Rental Housing Mortgage Revenue Bonds, AMT, Series F, 5.25%, 1/01/46 (c)  | 5,600        | 5,094,488  |
| Massachusetts State, HFA, S/F Housing Revenue Bonds, AMT, Series 128, 4.80%, 12/01/27 (c)   | 1,600        | 1,457,024  |
|   |              | 13,397,458 |
| <b>Michigan 5.0%</b>  |              |            |
|   | 3,600        | 3,010,860  |

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|  |       |            |
|--|-------|------------|
| Detroit, Michigan, Sewage Disposal System, Second Lien Revenue Bonds, Series B, 5%, 7/01/36 (d)(f)                                     |       |            |
| Detroit, Michigan, Sewage Disposal System, Second Lien Revenue Refunding Bonds, Series E, 5.75%, 7/01/31 (f)(l)                        | 2,500 | 2,562,425  |
| Detroit, Michigan, Water Supply System Revenue Bonds, Second Lien, Series B (c):   |       |            |
| 6.25%, 7/01/36   | 400   | 417,392    |
| 7%, 7/01/36  | 200   | 220,974    |
| Michigan Higher Education Student Loan Authority, Student Loan Revenue Refunding Bonds, AMT, Series XVII-G, 5.20%, 9/01/20 (a)         | 1,500 | 1,282,545  |
| Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Detroit Edison Company Pollution Control Project), AMT (j): |       |            |
| Series A, 5.50%, 6/01/30   | 1,300 | 1,131,689  |
| Series C, 5.65%, 9/01/29   | 2,400 | 2,156,424  |
| Series C, 5.45%, 12/15/32  | 4,300 | 3,648,550  |
|  |       | 14,430,859 |

| Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>Minnesota 1.2%</b>  |              |            |
| Dakota County, Minnesota, Community Development Agency, S/F Mortgage Revenue Bonds (Mortgage-Backed Securities Program), Series B, 5.15%, 12/01/38 (m)(n)(o) | \$ 128       | \$ 127,036 |
| Minneapolis, Minnesota, Health Care System, Revenue Refunding Bonds (Fairview Health Services), Series B, 6.50%, 11/15/38 (h)                                | 2,950        | 3,198,567  |
|  |              | 3,325,603  |
| <b>Nebraska 0.6%</b>   |              |            |
| Washington County, Nebraska, Wastewater Facilities Revenue Bonds (Cargill Inc. Project), AMT, 5.90%, 11/01/27  | 1,600        | 1,561,328  |
| <b>Nevada 7.2%</b>   |              |            |
| Carson City, Nevada, Hospital Revenue Bonds (Carson-Tahoe Hospital Project), Series A, 5.50%, 9/01/33 (i)  | 3,100        | 2,235,906  |
| Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, Series A-2 (d)(f):  |              |            |
| 5%, 7/01/30  | 1,500        | 1,417,515  |
| 5%, 7/01/36  | 3,200        | 2,950,080  |
| Clark County, Nevada, IDR (Southwest Gas Corporation Project), AMT (f):  |              |            |
| Series A, 4.75%, 9/01/36   | 75           | 49,287     |
| Series D, 5.25%, 3/01/38 (d)   | 1,300        | 933,036    |
| Clark County, Nevada, Water Reclamation District, GO, Series B:  |              |            |
| 5.50%, 7/01/29   | 4,500        | 4,702,905  |
| 5.75%, 7/01/34   | 1,825        | 1,934,427  |
| Las Vegas Valley Water District, Nevada, GO, Refunding, Series A, 5%, 6/01/24 (d)(f)   | 1,600        | 1,616,656  |



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|  |       |            |
|--|-------|------------|
| Las Vegas, Nevada, Limited Tax, GO (Performing Arts Center): |       |            |
| 6%, 4/01/34  | 850   | 874,913    |
| 6%, 4/01/39  | 3,780 | 3,894,534  |
|  |       | 20,609,259 |

**New Jersey 8.3%**

|  |       |            |
|--|-------|------------|
| New Jersey EDA, Cigarette Tax Revenue Bonds (i):                     |       |            |
| 5.50%, 6/15/31   | 600   | 419,928    |
| 5.75%, 6/15/34   | 305   | 217,032    |
| New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A (d): |       |            |
| 5.25%, 7/01/31   | 9,325 | 9,312,132  |
| 5.25%, 7/01/33   | 7,800 | 7,778,238  |
| New Jersey EDA, School Facilities Construction Revenue Bonds:        |       |            |
| Series O, 5.125%, 3/01/28  | 3,960 | 4,016,509  |
| Series Z, 6%, 12/15/34 (h)   | 2,000 | 2,206,000  |
|  |       | 23,949,839 |

**New York 5.5%**

|   |       |           |
|---|-------|-----------|
| Erie County, New York, IDA, School Facility Revenue Bonds (City of Buffalo Project), Series A, 5.75%, 5/01/28 (c)               |       |           |
|   | 1,500 | 1,543,560 |
| Metropolitan Transportation Authority, New York, Revenue Bonds, Series C, 6.50%, 11/15/28                                       |       |           |
|   | 4,000 | 4,414,040 |
| Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Series A, 5%, 11/15/32 (d)(f)                    |       |           |
|   | 2,050 | 1,981,141 |
| New York City, New York, City Municipal Water Finance Authority, Water and Sewer System Revenue Bonds, Series A, 5.75%, 6/15/40 |       |           |
|   | 1,250 | 1,342,088 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniEnhanced Fund, Inc. (MEN)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value             |
|---|--------------|-------------------|
| <b>New York (concluded)</b>   |              |                   |
| New York City, New York, City Transitional Finance Authority, Building Aid Revenue Bonds, Series S-4, 5.50%, 1/15/34                        | \$ 2,750     | \$ 2,791,085      |
| New York State Dormitory Authority, State Personal Income Tax Revenue Bonds (Education), Series B, 5.75%, 3/15/36                           | 1,200        | 1,295,604         |
| Tobacco Settlement Financing Corporation of New York Revenue Bonds, Series A-1, 5.25%, 6/01/22 (a)  | 2,300        | 2,322,678         |
|   |              | <u>15,690,196</u> |
| <b>Oregon 0.6%</b>  |              |                   |
| Oregon State Housing and Community Services Department, S/F Mortgage Program Revenue Bonds, AMT, Series G, 5.50%, 1/01/38                   | 1,850        | 1,839,585         |
| <b>Pennsylvania 0.6%</b>  |              |                   |
| Pennsylvania HFA, S/F Mortgage Revenue Refunding Bonds, AMT, Series 99A, 5.25%, 10/01/32  | 1,500        | 1,411,410         |
| Philadelphia, Pennsylvania, School District, GO, Series E, 6%, 9/01/38  | 400          | 422,792           |
|   |              | <u>1,834,202</u>  |
| <b>Rhode Island 2.9%</b>  |              |                   |
| Providence, Rhode Island, Public Building Authority, General Revenue Bonds, Series A, 6.25%, 12/15/10 (c)(k)                                | 4,345        | 4,772,548         |
| Rhode Island State Economic Development Corporation, Airport Revenue Bonds, Series B, 6.50%, 7/01/10 (f)(k)                                 | 3,355        | 3,608,269         |
|   |              | <u>8,380,817</u>  |
| <b>South Carolina 5.7%</b>  |              |                   |
| Berkeley County, South Carolina, School District, Installment Lease Revenue Bonds (Securing Assets for Education Project), 5.125%, 12/01/30 | 3,800        | 3,734,070         |
| Kershaw County, South Carolina, Public Schools Foundation, Installment Power Revenue Refunding Bonds, 5%, 12/01/29 (p)                      | 2,365        | 2,308,453         |
| Scago Educational Facilities Corporation for Pickens County School District, South Carolina, Revenue Bonds, 5%, 12/01/31 (c)                | 9,200        | 8,885,544         |
| South Carolina State Public Service Authority, Revenue Refunding Bonds, Series A, 5.50%, 1/01/38  | 1,275        | 1,338,278         |

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16,266,345

**Tennessee 2.8%**

|  |       |           |
|--|-------|-----------|
| Knox County, Tennessee, Health, Educational and Housing Facilities Board, Hospital Facilities Revenue Refunding Bonds (Covenant Health), Series A, 5.04%, 1/01/38 (e)                    | 4,100 | 490,237   |
| Metropolitan Government of Nashville and Davidson County, Tennessee, Health and Educational Facilities Board, Revenue Refunding Bonds (Vanderbilt University), Series B, 5.50%, 10/01/29 | 5,000 | 5,356,150 |
| Tennessee Energy Acquisition Corporation, Gas Revenue Bonds, Series A, 5.25%, 9/01/26  | 2,610 | 2,108,697 |
|  |       | 7,955,084 |

**Texas 15.2%**

|   |        |            |
|---|--------|------------|
| Dallas-Fort Worth, Texas, International Airport Revenue Bonds, AMT, Series A, 5.50%, 11/01/33 (d)       | 13,000 | 12,330,630 |
| Dallas-Fort Worth, Texas, International Airport, Joint Revenue Bonds, AMT, Series B, 6%, 11/01/23 (d)   | 600    | 601,056    |
| Houston, Texas, Combined Utility System, First Lien Revenue Refunding Bonds, Series A, 6%, 11/15/35 (h) | 2,100  | 2,235,135  |

| Municipal Bonds  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Texas (concluded)</b>   |              |              |
| Lewisville, Texas, Independent School District, Capital Appreciation and School Building, GO, Refunding, 4.671%, 8/15/24 (d)(e)(f)       | \$ 4,475     | \$ 1,966,226 |
| Mansfield, Texas, Independent School District, GO, 5%, 2/15/33   | 1,725        | 1,758,310    |
| Matagorda County, Texas, Navigation District Number 1, PCR, Refunding (Central Power and Light Company Project), AMT, 5.20%, 5/01/30 (d) | 2,400        | 1,877,736    |
| North Harris County, Texas, Regional Water Authority, Senior Lien Revenue Bonds, 5.125%, 12/15/35 (d)                                    | 5,720        | 5,585,637    |
| North Texas Tollway Authority, System Revenue Refunding Bonds, First Tier:<br>5.75%, 1/01/40 (d)   | 1,600        | 1,605,264    |
| Series A, 6%, 1/01/25  | 625          | 656,813      |
| Series K-1, 5.75%, 1/01/38 (h)   | 3,800        | 3,971,646    |
| Series K-2, 6%, 1/01/38 (h)  | 4,015        | 4,287,819    |
| Texas State Turnpike Authority, Central Texas Turnpike System Revenue Bonds, First Tier, Series A, 5.50%, 8/15/39 (a)                    | 7,150        | 6,827,321    |
|  |              | 43,703,593   |

**Utah 1.8%**

|  |       |           |
|--|-------|-----------|
| Utah Transit Authority, Sales Tax Revenue Bonds, Series A, 5%, 6/15/36 (c) | 5,000 | 5,080,300 |
|--|-------|-----------|

**Vermont 0.9%**

|   |       |           |
|---|-------|-----------|
| Vermont HFA, S/F Housing Revenue Bonds, AMT, Series 27, 4.85%, 11/01/32 (c) | 3,000 | 2,640,630 |
|---|-------|-----------|

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|  |       |                    |
|--|-------|--------------------|
| <b>Virginia 0.1%</b>   |       |                    |
| Fairfax County, Virginia, IDA, Health Care Revenue Refunding Bonds (Inova Health System Project), Series A, 5.50%, 5/15/35 | 350   | 354,028            |
| <b>Washington 0.2%</b>   |       |                    |
| Port of Tacoma, Washington, GO, AMT, Series B, 4.875%, 12/01/38 (h)  | 515   | 435,082            |
| <b>Wisconsin 0.7%</b>  |       |                    |
| Wisconsin State Health and Educational Facilities Authority Revenue Bonds (Ascension Health), 5%, 11/15/31 (c)             | 2,125 | 2,033,583          |
| <b>Total Municipal Bonds 134.3%</b>  |       | <b>385,709,681</b> |

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

|  |       |                  |
|--|-------|------------------|
| <b>California 1.8%</b>   |       |                  |
| Anaheim, California, Public Financing Authority, Electric System Distribution Facilities Revenue Bonds, Series A, 5%, 10/01/31 (c) | 959   | 944,206          |
| San Diego County, California, Water Authority, Water Revenue Refunding Bonds, COP, Series A, 5%, 5/01/33 (c)                       | 2,810 | 2,763,719        |
| Tamalpais, California, Union High School District, GO (Election of 2001), 5%, 8/01/28 (c)  | 1,605 | 1,568,197        |
|  |       | <u>5,276,122</u> |
| <b>District of Columbia 0.7%</b>   |       |                  |
| District of Columbia, Water and Sewer Authority, Public Utility Revenue Refunding Bonds, 6%, 10/01/35                              | 1,770 | 1,910,154        |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniEnhanced Fund, Inc. (MEN)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to<br>Tender Option Bond Trusts (q)  | Par<br>(000) | Value         |
|--|--------------|---------------|
| <b>Florida 4.0%</b>  |              |               |
| Miami-Dade County, Florida, School Board, COP,<br>Refunding, Series B, 5%, 5/01/33 (h)   | \$ 12,000    | \$ 11,561,520 |
| <b>Georgia 6.1%</b>  |              |               |
| Atlanta, Georgia, Airport General Revenue Refunding<br>Bonds, Series B, 5.25%, 1/01/33 (c)   | 17,356       | 17,471,902    |
| <b>Illinois 0.7%</b>   |              |               |
| Metropolitan Pier and Exposition Authority, Illinois,<br>Dedicated State Tax Revenue Refunding Bonds<br>(McCormick Place Expansion Project), Series B,<br>5.75%, 6/15/23 (d) | 1,999        | 2,105,227     |
| <b>Massachusetts 3.8%</b>  |              |               |
| Massachusetts State School Building Authority,<br>Dedicated Sales Tax Revenue Bonds, Series A, 5%,<br>8/15/30 (c)  | 10,600       | 10,799,235    |
| <b>New Hampshire 2.6%</b>  |              |               |
| New Hampshire Health and Education Facilities<br>Authority Revenue Bonds (Dartmouth-Hitchcock<br>Obligation Group), 5.5%, 8/01/27 (c)  | 7,390        | 7,450,524     |
| <b>New Jersey 5.3%</b>   |              |               |
| New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50%,<br>6/15/24 (h)   | 15,250       | 15,064,103    |
| <b>South Carolina 2.4%</b>   |              |               |
| Charleston Educational Excellence Financing<br>Corporation, South Carolina, Revenue Bonds<br>(Charleston County School District) (h):  |              |               |
| 5.25%, 12/01/28  | 3,120        | 3,144,024     |
| 5.25%, 12/01/29  | 2,765        | 2,772,493     |
| 5.25%, 12/01/30  | 1,010        | 1,006,071     |
|  |              | 6,922,588     |
| <b>Texas 0.8%</b>  |              |               |
| Clear Creek Texas Independent School District,<br>Refunding, 5%, 2/15/33   | 2,200        | 2,263,723     |
| <b>Virginia 0.8%</b>   |              |               |
| Virginia State, HDA, Commonwealth Mortgage Revenue<br>Bonds, Series H, Sub-Series H-1, 5.35%, 7/01/31 (f)  | 2,310        | 2,322,012     |
| <b>Washington 1.4%</b>   |              |               |
|  | 4,004        | 4,040,079     |

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Central Puget Sound Regional Transportation Authority,  
Washington, Sales and Use Tax Revenue Bonds,  
Series A, 5%, 11/01/32 (c)

|   |              |            |
|---|--------------|------------|
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts</b> | <b>30.4%</b> | 87,187,189 |
|---|--------------|------------|

|   |               |             |
|---|---------------|-------------|
| <b>Total Long-Term Investments<br/>(Cost \$496,917,541)</b> | <b>164.7%</b> | 472,896,870 |
|---|---------------|-------------|

| Short-Term Securities   | Par<br>(000) | Value         |
|---|--------------|---------------|
| <b>Pennsylvania</b>   |              |               |
| Philadelphia, Pennsylvania, GO, Refunding, Series B,<br>3.50%, 5/01/09 (c)(r) | \$ 10,000    | \$ 10,000,000 |

| Money Market                                    | Shares    | Value     |
|---|-----------|-----------|
| <b>Money Market</b>                             |           |           |
| FPI Institutional Tax-Exempt Fund, 0.72% (s)(t) | 3,302,493 | 3,302,493 |

|  |             |            |
|--|-------------|------------|
| <b>Total Short-Term Securities<br/>(Cost \$13,302,493)</b> | <b>4.6%</b> | 13,302,493 |
|--|-------------|------------|

|  |                |                       |
|--|----------------|-----------------------|
| <b>Total Investments (Cost \$510,220,034*)</b>   | <b>169.3%</b>  | 486,199,363           |
| <b>Other Assets Less Liabilities</b>   | <b>2.0%</b>    | 5,759,867             |
| <b>Liability for Trust Certificates, Including<br/>Interest Expense and Fees Payable</b> | <b>(16.0)%</b> | (46,005,743)          |
| <b>Preferred Shares, at Redemption Value</b>   | <b>(55.3)%</b> | (158,875,005)         |
| <b>Net Assets Applicable to Common Shares</b>  | <b>100.0%</b>  | <u>\$ 287,078,482</u> |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

|                               |                        |
|-------------------------------|------------------------|
| Aggregate cost                | \$ 464,697,651         |
| Gross unrealized appreciation | \$ 13,670,400          |
| Gross unrealized depreciation | (38,020,225)           |
| Net unrealized depreciation   | <u>\$ (24,349,825)</u> |

(a) AMBAC Insured.

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- (b) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the effective yield as of report date.
- (c) FSA Insured.
- (d) NPFGC Insured.
- (e) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (f) FGIC Insured.
- (g) When-issued security.
- (h) Assured Guaranty Insured.
- (i) Radian Insured.
- (j) XL Capital Insured.
- (k) US 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.
- (l) BHAC Insured.
- (m) GNMA Collateralized.
- (n) FNMA Collateralized.
- (o) FHLMC Collateralized.
- (p) CIFG Insured.
- (q) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (r) Security may have a maturity of more than one year at the time of issuance, but has variable rate and demand features that qualify it as a short-term security. Rate shown is as of report date and maturity shown is the date the principal owed can be recovered through demand.
- (s) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate                         | Net<br>Activity | Income     |
|-----------------------------------|-----------------|------------|
| FFI Institutional Tax-Exempt Fund | (16,508,607)    | \$ 196,216 |

- (t) Represents the current yield as of report date.

See Notes to Financial Statements.

## Schedule of Investments (concluded)

BlackRock MuniEnhanced Fund, Inc. (MEN)

The Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements, which clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|------------------|---------------------------|
|                  | Assets                    |
| Level 1          | \$ 3,302,493              |
| Level 2          | 482,896,870               |
| Level 3          |                           |
| <b>Total</b>     | <b>\$ 486,199,363</b>     |

See Notes to Financial Statements.



Schedule of Investments April 30, 2009

**BlackRock MuniHoldings Fund, Inc. (MHD)**  
 (Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value             |
|--|--------------|-------------------|
| <b>Alabama 2.6%</b>  |              |                   |
| Camden, Alabama, IDB, Exempt Facilities Revenue Bonds (Weyerhaeuser Company), Series A, 6.125%, 12/01/13 (a)                             | \$ 1,750     | \$ 2,058,070      |
| Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5%, 1/01/24   | 4,550        | 2,733,367         |
|  |              | <u>4,791,437</u>  |
| <b>Arizona 5.5%</b>  |              |                   |
| Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A: 6.50%, 7/01/12                     | 400          | 358,476           |
| 6.75%, 7/01/29   | 2,200        | 1,468,214         |
| Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds (America West Airlines Inc. Project), AMT, 6.30%, 4/01/23               | 2,215        | 1,362,203         |
| Pinal County, Arizona, COP, 5%, 12/01/29   | 1,000        | 883,710           |
| Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds:   |              |                   |
| 5%, 12/01/32   | 3,505        | 2,433,837         |
| 5%, 12/01/37   | 4,905        | 3,304,695         |
| Show Low, Arizona, Improvement District Number 5, Special Assessment Bonds, 6.375%, 1/01/15  | 365          | 343,545           |
|  |              | <u>10,154,680</u> |
| <b>California 23.1%</b>  |              |                   |
| Agua Caliente Band of Cahuilla Indians, California, Casino Revenue Bonds, 5.60%, 7/01/13   | 875          | 787,062           |
| California Educational Facilities Authority Revenue Bonds (University of Southern California), Series A, 5.25%, 10/01/39                 | 1,840        | 1,913,398         |
| California Pollution Control Financing Authority, PCR, Refunding (Pacific Gas & Electric), AMT, Series A, 5.35%, 12/01/16 (b)            | 6,810        | 6,692,800         |
| California State, GO, 6.50%, 4/01/33   | 8,370        | 9,143,472         |
| California State, GO, Refunding, 5%, 6/01/32   | 2,455        | 2,277,331         |
| California State Public Works Board, Lease Revenue Bonds (Department of Corrections), Series C, 5.25%, 6/01/28                           | 3,145        | 2,932,995         |
| California Statewide Communities Development Authority, Health Facility Revenue Bonds (Memorial Health Services), Series A, 6%, 10/01/23 | 3,870        | 3,927,663         |
| East Side Union High School District, California, Santa Clara County, GO (Election of 2002), Series D, 5%, 8/01/21 (c)                   | 2,000        | 2,056,360         |
| Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds, Series A-3, 7.875%, 6/01/13 (a)         | 1,165        | 1,410,337         |

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Montebello, California, Unified School District,

GO (b)(d)(e):

|   |       |            |
|---|-------|------------|
| 5.616%, 8/01/22   | 2,405 | 1,197,425  |
| 5.607%, 8/01/23   | 2,455 | 1,122,450  |
| San Diego, California, Community College District, GO<br>(Election of 2002), 5.25%, 8/01/33 (f)   | 750   | 757,042    |
| San Diego, California, Unified School District, GO<br>(Election of 2008), CABS, Series A, 6.06%,<br>7/01/29 (e)(f)                                      | 3,475 | 1,040,311  |
| San Jose, California, Airport Revenue Refunding Bonds,<br>AMT, Series A, 5.50%, 3/01/32 (g)   | 5,210 | 4,761,263  |
| Tustin, California, Unified School District, Senior Lien<br>Special Tax Bonds (Community Facilities District<br>Number 97-1), Series A, 5%, 9/01/32 (h) | 2,815 | 2,658,204  |
|   |       | 42,678,113 |

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

**Colorado 4.4%**

|  |          |            |
|--|----------|------------|
| Colorado Health Facilities Authority, Revenue Refunding<br>Bonds (Poudre Valley Health Care) (h):                              |          |            |
| Series B, 5.25%, 3/01/36   | \$ 1,000 | \$ 943,680 |
| Series C, 5.25%, 3/01/40   | 1,750    | 1,637,318  |
| Elk Valley, Colorado, Public Improvement Revenue<br>Bonds (Public Improvement Fee), Series A,<br>7.35%, 9/01/31                | 2,645    | 2,103,145  |
| Platte River Power Authority, Colorado, Power Revenue<br>Bonds, Series HH:   |          |            |
| 5%, 6/01/27  | 870      | 906,357    |
| 5%, 6/01/28  | 395      | 408,588    |
| Plaza Metropolitan District Number 1, Colorado, Tax<br>Allocation Revenue Bonds (Public Improvement<br>Fees), 8.125%, 12/01/25 | 1,000    | 768,500    |
| University of Colorado, Enterprise System Revenue<br>Bonds, Series A, 5.375%, 6/01/38  | 1,250    | 1,292,725  |
|  |          | 8,060,313  |

**Connecticut 2.3%**

|   |       |           |
|---|-------|-----------|
| Connecticut State Development Authority, Airport Facility<br>Revenue Bonds (Learjet Inc. Project), AMT,<br>7.95%, 4/01/26 | 2,165 | 1,913,622 |
| Connecticut State Development Authority, IDR (AFCO<br>Cargo BDL-LLC Project), AMT, 8%, 4/01/30                            | 2,735 | 2,359,293 |
|   |       | 4,272,915 |

**Florida 8.7%**

|  |       |           |
|--|-------|-----------|
| Broward County, Florida, Water and Sewer Utility<br>Revenue Bonds, Series A, 5.25%, 10/01/34                                       | 750   | 749,445   |
| Greater Orlando Aviation Authority, Florida, Airport<br>Facilities Revenue Bonds (JetBlue Airways Corp.),<br>AMT, 6.50%, 11/15/36  | 2,095 | 1,242,440 |
| Hillsborough County, Florida, IDA, Exempt Facilities<br>Revenue Bonds (National Gypsum Company), AMT,<br>Series B, 7.125%, 4/01/30 | 1,900 | 975,973   |

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|  |       |            |
|--|-------|------------|
| Hillsborough County, Florida, IDA, Hospital Revenue Bonds (H. Lee Moffitt Cancer Center Project), Series A, 5.25%, 7/01/37         | 3,190 | 2,649,008  |
| Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, Series A, 5.25%, 10/01/38 (i)     | 1,795 | 1,619,072  |
| Miami-Dade County, Florida, Special Obligation Revenue Bonds, Sub-Series A, 5.24%, 10/01/37 (b)(e)                                 | 2,340 | 256,534    |
| Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds:  |       |            |
| Series A, 6.25%, 5/01/37   | 1,530 | 977,884    |
| Series B, 6.50%, 5/01/37   | 2,495 | 1,650,617  |
| Orange County, Florida, Health Facilities Authority, Hospital Revenue Bonds (Orlando Regional Healthcare), 6%, 12/01/12 (a)        | 3,225 | 3,743,290  |
| Orlando, Florida, Urban Community Development District, Capital Improvement Special Assessment Bonds, Series A, 6.95%, 5/01/11 (a) | 800   | 883,200    |
| Palm Coast Park Community Development District, Florida, Special Assessment Revenue Bonds, 5.70%, 5/01/37                          | 695   | 374,709    |
| Preserve at Wilderness Lake, Florida, Community Development District, Capital Improvement Bonds, Series A, 5.90%, 5/01/34          | 1,560 | 1,029,023  |
|  |       | 16,151,195 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniHoldings Fund, Inc. (MHD)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value            |
|---|--------------|------------------|
| <b>Georgia 3.7%</b>   |              |                  |
| Atlanta, Georgia, Tax Allocation Refunding Bonds<br>(Atlantic Station Project) (i):   |              |                  |
| 5.25%, 12/01/20   | \$ 1,000     | \$ 1,034,800     |
| 5.25%, 12/01/21   | 2,000        | 2,048,220        |
| 5.25%, 12/01/22   | 1,000        | 1,020,030        |
| Main Street Natural Gas, Inc., Georgia, Gas Project<br>Revenue Bonds, Series A, 6.375%, 7/15/38 (j)(k)  |              |                  |
|   | 1,185        | 441,424          |
| Private Colleges and Universities Authority, Georgia,<br>Revenue Refunding Bonds (Emory University Project),<br>Series C, 5%, 9/01/38                           |              |                  |
|   | 2,260        | 2,295,256        |
|   |              | <u>6,839,730</u> |
| <b>Illinois 3.2%</b>  |              |                  |
| Chicago, Illinois, Special Assessment Bonds (Lake Shore<br>East), 6.75%, 12/01/32   |              |                  |
|   | 1,200        | 823,416          |
| Illinois HDA, Homeowner Mortgage Revenue Bonds,<br>AMT, Sub-Series C-2, 5.35%, 2/01/27  |              |                  |
|   | 4,000        | 3,908,720        |
| Illinois State Finance Authority Revenue Bonds:<br>(Landing At Plymouth Place Project), Series A,<br>6%, 5/15/25  |              |                  |
|   | 700          | 516,817          |
| (Monarch Landing, Inc. Project), Series A,<br>7%, 12/01/37  |              |                  |
|   | 1,010        | 611,868          |
|   |              | <u>5,860,821</u> |
| <b>Indiana 0.4%</b>   |              |                  |
| Indiana Municipal Power Agency, Power Supply System<br>Revenue Bonds, Series B, 6%, 1/01/39   |              |                  |
|   | 775          | 798,413          |
| <b>Kentucky 1.1%</b>  |              |                  |
| Louisville and Jefferson Counties, Kentucky, Metropolitan<br>Sewer District, Sewer and Drain System Revenue<br>Bonds, Series A, 5.50%, 5/15/34 (b)              |              |                  |
|   | 2,000        | 2,034,440        |
| <b>Louisiana 6.1%</b>   |              |                  |
| East Baton Rouge, Louisiana, Sewerage Commission,<br>Revenue Refunding Bonds, Series A,<br>5.25%, 2/01/39   |              |                  |
|   | 570          | 553,829          |
| Louisiana Local Government Environmental Facilities<br>and Community Development Authority Revenue<br>Bonds (Westlake Chemical Corporation),<br>6.75%, 11/01/32 |              |                  |
|   | 3,500        | 2,436,175        |
| Louisiana Public Facilities Authority, Hospital Revenue<br>Bonds (Franciscan Missionaries of Our Lady Health<br>System, Inc.), Series A, 5.25%, 8/15/36         |              |                  |
|   | 4,115        | 3,502,976        |
| Louisiana Public Facilities Authority Revenue Bonds<br>(Black & Gold Facilities Project), Series A, 5%,   |              |                  |
|   | 3,815        | 2,853,811        |

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|   |       |            |
|---|-------|------------|
| <b>7/01/39 (l)</b>  |       |            |
| New Orleans, Louisiana, Financing Authority Revenue Bonds (Xavier University of Louisiana Project), 5.30%, 6/01/12 (a)(b) | 1,750 | 1,950,358  |
|   |       | 11,297,149 |

|   |       |           |
|---|-------|-----------|
| <b>Maryland 2.7%</b>  |       |           |
| Anne Arundel County, Maryland, Special Obligation Revenue Bonds (Arundel Mills Project), 7.10%, 7/01/09 (a)                                   | 1,870 | 1,924,473 |
| Maryland State Economic Development Corporation, Student Housing Revenue Bonds (University of Maryland College Park Project), 6%, 6/01/13 (a) | 760   | 894,284   |
| Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration AES Warrior Run), AMT, 7.40%, 9/01/19          | 2,750 | 2,087,827 |
|   |       | 4,906,584 |

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

|   |          |              |
|---|----------|--------------|
| <b>Massachusetts 1.4%</b>   |          |              |
| Massachusetts State, HFA, Housing Revenue Bonds, AMT, Series A, 5.25%, 12/01/48 | \$ 2,900 | \$ 2,645,148 |

|   |       |           |
|---|-------|-----------|
| <b>Michigan 2.1%</b>  |       |           |
| Flint, Michigan, Hospital Building Authority, Revenue Refunding Bonds (Hurley Medical Center), Series A, 6%, 7/01/20 (m)                                    | 1,400 | 1,121,176 |
| Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Detroit Edison Company Pollution Control Project), AMT, Series B, 5.65%, 9/01/29 | 3,000 | 2,683,170 |
|   |       | 3,804,346 |

|  |       |           |
|--|-------|-----------|
| <b>Minnesota 1.2%</b>  |       |           |
| Minneapolis, Minnesota, Health Care System Revenue Refunding Bonds (Fairview Health Services), Series A, 6.75%, 11/15/32 | 2,135 | 2,221,660 |

|   |       |           |
|---|-------|-----------|
| <b>Mississippi 2.9%</b>   |       |           |
| Mississippi Business Finance Corporation, Mississippi, PCR, Refunding (System Energy Resources Inc. Project), 5.90%, 5/01/22              | 2,500 | 2,287,650 |
| Mississippi Development Bank, Special Obligation Revenue Refunding Bonds (Gulfport Water and Sewer System Project) (h):                   |       |           |
| 5.25%, 7/01/17  | 1,000 | 1,111,560 |
| 5.25%, 7/01/19  | 810   | 878,672   |
| University of Southern Mississippi Education Building Corporation Revenue Bonds (Campus Facilities Improvements Project), 5.375%, 9/01/36 | 975   | 994,695   |
|   |       | 5,272,577 |

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**Missouri 0.4%**

|  |       |         |
|--|-------|---------|
| Missouri State Development Finance Board,<br>Infrastructure Facilities Revenue Refunding Bonds<br>(Branson), Series A, 5.50%, 12/01/32 | 1,000 | 821,980 |
|--|-------|---------|

**New Jersey 8.0%**

|   |       |            |
|---|-------|------------|
| New Jersey EDA, Cigarette Tax Revenue Bonds:<br>5.75%, 6/15/29  | 5,385 | 3,976,661  |
| 5.75%, 6/15/34  | 2,280 | 1,622,402  |
| New Jersey EDA, Retirement Community Revenue<br>Bonds (Seabrook Village Inc.), Series A, 8.25%,<br>11/15/10 (a) | 2,600 | 2,907,008  |
| New Jersey EDA, Special Facility Revenue Bonds<br>(Continental Airlines Inc. Project), AMT:<br>6.625%, 9/15/12  | 1,000 | 872,510    |
| 6.25%, 9/15/29  | 2,950 | 1,886,525  |
| New Jersey State Turnpike Authority, Turnpike Revenue<br>Bonds, Series C, 5%, 1/01/30 (h)                       | 3,500 | 3,558,485  |
|   |       | 14,823,591 |

**New York 10.5%**

|   |       |           |
|---|-------|-----------|
| Dutchess County, New York, IDA, Civic Facility Revenue<br>Refunding Bonds (Saint Francis Hospital), Series A,<br>7.50%, 3/01/29 | 1,100 | 986,546   |
| Long Island Power Authority, New York, Electric System<br>Revenue Refunding Bonds, Series A, 5.75%, 4/01/39                     | 1,450 | 1,508,044 |
| Metropolitan Transportation Authority, New York,<br>Dedicated Tax Fund Revenue Bonds, Series B,<br>5%, 11/15/34                 | 1,740 | 1,688,670 |
| New York City, New York, City IDA, Civic Facility Revenue<br>Bonds, Series C, 6.80%, 6/01/28                                    | 535   | 524,883   |
| New York City, New York, City IDA, Special Facility<br>Revenue Bonds (Continental Airlines Inc. Project), AMT:<br>8%, 11/01/12  | 725   | 609,022   |
| 8.375%, 11/01/16  | 725   | 499,866   |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniHoldings Fund, Inc. (MHD)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value             |
|---|--------------|-------------------|
| <b>New York (concluded)</b>   |              |                   |
| New York City, New York, City Municipal Water Finance Authority, Second General Resolution, Water and Sewer System Revenue Bonds, Series FF-2, 5.50%, 6/15/40 | \$ 1,110     | \$ 1,167,576      |
| New York City, New York, City Transitional Finance Authority, Building Aid Revenue Refunding Bonds, Series S-1, 4.50%, 1/15/38                                | 700          | 604,898           |
| New York City, New York, Sales Tax Asset Receivable Corporation Revenue Bonds, Series A, 5%, 10/15/20 (b)   | 1,000        | 1,096,000         |
| Tobacco Settlement Financing Corporation of New York Revenue Bonds:   |              |                   |
| Series A-1, 5.50%, 6/01/18  | 3,150        | 3,254,265         |
| Series C-1, 5.50%, 6/01/17  | 3,500        | 3,594,780         |
| Series C-1, 5.50%, 6/01/22  | 1,400        | 1,427,118         |
| Westchester County, New York, IDA, Continuing Care Retirement, Mortgage Revenue Bonds (Kendal on Hudson Project), Series A, 6.50%, 1/01/13 (a)                | 2,080        | 2,424,760         |
|   |              | <u>19,386,428</u> |
| <b>Ohio 1.7%</b>  |              |                   |
| American Municipal Power, Inc., Ohio, Revenue Refunding Bonds (Prairie State Energy Campus Project), Series A, 5%, 2/15/38                                    | 1,855        | 1,799,777         |
| Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Bonds, Series A-2, 6.50%, 6/01/47                                       | 2,160        | 1,334,232         |
|   |              | <u>3,134,009</u>  |
| <b>Pennsylvania 6.6%</b>  |              |                   |
| Bucks County, Pennsylvania, IDA, Retirement Community Revenue Bonds (Ann's Choice Inc.), Series A, 6.25%, 1/01/35   | 1,700        | 1,148,231         |
| Pennsylvania Economic Development Financing Authority, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT, Series B, 6.125%, 11/01/27             | 3,500        | 1,816,850         |
| Pennsylvania Economic Development Financing Authority, Water Facility Revenue Bonds (Pennsylvania American Water Company Project), 6.20%, 4/01/39             | 2,520        | 2,602,757         |
| Philadelphia, Pennsylvania, Authority for IDR, Commercial Development, 7.75%, 12/01/17  | 725          | 618,613           |
| Philadelphia, Pennsylvania, Authority for Industrial Development, Senior Living Revenue Bonds: (Arbor House Inc. Project), Series E, 6.10%, 7/01/33           | 1,105        | 820,286           |
|   | 1,245        | 924,213           |

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(Saligman House Project), Series C,

6.10%, 7/01/33

Sayre, Pennsylvania, Health Care Facilities Authority,

Revenue Bonds (Guthrie Healthcare System),

Series B, 7.125%, 12/01/11 (a)

3,500

4,261,845

12,192,795

**Puerto Rico 0.5%**

Puerto Rico Industrial, Medical and Environmental

Pollution Control Facilities Financing Authority, Special

Facilities Revenue Bonds (American Airlines Inc.),

Series A, 6.45%, 12/01/25

2,060

824,021

**Rhode Island 1.8%**

Rhode Island State Health and Educational Building

Corporation, Hospital Financing Revenue Bonds

(Lifespan Obligation Group), 6.50%, 8/15/12 (a)

2,820

3,245,566

**South Carolina 1.9%**

Medical University Hospital Authority, South Carolina,

Hospital Facilities Revenue Refunding Bonds, Series A,

6.375%, 8/15/12 (a)

3,020

3,506,915

**Municipal Bonds**

**Par  
(000)**

**Value**

**South Dakota 0.9%**

South Dakota State Health and Educational Facilities

Authority Revenue Bonds (Sanford Health),

5%, 11/01/40

\$ 1,825

\$ 1,595,871

**Tennessee 4.7%**

Hardeman County, Tennessee, Correctional Facilities

Corporation Revenue Bonds, 7.75%, 8/01/17

3,750

3,416,325

Shelby County, Tennessee, Health, Educational and

Housing Facility Board, Hospital Revenue Refunding

Bonds (Methodist Healthcare), 6.50%, 9/01/12 (a)

1,845

2,146,012

Tennessee Educational Loan Revenue Bonds

(Educational Funding South Inc.), AMT, Senior

Series B, 6.20%, 12/01/21

3,160

3,152,700

8,715,037

**Texas 16.5%**

Brazos River Authority, Texas, PCR, Refunding (TXU

Energy Company Project), AMT, Series C,

5.75%, 5/01/36 (t)

2,660

1,569,400

Brazos River, Texas, Harbor Navigation District, Brazoria

County Environmental Revenue Refunding Bonds

(Dow Chemical Company Project), AMT, Series A-7,

6.625%, 5/15/33

3,655

2,887,377

Harris County, Texas, Health Facilities Development

Corporation, Hospital Revenue Refunding Bonds

(Memorial Hermann Healthcare System), Series B,

7.25%, 12/01/35

1,910

2,024,848

4,625

4,568,575



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|   |       |            |
|---|-------|------------|
| Harris County, Texas, Toll Road Revenue Bonds, Senior Lien, Series A, 5%, 8/15/38   |       |            |
| Lower Colorado River Authority, Texas, PCR (Samsung Austin Semiconductor), AMT, 6.375%, 4/01/27   | 3,000 | 3,007,470  |
| Matagorda, Texas, Hospital District Revenue Bonds, 5%, 2/15/35 (n)  | 4,500 | 4,071,060  |
| North Texas Tollway Authority, System Revenue Refunding Bonds, Second Tier, Series F, 6.125%, 1/01/31                                       | 4,190 | 4,199,763  |
| San Antonio Energy Acquisition Public Facilities Corporation, Texas, Gas Supply Revenue Bonds: 5.50%, 8/01/23                               | 2,425 | 2,074,175  |
| 5.50%, 8/01/24  | 1,100 | 940,060    |
| 5.50%, 8/01/25  | 1,120 | 944,776    |
| Texas State Department of Housing and Community Affairs, Residential Mortgage Revenue Bonds, AMT, Series A, 5.70%, 1/01/33 (o)(p)           | 1,745 | 1,773,269  |
| Texas State Department of Housing and Community Affairs, Residential Mortgage Revenue Refunding Bonds, AMT, Series B, 5.25%, 7/01/22 (o)(p) | 2,565 | 2,487,383  |
|   |       | 30,548,156 |
| <b>U.S. Virgin Islands 1.5%</b>   |       |            |
| Virgin Islands Government Refinery Facilities, Revenue Refunding Bonds (Hovensa Coker Project), AMT, 6.50%, 7/01/21                         | 3,460 | 2,713,645  |
| <b>Vermont 1.2%</b>   |       |            |
| Vermont Educational and Health Buildings Financing Agency, Revenue Bonds (Developmental and Mental Health), Series A, 6%, 6/15/17           | 2,370 | 2,219,221  |
| <b>Virginia 3.1%</b>  |       |            |
| Chesterfield County, Virginia, IDA, PCR (Virginia Electric and Power Company), Series A, 5.875%, 6/01/17                                    | 1,150 | 1,189,663  |
| Fairfax County, Virginia, EDA, Resource Recovery Revenue Refunding Bonds, AMT, Series A, 6.10%, 2/01/11 (g)                                 | 3,000 | 3,109,980  |
| Tobacco Settlement Financing Corporation of Virginia, Asset-Backed Revenue Bonds, 5.625%, 6/01/15 (a)                                       | 1,290 | 1,489,241  |
|   |       | 5,788,884  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniHoldings Fund, Inc. (MHD)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Washington 0.6%</b>  |              |              |
| Seattle, Washington, Housing Authority Revenue Bonds<br>(Replacement Housing Project), 6.125%, 12/01/32 | \$ 1,325     | \$ 1,039,966 |
| <b>Wisconsin 4.1%</b>   |              |              |
| Wisconsin State Health and Educational Facilities<br>Authority Revenue Bonds:                           |              |              |
| (New Castle Place Project), Series A, 7%, 12/01/31  | 825          | 622,297      |
| (SynergyHealth Inc.), 6%, 11/15/32  | 1,755        | 1,767,882    |
| Wisconsin State, General Fund Annual Appropriation<br>Bonds, Series A, 6%, 5/01/36                      | 4,980        | 5,247,974    |
|   |              | 7,638,153    |
| <b>Total Municipal Bonds 135.4%</b>   |              | 249,983,759  |

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

|   |       |           |
|---|-------|-----------|
| <b>California 1.9%</b>  |       |           |
| Sequoia, California, Unified High School District, GO,<br>Refunding, Series B, 5.50%, 7/01/35 (h)                 | 3,494 | 3,543,616 |
| <b>Colorado 2.2%</b>  |       |           |
| Colorado Health Facilities Authority Revenue Bonds<br>(Catholic Health) (h):                                      |       |           |
| Series C-3, 5.10%, 10/01/41   | 2,580 | 2,473,446 |
| Series C-7, 5%, 9/01/36   | 1,650 | 1,583,439 |
|   |       | 4,056,885 |
| <b>Connecticut 3.6%</b>   |       |           |
| Connecticut State Health and Educational Facilities<br>Authority Revenue Bonds (Yale University):                 |       |           |
| Series T-1, 4.70%, 7/01/29  | 3,180 | 3,268,881 |
| Series X-3, 4.85%, 7/01/37  | 3,270 | 3,338,343 |
|   |       | 6,607,224 |
| <b>Massachusetts 2.8%</b>   |       |           |
| Massachusetts State School Building Authority,<br>Dedicated Sales Tax Revenue Bonds, Series A,<br>5%, 8/15/30 (h) | 4,994 | 5,088,049 |

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|  |       |           |
|--|-------|-----------|
| <b>New York 2.4%</b>   |       |           |
| New York City, New York, Sales Tax Asset Receivable Corporation Revenue Bonds, Series A, 5.25%, 10/15/27 (g) | 4,240 | 4,421,472 |

|   |       |           |
|---|-------|-----------|
| <b>Tennessee 1.2%</b>   |       |           |
| Shelby County, Tennessee, Health, Educational and Housing Facility Board, Hospital Revenue Refunding Bonds (Saint Jude Children's Research Hospital), 5%, 7/01/31 | 2,250 | 2,249,843 |

|  |        |            |
|--|--------|------------|
| <b>Texas 6.7%</b>  |        |            |
| Harris County, Texas, Toll Road Revenue Refunding Bonds, Senior Lien, Series A, 5.25%, 8/15/35 (h) | 11,760 | 12,457,133 |

| Municipal Bonds   | Par (000) | Value        |
|---|-----------|--------------|
| <b>Virginia 9.3%</b>  |           |              |
| University of Virginia, Revenue Refunding Bonds, 5%, 6/01/40                            | \$ 3,750  | \$ 3,871,463 |
| Virginia State, HDA, Commonwealth Mortgage Revenue Bonds, Series H, Sub-Series H-1 (b): |           |              |
| 5.35%, 7/01/31  | 2,370     | 2,382,324    |
| 5.375%, 7/01/36   | 10,940    | 10,969,100   |
|   |           | 17,222,887   |

|  |       |           |
|--|-------|-----------|
| <b>Washington 1.0%</b>   |       |           |
| Central Puget Sound Regional Transportation Authority, Washington, Sales and Use Tax Revenue Bonds, Series A, 5%, 11/01/32 (h) | 1,860 | 1,876,291 |

|   |  |            |
|---|--|------------|
| <b>Total Municipal Bonds Transferred to Tender Option Bond Trusts 31.1%</b> |  | 57,523,400 |
|---|--|------------|

|  |  |             |
|--|--|-------------|
| <b>Total Long-Term Investments (Cost \$332,855,996) 166.5%</b> |  | 307,507,159 |
|--|--|-------------|

| Short-Term Securities                                      | Shares    |           |
|--|-----------|-----------|
| <b>Money Market Fund 1.0%</b>                              |           |           |
| FPI Institutional Tax-Exempt Fund, 0.72% (r)(s)            | 1,910,337 | 1,910,337 |
| <b>Total Short-Term Securities (Cost \$1,910,337) 1.0%</b> |           | 1,910,337 |

|  |  |              |
|--|--|--------------|
| <b>Total Investments (Cost \$334,766,333*) 167.5%</b>  |  | 309,417,496  |
| <b>Liabilities in Excess of Other Assets (1.3)%</b>  |  | (2,386,292)  |
| <b>Liability for Trust Certificates, Including Interest Expense and Fees Payable (16.4)%</b> |  | (30,411,678) |

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|   |                |                |
|---|----------------|----------------|
| <b>Preferred Shares, at Redemption Value</b>  | <b>(49.8)%</b> | (91,934,549)   |
| <b>Net Assets Applicable to Common Shares</b> | <b>100.0%</b>  | \$ 184,684,977 |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

|                               |                 |
|-------------------------------|-----------------|
| Aggregate cost                | \$ 304,312,228  |
| Gross unrealized appreciation | \$ 8,333,653    |
| Gross unrealized depreciation | (33,516,341)    |
| Net unrealized depreciation   | \$ (25,182,688) |

- (a) US 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) NPFGC Insured.
- (c) XL Capital Insured.
- (d) FGIC Insured.
- (e) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (f) When-issued security.
- (g) AMBAC Insured.
- (h) FSA Insured.
- (i) Assured Guaranty Insured.
- (j) Non-income producing security.
- (k) Issuer filed for bankruptcy and/or is in default of interest payments.
- (l) CIFG Insured.
- (m) ACA Insured.
- (n) FHA Insured.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniHoldings Fund, Inc. (MHD)

- (o) FNMA Collateralized.
- (p) GNMA Collateralized.
- (q) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (r) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate                         | Net<br>Activity | Income    |
|-----------------------------------|-----------------|-----------|
| FFI Institutional Tax-Exempt Fund | 1,901,366       | \$ 35,142 |

- (s) Represents the current yield as of report date.
- (t) Variable rate security. Rate shown is as of report date.

Effective May 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements ( FAS 157 ). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in<br>Securities |
|------------------|------------------------------|
|                  | Assets                       |
| Level 1          | \$ 1,910,337                 |

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|              |                       |
|--------------|-----------------------|
| Level 2      | 307,507,159           |
| Level 3      |                       |
| <hr/>        |                       |
| <b>Total</b> | <b>\$ 309,417,496</b> |

See Notes to Financial Statements.

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Schedule of Investments April 30, 2009

**BlackRock MuniHoldings Fund II, Inc. (MUH)**  
 (Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Alabama 1.5%</b>   |              |              |
| Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5%, 1/01/24  | \$ 3,450     | \$ 2,072,553 |
| <b>Arizona 6.5%</b>   |              |              |
| Arizona Health Facilities Authority Revenue Bonds (Catholic Healthcare West), Series A, 6.625%, 7/01/20                           | 1,000        | 1,069,720    |
| Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.50%, 7/01/12              | 1,325        | 1,187,452    |
| Phoenix, Arizona, IDA, Airport Facility, Revenue Refunding Bonds (America West Airlines Inc. Project), AMT, 6.30%, 4/01/23        | 2,060        | 1,266,879    |
| Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project), Series C, 6.75%, 7/01/31                    | 960          | 674,371      |
| Pinal County, Arizona, COP, 5%, 12/01/29  | 1,000        | 883,710      |
| Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds:<br>5%, 12/01/32  | 2,535        | 1,760,279    |
| 5%, 12/01/37  | 2,175        | 1,465,385    |
| Show Low, Arizona, Improvement District Number 5, Special Assessment Bonds, 6.375%, 1/01/15                                       | 755          | 710,621      |
|   |              | 9,018,417    |
| <b>California 25.2%</b>   |              |              |
| Benicia, California, Unified School District, GO, Refunding, Series A, 5.62%, 8/01/20 (a)(b)(c)                                   | 2,000        | 1,144,420    |
| California Educational Facilities Authority Revenue Bonds (University of Southern California), Series A, 5.25%, 10/01/39          | 1,335        | 1,388,253    |
| California State, GO, 6.50%, 4/01/33  | 7,325        | 8,001,903    |
| California State Public Works Board, Lease Revenue Bonds (Department of Corrections), Series C, 5.25%, 6/01/28                    | 2,605        | 2,429,397    |
| East Side Union High School District, California, Santa Clara County, GO (Election of 2002), Series D, 5%, 8/01/20 (d)            | 1,000        | 1,035,900    |
| Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds, Series A-3, 7.875%, 6/01/13 (e)  | 870          | 1,053,213    |
| Poway, California, Unified School District, Special Tax Bonds (Community Facilities District Number 6), Series A, 6.125%, 9/01/33 | 1,750        | 1,542,485    |
| San Diego, California, Community College District, GO (Election of 2002), 5.25%, 8/01/33 (f)                                      | 550          | 555,164      |
| San Diego, California, Unified School District, GO (Election of 2008), CABS, Series A, 6.06%, 7/01/29 (c)(f)                      | 2,525        | 755,909      |

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|   |       |            |
|---|-------|------------|
| San Jose, California, Airport Revenue Refunding Bonds, AMT, Series A, 5.50%, 3/01/32 (g)  | 3,780 | 3,454,429  |
| San Marino, California, Unified School District, GO, Series A (a)(c):   |       |            |
| 5.50%, 7/01/17  | 1,820 | 1,282,063  |
| 5.55%, 7/01/18  | 1,945 | 1,288,679  |
| 5.60%, 7/01/19  | 2,070 | 1,279,115  |
| Tracy, California, Area Public Facilities Financing Agency, Special Tax Refunding Bonds (Community Facilities District Number 87-1), Series H, 5.875%, 10/01/19 (a) | 4,925 | 4,933,619  |
| Tustin, California, Unified School District, Senior Lien Special Tax Bonds (Community Facilities District Number 97-1), Series A, 5%, 9/01/32 (h)                   | 1,250 | 1,180,375  |
| University of California Revenue Bonds, Series B, 4.75%, 5/15/38  | 4,095 | 3,762,977  |
|   |       | 35,087,901 |

| Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>Colorado 3.4%</b>   |              |            |
| Colorado Health Facilities Authority, Revenue Refunding Bonds (Poudre Valley Health Care), Series B, 5.25%, 3/01/36 (h)  | \$ 735       | \$ 693,605 |
| Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Fee), Series A, 7.10%, 9/01/14                | 1,315        | 1,296,209  |
| Platte River Power Authority, Colorado, Power Revenue Bonds, Series HH, 5%, 6/01/28                                      | 1,105        | 1,143,012  |
| Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees), 8.125%, 12/01/25 | 860          | 660,910    |
| University of Colorado, Enterprise System Revenue Bonds, Series A, 5.375%, 6/01/38                                       | 920          | 951,446    |
|  |              | 4,745,182  |

|  |       |           |
|--|-------|-----------|
| <b>Florida 7.5%</b>  |       |           |
| Ballantrae, Florida, Community Development District, Capital Improvement Revenue Bonds, 6%, 5/01/35                          | 1,595 | 1,271,343 |
| Broward County, Florida, Water and Sewer Utility Revenue Bonds, Series A, 5.25%, 10/01/34                                    | 545   | 544,597   |
| Greater Orlando Aviation Authority, Florida, Airport Facilities Revenue Bonds (JetBlue Airways Corp.), AMT, 6.50%, 11/15/36  | 1,515 | 898,471   |
| Hillsborough County, Florida, IDA, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT, Series B, 7.125%, 4/01/30 | 1,380 | 708,865   |
| Hillsborough County, Florida, IDA, Hospital Revenue Bonds (H. Lee Moffitt Cancer Center Project), Series A, 5.25%, 7/01/37   | 2,310 | 1,918,247 |
| Miami-Dade County, Florida, Special Obligation Revenue Bonds, Sub-Series A, 5.24%, 10/01/37 (a)(c)                           | 1,765 | 193,497   |
| Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds, Series A, 6.25%, 5/01/37           | 1,665 | 1,064,168 |



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|   |       |                   |
|---|-------|-------------------|
| Orange County, Florida, Health Facilities Authority,<br>Hospital Revenue Bonds (Orlando Regional<br>Healthcare), 6%, 12/01/12 (e) | 2,400 | 2,785,704         |
| Palm Coast Park Community Development District,<br>Florida, Special Assessment Revenue Bonds,<br>5.70%, 5/01/37                   | 510   | 274,967           |
| Preserve at Wilderness Lake, Florida, Community<br>Development District, Capital Improvement Bonds,<br>Series A, 5.90%, 5/01/34   | 1,215 | 801,450           |
|   |       | <u>10,461,309</u> |

**Georgia 3.5%**

|   |       |                  |
|---|-------|------------------|
| Atlanta, Georgia, Tax Allocation Refunding Bonds<br>(Atlantic Station Project) (i):<br>5%, 12/01/23                                   | 1,000 | 998,010          |
| 4.75%, 12/01/24   | 2,000 | 1,924,020        |
| Main Street Natural Gas, Inc., Georgia, Gas Project<br>Revenue Bonds, Series A, 6.375%, 7/15/38 (j)(k)                                | 865   | 322,221          |
| Private Colleges and Universities Authority, Georgia,<br>Revenue Refunding Bonds (Emory University Project),<br>Series C, 5%, 9/01/38 | 1,650 | 1,675,740        |
|   |       | <u>4,919,991</u> |

**Idaho 1.2%**

|  |       |           |
|--|-------|-----------|
| Power County, Idaho, Industrial Development<br>Corporation, Solid Waste Disposal Revenue Bonds<br>(FMC Corporation Project), AMT, 6.45%, 8/01/32 | 2,000 | 1,725,300 |
|--|-------|-----------|

See Notes to Financial Statements.

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## Schedule of Investments (continued)

BlackRock MuniHoldings Fund II, Inc. (MUH)  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>Illinois 2.5%</b>   |              |            |
| Chicago, Illinois, Special Assessment Bonds (Lake Shore East), 6.75%, 12/01/32   | \$ 1,000     | \$ 686,180 |
| Illinois HDA, Homeowner Mortgage Revenue Bonds, AMT, Sub-Series C-2, 5.25%, 8/01/22  | 2,000        | 2,010,500  |
| Illinois State Finance Authority Revenue Bonds, Series A: (Landing At Plymouth Place Project), 6%, 5/15/25   | 500          | 369,155    |
| (Monarch Landing, Inc. Project), 7%, 12/01/37  | 720          | 436,183    |
|  |              | 3,502,018  |
| <b>Indiana 0.4%</b>  |              |            |
| Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series B, 6%, 1/01/39   | 565          | 582,069    |
| <b>Louisiana 4.0%</b>  |              |            |
| East Baton Rouge, Louisiana, Sewage Commission, Revenue Refunding Bonds, Series A, 5.25%, 2/01/39  | 420          | 408,085    |
| Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bonds (Westlake Chemical Corporation), 6.75%, 11/01/32 | 2,500        | 1,740,125  |
| Louisiana Public Facilities Authority, Hospital Revenue Bonds (Franciscan Missionaries of Our Lady Health System, Inc.), Series A, 5.25%, 8/15/36      | 2,500        | 2,128,175  |
| New Orleans, Louisiana, Financing Authority Revenue Bonds (Xavier University of Louisiana Project), 5.30%, 6/01/12 (a)(e)                              | 1,275        | 1,420,975  |
|  |              | 5,697,360  |
| <b>Maryland 0.6%</b>   |              |            |
| Maryland State Energy Financing Administration, Limited Obligation Revenue Bonds (Cogeneration AES Warrior Run), AMT, 7.40%, 9/01/19                   | 1,050        | 797,170    |
| <b>Massachusetts 3.7%</b>  |              |            |
| Massachusetts State Development Finance Agency Revenue Bonds (Neville Communities Home), Series A (I): 5.75%, 6/20/22                                  | 600          | 639,312    |
| 6%, 6/20/44  | 1,500        | 1,530,030  |
| Massachusetts State, HFA, Housing Revenue Bonds, AMT, Series A, 5.25%, 12/01/48  | 2,100        | 1,915,452  |
| Massachusetts State, HFA, Housing Revenue Refunding Bonds, AMT, Series F, 5.70%, 6/01/40   | 1,140        | 1,087,640  |
|  |              | 5,172,434  |

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**Michigan 3.9%**

|   |       |                  |
|---|-------|------------------|
| Flint, Michigan, Hospital Building Authority, Revenue Refunding Bonds (Hurley Medical Center), Series A, 6%, 7/01/20 (m)  | 1,100 | 880,924          |
| Michigan State Strategic Fund, Limited Obligation Revenue Refunding Bonds (Detroit Edison Company Pollution Control Project), AMT, Series C, 5.65%, 9/01/29 (d) | 5,000 | 4,492,550        |
|   |       | <u>5,373,474</u> |

**Minnesota 5.6%**

|  |       |                  |
|--|-------|------------------|
| Minneapolis, Minnesota, Community Development Agency, Supported Development Revenue Refunding Bonds (Common Bond), Series G-3, 5.35%, 12/01/11 (e) | 1,680 | 1,856,988        |
| Minneapolis, Minnesota, Health Care System Revenue Refunding Bonds (Fairview Health Services), Series A, 6.75%, 11/15/32                           | 1,540 | 1,602,509        |
| Minnesota State Municipal Power Agency, Electric Revenue Bonds, 5.25%, 10/01/21  | 4,220 | 4,389,855        |
|  |       | <u>7,849,352</u> |

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

**Mississippi 2.2%**

|   |          |                  |
|---|----------|------------------|
| Mississippi Business Finance Corporation, Mississippi, PCR, Refunding (System Energy Resources Inc. Project):                             |          |                  |
| 5.875%, 4/01/22   | \$ 2,000 | \$ 1,826,440     |
| 5.90%, 5/01/22  | 500      | 457,530          |
| University of Southern Mississippi Education Building Corporation Revenue Bonds (Campus Facilities Improvements Project), 5.375%, 9/01/36 | 700      | 714,140          |
|   |          | <u>2,998,110</u> |

**Missouri 1.1%**

|  |       |                  |
|--|-------|------------------|
| Kansas City, Missouri, IDA, First Mortgage Health Facilities Revenue Bonds (Bishop Spencer Place), Series A, 6.50%, 1/01/35      | 1,000 | 694,750          |
| Missouri State Development Finance Board, Infrastructure Facilities Revenue Refunding Bonds (Branson), Series A, 5.50%, 12/01/32 | 1,000 | 821,980          |
|  |       | <u>1,516,730</u> |

**New Jersey 7.7%**

|  |       |           |
|--|-------|-----------|
| New Jersey EDA, Cigarette Tax Revenue Bonds:   |       |           |
| 5.75%, 6/15/29   | 4,050 | 2,990,803 |
| 5.50%, 6/15/31   | 1,890 | 1,322,773 |
| New Jersey EDA, Special Facility Revenue Bonds (Continental Airlines Inc. Project), AMT, 6.625%, 9/15/12 | 2,000 | 1,745,020 |

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New Jersey State Turnpike Authority, Turnpike

Revenue Bonds:

|                           |       |           |
|---------------------------|-------|-----------|
| Series C, 5%, 1/01/30 (h) | 2,500 | 2,541,775 |
| Series E, 5.25%, 1/01/40  | 2,130 | 2,141,076 |

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10,741,447

**New York 11.0%**

Dutchess County, New York, IDA, Civic Facility Revenue

Refunding Bonds (Saint Francis Hospital), Series A,

7.50%, 3/01/29

885 793,721

Long Island Power Authority, New York, Electric System

Revenue Refunding Bonds, Series A, 5.75%, 4/01/39

1,050 1,092,031

Metropolitan Transportation Authority, New York,

Dedicated Tax Fund Revenue Bonds, Series B,

5%, 11/15/34

1,270 1,232,535

New York City, New York, City IDA, Civic Facility Revenue

Bonds, Series C, 6.80%, 6/01/28

415 407,152

New York City, New York, City IDA, Special Facility

Revenue Bonds (Continental Airlines Inc. Project), AMT:

8%, 11/01/12

525 441,016

8.375%, 11/01/16

525 361,972

New York City, New York, City Municipal Water Finance

Authority, Second General Resolution, Water and

Sewer System Revenue Bonds, Series FF-2,

5.50%, 6/15/40

800 841,496

New York City, New York, City Transitional Finance

Authority, Building Aid Revenue Bonds, Series S-3,

5.25%, 1/15/39

3,300 3,231,657

New York City, New York, City Transitional Finance

Authority, Building Aid Revenue Refunding Bonds,

Series S-1, 4.50%, 1/15/38

500 432,070

Tobacco Settlement Financing Corporation of

New York Revenue Bonds:

Series A-1, 5.50%, 6/01/15

1,100 1,123,089

Series A-1, 5.50%, 6/01/18

2,400 2,479,440

Series C-1, 5.50%, 6/01/22

1,100 1,121,307

Westchester County, New York, IDA, Continuing Care

Retirement, Mortgage Revenue Bonds (Kendal on

Hudson Project), Series A, 6.50%, 1/01/13 (e)

1,575 1,836,056

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15,393,542

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock MuniHoldings Fund II, Inc. (MUH)  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value            |
|--|--------------|------------------|
| <b>North Carolina 1.5%</b>   |              |                  |
| North Carolina Eastern Municipal Power Agency, Power System Revenue Bonds, Series D, 6.75%, 1/01/26  | \$ 2,000     | \$ 2,020,740     |
| <b>Ohio 0.7%</b>   |              |                  |
| Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Bonds, Series A-2, 6.50%, 6/01/47  | 1,565        | 966,700          |
| <b>Pennsylvania 5.0%</b>   |              |                  |
| Pennsylvania Economic Development Financing Authority, Exempt Facilities Revenue Bonds (National Gypsum Company), AMT, Series A, 6.25%, 11/01/27   | 2,750        | 1,427,415        |
| Pennsylvania Economic Development Financing Authority, Water Facility Revenue Bonds (Pennsylvania American Water Company Project), 6.20%, 4/01/39 Philadelphia, Pennsylvania, Authority for IDR, Commercial Development, 7.75%, 12/01/17 | 1,830        | 1,890,097        |
| Sayre, Pennsylvania, Health Care Facilities Authority, Revenue Bonds (Guthrie Healthcare System), Series B, 7.125%, 12/01/11 (e)   | 540          | 460,760          |
|  | 2,630        | 3,202,472        |
|  |              | <u>6,980,744</u> |
| <b>Puerto Rico 1.8%</b>  |              |                  |
| Puerto Rico Commonwealth Highway and Transportation Authority, Transportation Revenue Refunding Bonds, Series N, 5.25%, 7/01/36 (i)  | 1,945        | 1,922,652        |
| Puerto Rico Industrial, Medical and Environmental Pollution Control Facilities Financing Authority, Special Facilities Revenue Bonds (American Airlines Inc.), Series A, 6.45%, 12/01/25   | 1,550        | 620,015          |
|  |              | <u>2,542,667</u> |
| <b>Rhode Island 1.8%</b>   |              |                  |
| Rhode Island State Health and Educational Building Corporation, Hospital Financing Revenue Bonds (Lifespan Obligation Group), 6.50%, 8/15/12 (e)   | 2,190        | 2,520,493        |
| <b>South Carolina 1.7%</b>   |              |                  |
| Medical University Hospital Authority, South Carolina, Hospital Facilities Revenue Refunding Bonds, Series A, 6.375%, 8/15/12 (e)  | 2,080        | 2,415,358        |
| <b>South Dakota 0.9%</b>   |              |                  |
| South Dakota State Health and Educational Facilities Revenue Bonds (Sanford Health), 5%, 11/01/40  | 1,350        | 1,180,508        |

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| <b>Tennessee 2.4%</b>   |       |           |
|---|-------|-----------|
| Hardeman County, Tennessee, Correctional Facilities Corporation Revenue Bonds, Series B, 7.375%, 8/01/17  | 2,200 | 1,877,590 |
| Shelby County, Tennessee, Health, Educational and Housing Facility Board, Hospital Revenue Refunding Bonds (Methodist Healthcare), 6.50%, 9/01/12 (e) | 1,280 | 1,488,832 |
|   |       | 3,366,422 |

| <b>Texas 11.3%</b>  |       |           |
|---|-------|-----------|
| Brazos River Authority, Texas, PCR, Refunding (TXU Energy Company Project), AMT, Series C, 5.75%, 5/01/36 (r)   | 1,930 | 1,138,700 |
| Brazos River, Texas, Harbor Navigation District, Brazoria County Environmental Revenue Refunding Bonds (Dow Chemical Company Project), AMT, Series A-7, 6.625%, 5/15/33 | 2,500 | 1,974,950 |
| Harris County, Texas, Health Facilities Development Corporation, Hospital Revenue Refunding Bonds (Memorial Hermann Healthcare System), Series B, 7.25%, 12/01/35       | 1,380 | 1,462,979 |
| Harris County, Texas, Toll Road Revenue Bonds, Senior Lien, Series A, 5%, 8/15/38 (f)   | 3,360 | 3,319,008 |

| <b>Municipal Bonds</b>  | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|----------------------|--------------|
| <b>Texas (concluded)</b>  |                      |              |
| Matagorda, Texas, Hospital District Revenue Bonds, 5%, 2/15/35 (n)  | \$ 3,265             | \$ 2,953,780 |
| North Texas Tollway Authority, System Revenue Refunding Bonds, Second Tier, Series F, 6.125%, 1/01/31         | 3,020                | 3,027,037    |
| San Antonio Energy Acquisition Public Facilities Corporation, Texas, Gas Supply Revenue Bonds: 5.50%, 8/01/23 | 1,130                | 966,523      |
| 5.50%, 8/01/24  | 1,035                | 884,511      |
|   |                      | 15,727,488   |

| <b>U.S. Virgin Islands 1.5%</b>   |       |           |
|---|-------|-----------|
| Virgin Islands Government Refinery Facilities, Revenue Refunding Bonds (Hovensa Coker Project), AMT, 6.50%, 7/01/21 | 2,680 | 2,101,897 |

| <b>Vermont 0.6%</b>  |       |         |
|--|-------|---------|
| Vermont Educational and Health Buildings Financing Agency, Revenue Bonds (Developmental and Mental Health), Series A, 6.50%, 6/15/32 | 1,000 | 770,970 |

| <b>Virginia 5.1%</b>  |       |           |
|---|-------|-----------|
| Chesterfield County, Virginia, IDA, PCR (Virginia Electric and Power Company), Series A, 5.875%, 6/01/17    | 425   | 439,658   |
| Fairfax County, Virginia, EDA, Resource Recovery Revenue Refunding Bonds, AMT, Series A, 6.10%, 2/01/11 (g) | 2,250 | 2,332,485 |

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|  |       |                  |
|--|-------|------------------|
| Tobacco Settlement Financing Corporation of Virginia,<br>Asset-Backed Revenue Bonds, 5.625%, 6/01/15 (e) | 930   | 1,073,639        |
| Virginia State, HDA, Revenue Bonds, AMT, Series D,<br>6%, 4/01/24  | 3,200 | 3,231,136        |
|  |       | <u>7,076,918</u> |

**Washington 0.6%**

|   |     |         |
|---|-----|---------|
| Seattle, Washington, Housing Authority Revenue Bonds<br>(Replacement Housing Project), 6.125%, 12/01/32 | 975 | 765,258 |
|---|-----|---------|

**Wisconsin 3.7%**

|  |       |                  |
|--|-------|------------------|
| Wisconsin State Health and Educational Facilities<br>Authority Revenue Bonds (SynergyHealth Inc.),<br>6%, 11/15/32 | 1,360 | 1,369,982        |
| Wisconsin State, General Fund Annual Appropriation<br>Bonds, Series A, 6%, 5/01/36                                 | 3,620 | 3,814,792        |
|  |       | <u>5,184,774</u> |

**Total Municipal Bonds 130.1%** 181,275,296

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

**California 4.0%**

|   |       |           |
|---|-------|-----------|
| Sequoia, California, Unified High School District, GO,<br>Refunding, Series B, 5.50%, 7/01/35 (h) | 5,519 | 5,596,785 |
|---|-------|-----------|

**Colorado 2.1%**

|  |       |                  |
|--|-------|------------------|
| Colorado Health Facilities Authority Revenue Bonds<br>(Catholic Health) (h): |       |                  |
| Series C-3, 5.10%, 10/01/41  | 1,870 | 1,792,769        |
| Series C-7, 5%, 9/01/36  | 1,200 | 1,151,592        |
|  |       | <u>2,944,361</u> |

**Connecticut 3.4%**

|   |       |                  |
|---|-------|------------------|
| Connecticut State Health and Educational Facilities<br>Authority Revenue Bonds (Yale University): |       |                  |
| Series T-1, 4.70%, 7/01/29  | 2,300 | 2,364,285        |
| Series X-3, 4.85%, 7/01/37  | 2,370 | 2,419,533        |
|   |       | <u>4,783,818</u> |

See Notes to Financial Statements.

## Schedule of Investments (concluded)

**BlackRock MuniHoldings Fund II, Inc. (MUH)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to<br>Tender Option Bond Trusts (o)  | Par<br>(000)  | Value        |
|--|---------------|--------------|
| <b>Massachusetts 2.2%</b>  |               |              |
| Massachusetts State School Building Authority,<br>Dedicated Sales Tax Revenue Bonds, Series A,<br>5%, 8/15/30 (h)  | \$ 2,999      | \$ 3,055,885 |
| <b>New York 2.4%</b>   |               |              |
| New York City, New York, Sales Tax Asset Receivable<br>Corporation Revenue Bonds, Series A, 5.25%,<br>10/15/27 (g)   | 3,200         | 3,336,960    |
| <b>Tennessee 1.8%</b>  |               |              |
| Shelby County, Tennessee, Health, Educational and<br>Housing Facility Board, Hospital Revenue Refunding<br>Bonds (Saint Jude Children's Research Hospital),<br>5%, 7/01/31 | 2,500         | 2,499,825    |
| <b>Texas 6.6%</b>  |               |              |
| Harris County, Texas, Toll Road Revenue Refunding<br>Bonds, Senior Lien, Series A, 5.25%, 8/15/35 (h)  | 8,730         | 9,247,514    |
| <b>Virginia 9.0%</b>   |               |              |
| University of Virginia, Revenue Refunding Bonds,<br>5%, 6/01/40  | 2,730         | 2,818,425    |
| Virginia State, HDA, Commonwealth Mortgage Revenue<br>Bonds, Series H, Sub-Series H-1 (a):   |               |              |
| 5.35%, 7/01/31   | 1,725         | 1,733,970    |
| 5.375%, 7/01/36  | 7,900         | 7,921,014    |
|  |               | 12,473,409   |
| <b>Washington 1.0%</b>   |               |              |
| Central Puget Sound Regional Transportation Authority,<br>Washington, Sales and Use Tax Revenue Bonds,<br>Series A, 5%, 11/01/32   | 1,365         | 1,376,956    |
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts 32.5%</b>  |               | 45,315,513   |
| <b>Total Long-Term Investments<br/>(Cost \$242,212,178) 162.6%</b>   |               | 226,590,809  |
| <b>Short-Term Securities</b>   |               |              |
|  | <b>Shares</b> |              |
| <b>Money Market Fund 0.1%</b>  |               |              |
| FFI Institutional Tax-Exempt Fund, 0.72% (p)(q)  | 112,826       | 112,826      |



|  |                       |
|--|-----------------------|
| <b>Total Short-Term Securities</b>                   |                       |
| (Cost \$112,826) 0.1%                                | 112,826               |
| <hr/>  |                       |
| <b>Total Investments</b>                             |                       |
| (Cost \$242,325,004*) 162.7%                         | 226,703,635           |
| <b>Liabilities in Excess of Other Assets</b> (1.5)%  | (2,083,121)           |
| <b>Liability for Trust Certificates, Including</b>   |                       |
| <b>Interest Expense and Fees Payable</b> (17.4)%     | (24,239,538)          |
| <b>Preferred Shares, at Redemption Value</b> (43.8)% | (61,003,971)          |
| <hr/>  |                       |
| <b>Net Assets Applicable to Common Shares</b> 100.0% | <b>\$ 139,377,005</b> |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

|                               |                 |
|-------------------------------|-----------------|
| Aggregate cost                | \$ 217,779,303  |
| Gross unrealized appreciation | \$ 6,276,188    |
| Gross unrealized depreciation | (21,489,929)    |
| Net unrealized depreciation   | \$ (15,213,741) |

- (a) NPFGC Insured.
- (b) FGIC Insured.
- (c) Represents a zero-coupon bond. Rate shown reflects the current yield as of the report date.
- (d) XL Capital Insured.
- (e) US 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.
- (f) When-issued security.
- (g) AMBAC Insured.
- (h) FSA Insured.
- (i) Assured Guaranty Insured.
- (j) Issuer filed for bankruptcy and/or is in default of interest payments.
- (k) Non-income producing security.
- (l) GNMA Collateralized.
- (m) ACA Insured.
- (n) FHA Insured.
- (o) Securities represent bonds transferred to a tender option bond trust established in exchange for which the Fund acquired the residual interest certificates. These securities serve as a collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for

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details of municipal bonds transferred to tender option bond trusts.

- (p) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate                         | Net<br>Activity | Income    |
|-----------------------------------|-----------------|-----------|
| FFI Institutional Tax-Exempt Fund | 101,105         | \$ 27,300 |

- (q) Represents the current yield as of report date.
- (r) Variable rate security. Rate shown is as of report date.

Effective August 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements ( FAS 157 ). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in<br>Securities |
|------------------|------------------------------|
|                  | Assets                       |
| Level 1          | \$ 112,826                   |
| Level 2          | 226,590,809                  |
| Level 3          |                              |
| <b>Total</b>     | <b>\$ 226,703,635</b>        |

See Notes to Financial Statements.



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Schedule of Investments April 30, 2009

**BlackRock MuniHoldings Insured Fund, Inc. (MUS)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Alabama 0.9%</b>   |              |              |
| Jefferson County, Alabama, Limited Obligation School Warrants, Series A, 5.50%, 1/01/22   | \$ 2,170     | \$ 1,347,310 |
| <b>Arkansas 3.9%</b>  |              |              |
| Arkansas State Development Finance Authority, M/F Mortgage Revenue Refunding Bonds, Series C, 5.35%, 12/01/35 (a)(b)  | 6,220        | 6,233,746    |
| <b>California 17.3%</b>   |              |              |
| California State Public Works Board, Lease Revenue Bonds (Department of General Services Capitol East End Complex), Series A, 5%, 12/01/27 (c)  | 2,000        | 1,823,600    |
| East Side Union High School District, California, Santa Clara County, GO (Election of 2002), Series B, 5%, 8/01/27 (a)(d)   | 1,800        | 1,782,864    |
| Eastern Municipal Water District, California, Water and Sewer, COP, Series H, 5%, 7/01/35 Modesto, California, Schools Infrastructure Financing Agency, Special Tax Bonds, 5.50%, 9/01/36 (c) | 900          | 858,276      |
| Oceanside, California, Unified School District, GO, Series A, 5.25%, 8/01/33  | 2,565        | 2,104,223    |
| San Pablo, California, Joint Powers Financing Authority, Tax Allocation Revenue Refunding Bonds (a)(e): 5.66%, 12/01/24   | 1,825        | 1,830,146    |
| 5.66%, 12/01/25   | 2,635        | 1,008,335    |
| 5.66%, 12/01/26   | 2,355        | 829,667      |
| Santa Ana, California, Unified School District, GO, 5%, 8/01/32 (a)   | 2,355        | 769,850      |
| Stockton, California, Public Financing Revenue Bonds (Redevelopment Projects), Series A, 5.25%, 9/01/31 (f)   | 4,265        | 4,072,819    |
| Tustin, California, Unified School District, Senior Lien Special Tax Bonds (Community Facilities District Number 97-1), Series A (g): 5%, 9/01/32   | 2,140        | 1,617,990    |
| 5%, 9/01/38   | 1,390        | 1,312,577    |
| Vista, California, COP (Community Projects), 5%, 5/01/37 (a)  | 2,800        | 2,581,796    |
| West Contra Costa, California, Unified School District, GO, Series C, 5%, 8/01/21 (a)(d)  | 3,600        | 3,114,612    |
|   | 3,480        | 3,556,177    |
|   |              | 27,262,932   |
| <b>Colorado 7.2%</b>  |              |              |
| Aurora, Colorado, COP, 5.75%, 12/01/10 (c)(h)   | 10,620       | 11,450,803   |
| <b>District of Columbia 0.2%</b>  |              |              |
|   | 400          | 375,000      |

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District of Columbia, Deed Tax Revenue Bonds (Housing  
Production Trust Fund - New Communities Project),  
Series A, 5%, 6/01/32 (a)

**Florida 22.4%**

|  |       |           |
|--|-------|-----------|
| Broward County, Florida, HFA, S/F Mortgage Revenue Refunding Bonds, AMT, Series E, 5.90%, 10/01/39 (i)(j)(k)                   | 1,470 | 1,499,812 |
| Jacksonville, Florida, Health Facilities Authority, Hospital Revenue Bonds (Baptist Medical Center Project), 5%, 8/15/37 (g)   | 4,515 | 4,174,388 |
| Jacksonville, Florida, Port Authority Revenue Bonds, AMT, 6%, 11/01/38 (l)   | 3,750 | 3,754,687 |
| Lee Memorial Health System, Florida, Hospital Revenue Bonds, Series A, 5%, 4/01/32 (c)   | 1,925 | 1,605,200 |
| Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, Series A, 5.50%, 10/01/41 (g) | 3,900 | 3,631,524 |
| Miami-Dade County, Florida, GO (Building Better Communities Program), Series B-1, 6%, 7/01/38                                  | 7,500 | 7,772,025 |

| Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>Florida (concluded)</b>   |              |            |
| Miami-Dade County, Florida, Special Obligation Revenue Bonds, Sub-Series A, 5.24%, 10/01/37 (a)(e)                         | \$ 2,225     | \$ 243,927 |
| Orange County, Florida, School Board, COP, Series A, 5.50%, 8/01/34 (l)  | 7,395        | 7,439,222  |
| Orlando, Florida, Senior Tourist Development Tax Revenue Bonds (6th Cent Contract Payments), Series A, 5.25%, 11/01/38 (l) | 2,000        | 2,015,000  |
| Pasco County, Florida, Half-Cent Sales Tax Revenue Bonds, 5.125%, 12/01/28 (c)   | 3,850        | 3,333,138  |
|  |              | 35,468,923 |

**Illinois 10.4%**

|   |       |            |
|---|-------|------------|
| Chicago, Illinois, O'Hare International Airport, General Airport Revenue Refunding Bonds, Third Lien, AMT, Series A, 5.75%, 1/01/19 (a)                           | 1,875 | 1,883,100  |
| Chicago, Illinois, O'Hare International Airport, Revenue Refunding Bonds, Series A, 5%, 1/01/33 (g)   | 8,000 | 7,709,200  |
| Chicago, Illinois, Transit Authority, Capital Grant Receipts Revenue Bonds (Federal Transit Administration Section 5309 Formula Funds), Series A, 6%, 6/01/26 (l) | 2,000 | 2,233,060  |
| Illinois State, GO, First Series, 6%, 1/01/18 (a)(d)  | 4,500 | 4,636,125  |
| Lake, Cook, Kane and McHenry Counties, Illinois, Community Unit School District Number 220, GO, 5.75%, 12/01/19 (a)(d)  | 45    | 47,258     |
|   |       | 16,508,743 |

**Indiana 4.0%**

|  |       |           |
|--|-------|-----------|
| Indiana Municipal Power Agency, Power Supply System Revenue Bonds, Series A (a): |       |           |
| 5%, 1/01/37  | 835   | 783,831   |
| 5%, 1/01/42  | 6,000 | 5,563,860 |

6,347,691

**Kentucky 2.0%**

|   |       |                  |
|---|-------|------------------|
| Kentucky Economic Development Financing Authority,<br>Louisville Arena Project Revenue Bonds (Louisville<br>Arena Authority, Inc.), Sub-Series A-1, 6%,<br>12/01/38 (l) | 650   | 669,682          |
| Kentucky State Property and Buildings Commission,<br>Revenue Refunding Bonds (Project Number 93) (l):<br>5.25%, 2/01/27   | 1,400 | 1,459,584        |
| 5.25%, 2/01/29  | 1,000 | 1,030,710        |
|   |       | <u>3,159,976</u> |

**Louisiana 1.4%**

|  |       |           |
|--|-------|-----------|
| Louisiana State Citizens Property Insurance Corporation,<br>Assessment Revenue Bonds, Series C-3, 6.125%,<br>6/01/25 (l) | 2,055 | 2,127,644 |
|--|-------|-----------|

**Massachusetts 1.7%**

|  |       |                  |
|--|-------|------------------|
| Massachusetts State, HFA, Housing Development<br>Revenue Refunding Bonds, AMT, Series A, 5.15%,<br>6/01/11 (a) | 315   | 318,408          |
| Massachusetts State, HFA, Rental Housing Mortgage<br>Revenue Bonds, AMT, Series C, 5.50%, 7/01/32 (g)          | 2,440 | 2,374,388        |
|  |       | <u>2,692,796</u> |

**Michigan 10.4%**

|   |       |           |
|---|-------|-----------|
| Detroit, Michigan, Sewage Disposal System, Second<br>Lien Revenue Refunding Bonds, Series E, 5.75%,<br>7/01/31 (d)(m)   | 3,240 | 3,320,903 |
| Detroit, Michigan, Sewage Disposal System, Senior Lien<br>Revenue Refunding Bonds, Series C-2, 5.25%,<br>7/01/29 (d)(m) | 2,910 | 2,930,836 |
| Detroit, Michigan, Water Supply System, Revenue<br>Refunding Bonds, Second Lien, Series C, 5.75%,<br>7/01/27 (d)(m)     | 1,580 | 1,692,591 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniHoldings Insured Fund, Inc. (MUS)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value             |
|--|--------------|-------------------|
| <b>Michigan (concluded)</b>  |              |                   |
| Michigan State Strategic Fund, Limited Obligation<br>Revenue Refunding Bonds (Detroit Edison Company<br>Pollution Control Project), AMT (n): |              |                   |
| Series A, 5.50%, 6/01/30   | \$ 2,000     | \$ 1,741,060      |
| Series B, 5.65%, 9/01/29   | 1,500        | 1,430,205         |
| Series C, 5.65%, 9/01/29   | 3,500        | 3,144,785         |
| Royal Oak, Michigan, Hospital Finance Authority, Hospital<br>Revenue Refunding Bonds (William Beaumont<br>Hospital), 8.25%, 9/01/39          | 1,910        | 2,125,372         |
|  |              | <u>16,385,752</u> |
| <b>Minnesota 3.6%</b>  |              |                   |
| Minneapolis, Minnesota, Health Care System, Revenue<br>Refunding Bonds (Fairview Health Services), Series B,<br>6.50%, 11/15/38 (l)          | 1,325        | 1,436,644         |
| Sauk Rapids, Minnesota, Independent School District<br>Number 47, GO, Series A, 5.65%, 2/01/19 (a)   | 4,015        | 4,290,268         |
|  |              | <u>5,726,912</u>  |
| <b>Missouri 1.3%</b>   |              |                   |
| Cape Girardeau, Missouri, School District Number 063,<br>GO (Missouri Direct Deposit Program), 5.50%,<br>3/01/18 (d)                         | 2,000        | 2,069,660         |
| <b>Montana 4.6%</b>  |              |                   |
| Mehlville, Montana, School District Number R-9, COP,<br>Series A (g):  |              |                   |
| 5.50%, 3/01/11 (h)   | 5,510        | 5,962,150         |
| 5.50%, 3/01/14   | 360          | 381,388           |
| 5.50%, 3/01/15   | 405          | 429,061           |
| 5.50%, 3/01/16   | 215          | 227,773           |
| 5.50%, 3/01/17   | 280          | 296,635           |
|  |              | <u>7,297,007</u>  |
| <b>Nevada 4.2%</b>   |              |                   |
| Clark County, Nevada, Airport Revenue Bonds (Jet<br>Aviation Fuel Tax), AMT, Series C, 5.375%, 7/01/20 (c)                                   | 1,000        | 974,540           |
| Clark County, Nevada, Passenger Facility Charge<br>Revenue Bonds (Las Vegas McCarran International),<br>AMT, Series A-1, 5%, 7/01/23 (c)(g)  | 1,750        | 1,686,195         |
| Clark County, Nevada, Water Reclamation District, GO,<br>Series B, 5.50%, 7/01/29  | 3,750        | 3,919,088         |
|  |              | <u>6,579,823</u>  |

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**New Jersey 7.9%**

|   |       |            |
|---|-------|------------|
| New Jersey EDA, Motor Vehicle Surcharge Revenue Bonds, Series A, 5.25%, 7/01/33 (a)                                       | 6,700 | 6,681,307  |
| New Jersey Health Care Facilities Financing Authority Revenue Bonds (Virtua Health), 5.50%, 7/01/38                       | 2,100 | 2,060,940  |
| New Jersey State Transportation Trust Fund Authority, Transportation System Revenue Bonds, Series A, 5.625%, 12/15/28 (l) | 3,500 | 3,695,405  |
|   |       | 12,437,652 |

**New York 6.3%**

|  |       |           |
|--|-------|-----------|
| New York City, New York, City Transitional Finance Authority, Building Aid Revenue Bonds, Series S-3, 5.25%, 1/15/39 | 1,400 | 1,371,006 |
| New York City, New York, GO, Series E, 5%, 11/01/17 (g)  | 4,000 | 4,266,000 |
| New York City, New York, Sales Tax Asset Receivable Corporation Revenue Bonds, Series A, 5.25%, 10/15/27 (c)         | 4,095 | 4,270,266 |
|  |       | 9,907,272 |

**Oregon 0.9%**

|   |       |           |
|---|-------|-----------|
| Portland, Oregon, Urban Renewal and Redevelopment Tax Allocation Bonds (Oregon Convention Center), Series A, 5.75%, 6/15/15 (c) | 1,400 | 1,453,788 |
|---|-------|-----------|

**Municipal Bonds**

Par  
(000)

Value

**Rhode Island 3.6%**

|   |          |              |
|---|----------|--------------|
| Providence, Rhode Island, Redevelopment Agency Revenue Refunding Bonds (Public Safety and Municipal Buildings), Series A, 5.75%, 4/01/10 (c)(h) | \$ 5,000 | \$ 5,286,400 |
| Rhode Island State Health and Educational Building Corporation Revenue Bonds (Rhode Island School of Design), Series D, 5.50%, 8/15/31 (n)      | 380      | 380,312      |
|   |          | 5,666,712    |

**Texas 16.3%**

|   |       |           |
|---|-------|-----------|
| Dallas, Texas, Civic Center Revenue Refunding and Improvement Bonds, 5.25%, 8/15/38 (l)   | 1,250 | 1,254,825 |
| Harris County, Texas, Health Facilities Development Corporation, Hospital Revenue Refunding Bonds (Memorial Hermann Healthcare System), Series B, 7.25%, 12/01/35 | 600   | 636,078   |
| Houston, Texas, Combined Utility System, First Lien Revenue Refunding Bonds, Series A, 6%, 11/15/35 (l)   | 4,000 | 4,257,400 |
| North Texas Tollway Authority, System Revenue Refunding Bonds (a):  |       |           |
| First Tier, 5.75%, 1/01/40  | 6,710 | 6,732,076 |
| First Tier, Series B, 5.75%, 1/01/40  | 6,275 | 6,295,645 |
| Series A, 5.625%, 1/01/33   | 6,585 | 6,591,124 |



25,767,148

**Virginia 1.1%**

Virginia State Public School Authority, Special Obligation  
School Financing Bonds (Fluvanna County),  
6.50%, 12/01/35

1,500 1,690,335

**Washington 2.5%**

Chelan County, Washington, Public Utility District  
Number 001, Consolidated Revenue Bonds (Chelan  
Hydro System), AMT, Series A, 5.45%, 7/01/37 (c)

2,310 2,063,546

Snohomish County, Washington, Public Utility District  
Number 001, Electric Revenue Bonds, 5.50%,  
12/01/22 (g)

1,810 1,907,215

3,970,761

**Total Municipal Bonds 134.1%**

211,928,386

**Municipal Bonds Transferred to  
Tender Option Bond Trusts (o)****California 2.8%**

San Jose, California, GO (Libraries, Parks and Public  
Safety Projects), 5%, 9/01/30 (a)

1,258 1,262,264

Sequoia, California, Unified High School District, GO,  
Refunding, Series B, 5.50%, 7/01/35 (g)

3,149 3,193,818

4,456,082

**Colorado 3.4%**

Colorado Health Facilities Authority Revenue Bonds  
(Catholic Health), Series C-3, 5.10%, 10/01/41 (g)

5,610 5,378,307

**District of Columbia 0.7%**

District of Columbia, Water and Sewer Authority, Public  
Utility Revenue Refunding Bonds, 6%, 10/01/35

1,040 1,122,351

**Florida 4.3%**

Saint Petersburg, Florida, Public Utilities Revenue  
Refunding Bonds, 5%, 10/01/35 (a)

4,302 4,125,433

Lee County, Florida, HFA, S/F Mortgage Revenue Bonds  
(Multi-County Program), AMT, Series A-2, 6%,  
9/01/40 (i)(j)(k)

2,445 2,633,192

6,758,625

See Notes to Financial Statements.

## Schedule of Investments (concluded)

**BlackRock MuniHoldings Insured Fund, Inc. (MUS)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to<br>Tender Option Bond Trusts (o)  | Par<br>(000) | Value             |
|--|--------------|-------------------|
| <b>Georgia 2.6%</b>  |              |                   |
| Augusta, Georgia, Water and Sewer Revenue Bonds,<br>5.25%, 10/01/34 (g)  | \$ 4,000     | \$ 4,063,840      |
| <b>Illinois 1.6%</b>   |              |                   |
| Chicago, Illinois, Water Revenue Refunding Bonds,<br>Second Lien, 5.25%, 11/01/33 (g)  | 2,509        | 2,537,258         |
| <b>Massachusetts 7.3%</b>  |              |                   |
| Massachusetts Bay Transportation Authority, Sales Tax<br>Revenue Refunding Bonds, Senior Series A,<br>5%, 7/01/35  | 3,375        | 3,378,172         |
| Massachusetts State School Building Authority,<br>Dedicated Sales Tax Revenue Bonds, Series A,<br>5%, 8/15/30 (g)  | 8,008        | 8,159,213         |
|  |              | <u>11,537,385</u> |
| <b>Nevada 3.4%</b>   |              |                   |
| Clark County, Nevada, Water Reclamation District,<br>Limited Tax, 6%, 7/01/38  | 5,000        | 5,344,800         |
| <b>Virginia 0.9%</b>   |              |                   |
| Virginia State, HDA, Commonwealth Mortgage Revenue<br>Bonds, Series H, Sub-Series H-1, 5.35%, 7/01/31 (a)  | 1,500        | 1,507,800         |
| <b>Washington 2.6%</b>   |              |                   |
| Bellevue, Washington, GO, Refunding, 5.50%,<br>12/01/39 (a)  | 4,002        | 4,123,998         |
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts 29.6%</b>  |              | 46,830,446        |
| <b>Total Long-Term Investments<br/>(Cost \$263,940,314) 163.7%</b>   |              | 258,758,832       |
| <b>Short-Term Securities</b>   |              |                   |
| <b>California 3.2%</b>   |              |                   |
| Los Angeles County, California, Metropolitan<br>Transportation Authority, Sales Tax Revenue Refunding<br>Bonds, Proposition C, VRDN, Second Senior Series A,<br>6%, 5/07/09 (a)(p) | 5,000        | 5,000,000         |

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|  | Shares     |                       |
|--|------------|-----------------------|
| <b>Money Market Fund 9.7%</b>                            |            |                       |
| FII Institutional Tax-Exempt Fund, 0.72% (q)(r)          | 15,326,703 | 15,326,703            |
| <b>Total Short-Term Securities</b>                       |            |                       |
| (Cost \$20,326,703) 12.9%                                |            | 20,326,703            |
| <b>Total Investments (Cost \$284,267,017*) 176.6%</b>    |            | 279,085,535           |
| <b>Liabilities in Excess of Other Assets (0.2)%</b>      |            | (321,958)             |
| <b>Liability for Trust Certificates, Including</b>       |            |                       |
| <b>Interest Expense Payable and Fees Payable (16.8)%</b> |            | (26,492,336)          |
| <b>Preferred Shares, at Redemption Value (59.6)%</b>     |            | (94,210,220)          |
| <b>Net Assets Applicable to Common Shares 100.0%</b>     |            | <u>\$ 158,061,021</u> |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

|                               |                       |
|-------------------------------|-----------------------|
| Aggregate cost                | \$ 257,689,046        |
| Gross unrealized appreciation | \$ 7,114,132          |
| Gross unrealized depreciation | (12,107,085)          |
| Net unrealized depreciation   | <u>\$ (4,992,953)</u> |

- (a) NPMFGC Insured.
- (b) FHA Insured.
- (c) AMBAC Insured.
- (d) FGIC Insured.
- (e) Represents a zero-coupon bond. Rate shown reflects the current yield as of the report date.
- (f) Radian Insured.
- (g) FSA Insured.
- (h) US 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.
- (i) FHLMC Collateralized.
- (j) FNMA Collateralized.
- (k) GNMA Collateralized.
- (l) Assured Guaranty Insured.
- (m) BHAC Insured.

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- (n) XL Capital Insured.
- (o) Securities represent bonds transferred to a tender option bond trust established in exchange for which the Fund acquired the residual interest certificates. These securities serve as a collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (p) Security may have a maturity of more than one year at time of issuance but has variable rate and demand features that qualify it as a short-term security. Rate shown is as of report date and maturity shown is the date the principal owed can be recovered through demand.
- (q) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate                         | Net<br>Activity | Income    |
|-----------------------------------|-----------------|-----------|
| FFI Institutional Tax-Exempt Fund | 15,305,882      | \$ 99,242 |

- (r) Represents the current yield as of report date.

Effective May 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements ( FAS 157 ). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in<br>Securities |
|------------------|------------------------------|
| Level 1          | \$ 15,326,703                |
| Level 2          | 263,758,832                  |
| Level 3          |                              |
| <b>Total</b>     | <b>\$ 279,085,535</b>        |

See Notes to Financial Statements.



Schedule of Investments April 30, 2009

**BlackRock Muni Intermediate Duration Fund, Inc. (MUI)**  
 (Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value             |
|--|--------------|-------------------|
| <b>Alabama 2.1%</b>  |              |                   |
| Jefferson County, Alabama, Limited Obligation School Warrants, Series A:   |              |                   |
| 5.50%, 1/01/21   | \$ 5,500     | \$ 3,415,335      |
| 5.25%, 1/01/23   | 6,500        | 4,035,200         |
| Tuscaloosa, Alabama, Special Care Facilities Financing Authority, Residential Care Facility Revenue Bonds (Capstone Village, Inc. Project), Series A, 5.625%, 8/01/25 (a)(b) |              |                   |
|  | 6,600        | 3,148,464         |
|  |              | <u>10,598,999</u> |
| <b>Arizona 2.5%</b>  |              |                   |
| Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.625%, 7/01/20  |              |                   |
|  | 2,820        | 2,118,130         |
| Navajo County, Arizona, IDA, IDR (Stone Container Corporation Project), AMT, 7.20%, 6/01/27 (a)(b)   |              |                   |
|  | 1,500        | 285,000           |
| Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project):  |              |                   |
| Series C, 6.70%, 7/01/21   | 980          | 764,488           |
| Series K, 6.375%, 7/01/13 (c)  | 820          | 972,561           |
| Series K, 6.375%, 7/01/31  | 930          | 621,575           |
| Salt River Project, Arizona, Agriculture Improvement and Power District, Electric System Revenue Bonds, Series A, 5%, 1/01/25  |              |                   |
|  | 4,000        | 4,245,240         |
| Vistancia Community Facilities District, Arizona, GO, 5%, 7/15/14  |              |                   |
|  | 3,630        | 3,406,029         |
|  |              | <u>12,413,023</u> |
| <b>California 16.4%</b>  |              |                   |
| Antelope Valley, California, Health Care District Revenue Bonds, Series A, 5.25%, 9/01/17  |              |                   |
|  | 8,000        | 6,809,600         |
| California Pollution Control Financing Authority, PCR, Refunding (Pacific Gas & Electric), AMT, Series A, 5.35%, 12/01/16 (d)  |              |                   |
|  | 17,730       | 17,424,867        |
| California Pollution Control Financing Authority, Solid Waste Disposal Revenue Bonds, AMT: (Republic Services, Inc. Project), Series B, 5.25%, 6/01/23                       |              |                   |
|  | 750          | 673,020           |
| (Waste Management, Inc. Project), Series A-2, 5.40%, 4/01/25   |              |                   |
|  | 1,240        | 1,096,892         |
| California State Department of Water Resources, Power Supply Revenue Bonds, Series A, 5.375%, 5/01/12 (c)  |              |                   |
|  | 5,000        | 5,650,950         |
| California State, GO:  |              |                   |
| 5.50%, 4/01/14 (c)   | 14,795       | 17,296,243        |
| 5.50%, 4/01/28   | 15           | 15,115            |
| California State, GO, Refunding, 5.25%, 2/01/27 (d)  |              |                   |
|  | 5,000        | 4,993,850         |

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|   |        |            |
|---|--------|------------|
| California State Public Works Board, Lease Revenue Bonds (Department of Corrections), Series C, 5.50%, 6/01/20  | 10,000 | 10,199,300 |
| California Statewide Communities Development Authority, Health Facility Revenue Bonds (Memorial Health Services), Series A, 6%, 10/01/23  | 2,500  | 2,537,250  |
| Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Refunding Bonds, Senior Series A-1, 5%, 6/01/15   | 5,000  | 4,608,700  |
| Los Angeles, California, Regional Airports Improvement Corporation, Facilities Lease Revenue Refunding Bonds (LAXFUEL Corporation Los Angeles International Airport), AMT, 5.50%, 1/01/32 (e) | 1,435  | 1,321,621  |
| Rowland, California, Unified School District, GO (Election of 2000), Series B, 5.25%, 8/01/27 (f)   | 1,515  | 1,538,498  |

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

**California (concluded)**

|   |        |            |
|---|--------|------------|
| Sacramento, California, Special Tax (North Natomas Community Facilities), Series 4-C: 5.60%, 9/01/20  | \$ 585 | \$ 500,976 |
| 5.75%, 9/01/22  | 1,715  | 1,437,787  |
| 5.90%, 9/01/23  | 500    | 421,855    |
| 6%, 9/01/28   | 2,990  | 2,426,206  |
| Tustin, California, Unified School District, Senior Lien Special Tax Bonds (Community Facilities District Number 97-1), Series A, 5%, 9/01/32 (f) | 2,610  | 2,464,623  |
|   |        | 81,417,353 |

**Colorado 2.7%**

|   |       |            |
|---|-------|------------|
| Adams County, Colorado, COP, 4.50%, 12/01/22  | 2,555 | 2,543,605  |
| Elk Valley, Colorado, Public Improvement Revenue Bonds (Public Improvement Fee), Series A, 7.10%, 9/01/14               | 700   | 689,997    |
| Montrose, Colorado, Memorial Hospital, Revenue Bonds, 6.375%, 12/01/23  | 2,250 | 2,051,753  |
| Plaza Metropolitan District Number 1, Colorado, Tax Allocation Revenue Bonds (Public Improvement Fees), 7.50%, 12/01/15 | 7,500 | 6,991,275  |
| Southlands Metropolitan District Number 1, Colorado, GO, 6.75%, 12/01/14 (c)  | 1,000 | 1,178,300  |
|   |       | 13,454,930 |

**Connecticut 0.2%**

|   |       |           |
|---|-------|-----------|
| Connecticut State Development Authority, Airport Facility Revenue Bonds (Learjet Inc. Project), AMT, 7.95%, 4/01/26 | 1,160 | 1,025,312 |
|---|-------|-----------|

**Florida 5.9%**

|  |       |           |
|--|-------|-----------|
| Harbor Bay, Florida, Community Development District, Capital Improvement Special Assessment Bonds, 6.75%, 5/01/34                                  | 2,820 | 1,880,545 |
| Highlands County, Florida, Health Facilities Authority, Hospital Revenue Refunding Bonds (Adventist Health System), Series G, 5.125%, 11/15/16 (c) | 35    | 40,964    |
|  | 5,500 | 5,520,845 |

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|   |       |            |
|---|-------|------------|
| Miami-Dade County, Florida, Aviation Revenue Refunding Bonds (Miami International Airport), AMT, 5.75%, 10/01/19 (d)(g)       |       |            |
| Miami-Dade County, Florida, Water and Sewer Revenue Refunding Bonds, Series C, 5%, 10/01/23 (h)                               | 9,000 | 9,433,620  |
| Midtown Miami, Florida, Community Development District, Special Assessment Revenue Bonds:                                     |       |            |
| Series A, 6%, 5/01/24   | 3,330 | 2,374,690  |
| Series B, 6.50%, 5/01/37  | 1,950 | 1,290,061  |
| Orlando, Florida, Urban Community Development District, Capital Improvement Special Assessment Bonds, 6%, 5/01/20             | 755   | 590,878    |
| Panther Trace Community Development District II, Florida, Special Assessment Revenue Bonds, 5.125%, 11/01/13                  | 2,235 | 1,404,161  |
| Portofino Shores, Florida, Community Development District, Special Assessment Bonds, Series A, 6.40%, 5/01/34                 | 1,085 | 881,682    |
| South Lake County, Florida, Hospital District Revenue Bonds (South Lake Hospital Inc.), 6.625%, 10/01/23                      | 2,390 | 2,189,718  |
| Sterling Hill Community Development District, Florida, Capital Improvement Revenue Refunding Bonds, Series B, 5.50%, 11/01/10 | 170   | 149,190    |
| University of Florida Research Foundation Inc., Capital Improvement Revenue Bonds, 5.125%, 9/01/33 (e)                        | 4,000 | 3,669,440  |
|   |       | 29,425,794 |

See Notes to Financial Statements.



## Schedule of Investments (continued)

BlackRock Muni Intermediate Duration Fund, Inc. (MUI)  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value             |
|---|--------------|-------------------|
| <b>Guam 1.0%</b>  |              |                   |
| Commonwealth of the Northern Mariana Islands, Guam,<br>GO, Series A:  |              |                   |
| 6.75%, 10/01/13 (c)   | \$ 4,000     | \$ 4,755,880      |
| 6.75%, 10/01/33   | 250          | 197,730           |
|   |              | <u>4,953,610</u>  |
| <b>Idaho 0.8%</b>   |              |                   |
| Boise City, Idaho, COP, AMT, 5.50%, 9/01/25(d)(g)   |              |                   |
|   | 4,000        | 3,829,320         |
| Idaho Housing and Finance Association, S/F Mortgage<br>Revenue Bonds, AMT, Series F-2, 5.85%, 7/01/15 (i)                                       |              |                   |
|   | 255          | 262,956           |
|   |              | <u>4,092,276</u>  |
| <b>Illinois 7.5%</b>  |              |                   |
| Chicago, Illinois, O Hare International Airport, General<br>Airport Revenue Bonds, Third Lien, AMT, Series B-2:                                 |              |                   |
| 5.75%, 1/01/23 (f)  | 8,130        | 8,248,698         |
| 6%, 1/01/29 (j)   | 2,510        | 2,458,721         |
| Chicago, Illinois, O Hare International Airport, General<br>Airport Revenue Refunding Bonds, Third Lien, AMT,<br>Series A-2, 5.75%, 1/01/19 (f) |              |                   |
|   | 2,550        | 2,591,437         |
| Du Page and Will Counties, Illinois, Community School<br>District Number 204 (Indian Prairie), GO, 5.25%,<br>12/30/22 (d)(g)                    |              |                   |
|   | 8,650        | 9,358,954         |
| Hodgkins, Illinois, Environmental Improvement Revenue<br>Bonds (Metro Biosolids Management LLC Project),<br>AMT, 5.90%, 11/01/17                |              |                   |
|   | 6,000        | 5,925,180         |
| Illinois, Development Finance Authority Revenue Bonds<br>(Community Rehabilitation Providers Facilities),<br>Series A, 6.625%, 7/01/32          |              |                   |
|   | 6,930        | 5,963,750         |
| Illinois State Finance Authority Revenue Bonds<br>(Landing At Plymouth Place Project), Series A,<br>6%, 5/15/25                                 |              |                   |
|   | 1,800        | 1,328,958         |
| Village of Wheeling, Illinois, Revenue Bonds (North<br>Milwaukee/Lake-Cook Tax Increment Financing<br>Redevelopment Project), 6%, 1/01/25       |              |                   |
|   | 1,580        | 1,212,982         |
|   |              | <u>37,088,680</u> |
| <b>Indiana 0.4%</b>   |              |                   |
| Jasper County, Indiana, PCR, Refunding (Northern<br>Indiana Public Service), Series C, 5.85%, 4/01/19 (d)                                       |              |                   |
|   | 2,000        | 1,955,240         |

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| <b>Kansas 0.6%</b>                               |       |           |
|--|-------|-----------|
| Dodge City, Kansas, Sales Tax Revenue Bonds (k): |       |           |
| 4%, 6/01/22                                      | 1,000 | 969,700   |
| 4%, 6/01/24                                      | 2,245 | 2,116,361 |
|  |       | 3,086,061 |

| <b>Kentucky 1.7%</b>  |       |           |
|---|-------|-----------|
| Kentucky State Property and Buildings Commission,<br>Revenue Refunding Bonds (Project Number 93),<br>5.25%, 2/01/24 (l) |       |           |
|   | 8,000 | 8,493,520 |

| <b>Louisiana 2.8%</b>   |       |            |
|---|-------|------------|
| Louisiana Public Facilities Authority Revenue Bonds<br>(Nineteenth Judicial District Court Building Project),<br>5.50%, 6/01/41 (d)(g)  |       |            |
|   | 2,000 | 2,031,580  |
| Louisiana Public Facilities Authority Revenue Bonds<br>(University of New Orleans Research and Technology<br>Foundation, Inc. Student Housing Project), 5.25%,<br>3/01/26 (d) |       |            |
|   | 6,965 | 6,759,950  |
| New Orleans, Louisiana, Aviation Board Revenue<br>Refunding Bonds, Series A-2, 6%, 1/01/23 (l)  |       |            |
|   | 850   | 874,403    |
| Port New Orleans, Louisiana, IDR, Refunding<br>(Continental Grain Company Project), 6.50%,<br>1/01/17   |       |            |
|   | 5,000 | 4,250,550  |
|   |       | 13,916,483 |

| Municipal Bonds  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Maine 0.3%</b>  |              |              |
| Portland, Maine, Housing Development Corporation,<br>Senior Living Revenue Bonds (Avesta Housing<br>Development Corporation Project), Series A, 6%,<br>2/01/34 |              |              |
|  | \$ 1,965     | \$ 1,435,138 |
| <b>Maryland 0.1%</b>   |              |              |
| Maryland State Industrial Development Financing<br>Authority, EDR (Our Lady of Good Counsel School),<br>Series A, 6%, 5/01/35                                  |              |              |
|  | 500          | 345,775      |
| <b>Massachusetts 1.6%</b>  |              |              |
| Massachusetts Bay Transportation Authority, Sales Tax<br>Revenue Refunding Bonds, Senior Series A, 5%,<br>7/01/12 (c)  |              |              |
|  | 4,560        | 5,074,596    |
| Massachusetts State Development Finance Agency,<br>Resource Recovery Revenue Bonds (Ogden Haverhill<br>Associates), AMT, Series B:                             |              |              |
| 5.35%, 12/01/15  | 1,210        | 1,035,421    |
| 5.50%, 12/01/19  | 2,000        | 1,623,920    |
|  |              | 7,733,937    |
| <b>Michigan 2.9%</b>   |              |              |
| Macomb County, Michigan, Hospital Finance Authority,<br>Hospital Revenue Bonds (Mount Clemens General  |              |              |
|  | 2,325        | 2,732,038    |

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|  |       |           |
|--|-------|-----------|
| Hospital), Series B, 5.875%, 11/15/13 (c)<br>Michigan State Hospital Finance Authority, Revenue<br>Refunding Bonds (Oakwood Obligated Group),<br>Series A, 6%, 4/01/22 | 4,795 | 4,539,187 |
| Wayne County, Michigan, Airport Authority Revenue<br>Bonds (Detroit Metropolitan Wayne County Airport),<br>AMT, 4.75%, 12/01/18 (d)(1)                                 | 7,665 | 6,997,838 |

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14,269,063

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**Minnesota 1.1%**

|  |       |           |
|--|-------|-----------|
| Minneapolis and Saint Paul, Minnesota, Housing and<br>Redevelopment Authority, Health Care System<br>Revenue Bonds (Group Health Plan Inc. Project):<br>6%, 12/01/19 | 1,000 | 994,530   |
| 6%, 12/01/21   | 2,545 | 2,472,696 |
| Minnesota State Municipal Power Agency, Electric<br>Revenue Bonds, Series A, 5.25%, 10/01/24   | 2,000 | 2,039,560 |

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5,506,786

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**Mississippi 1.4%**

|   |       |           |
|---|-------|-----------|
| Mississippi Business Finance Corporation, Mississippi,<br>PCR, Refunding (System Energy Resources Inc. Project):<br>5.875%, 4/01/22 | 5,000 | 4,566,100 |
| 5.90%, 5/01/22  | 2,910 | 2,662,825 |

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7,228,925

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**Nevada 0.3%**

|   |       |           |
|---|-------|-----------|
| Clark County, Nevada, Improvement District Number 142,<br>Special Assessment Bonds, 6.375%, 8/01/23 | 2,190 | 1,597,890 |
|---|-------|-----------|

**New Jersey 13.3%**

|   |        |            |
|---|--------|------------|
| Garden State Preservation Trust of New Jersey, Open<br>Space and Farmland Preservation Revenue Bonds,<br>Series A (f):<br>5.80%, 11/01/21 | 3,635  | 4,131,650  |
| 5.80%, 11/01/23   | 5,050  | 5,669,079  |
| New Jersey EDA, Cigarette Tax Revenue Bonds, 5.75%,<br>6/15/29  | 9,810  | 7,244,391  |
| New Jersey EDA, Motor Vehicle Surcharge Revenue<br>Bonds, Series A, 5.25%, 7/01/33 (d)  | 17,900 | 17,850,059 |
| New Jersey EDA, Special Facility Revenue Bonds<br>(Continental Airlines Inc. Project), AMT, 6.625%,<br>9/15/12                            | 5,540  | 4,833,705  |
| New Jersey EDA, Water Facilities Revenue Refunding<br>Bonds (American Water), AMT, Series B, 5.125%,<br>4/01/22 (e)                       | 5,000  | 4,412,900  |

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock Muni Intermediate Duration Fund, Inc. (MUI)  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value             |
|--|--------------|-------------------|
| <b>New Jersey (concluded)</b>  |              |                   |
| New Jersey State Housing and Mortgage Finance Agency, S/F Housing Revenue Bonds, AMT, Series X, 5.10%, 10/01/23                  | \$ 4,500     | \$ 4,496,175      |
| New Jersey State Transportation Trust Fund Authority, Transportation System Revenue Bonds, Series D: 5%, 6/15/18 (e)             | 4,215        | 4,452,347         |
| 5%, 6/15/19 (f)  | 11,120       | 11,783,419        |
| South Jersey Port Corporation of New Jersey, Marine Terminal Revenue Bonds, Series O-1, 4.625%, 1/01/23 (l)                      | 1,375        | 1,399,076         |
|  |              | <u>66,272,801</u> |
| <b>New Mexico 2.1%</b>   |              |                   |
| New Mexico Finance Authority, Senior Lien State Transportation Revenue Bonds, Series A, 5.125%, 6/15/18 (d)                      | 9,520        | 10,276,745        |
| <b>New York 32.1%</b>  |              |                   |
| Dutchess County, New York, IDA, Civic Facility Revenue Bonds (Saint Francis Hospital), Series B, 7.25%, 3/01/19                  | 965          | 890,627           |
| Long Island Power Authority, New York, Electric System Revenue Refunding Bonds, Series A, 5.50%, 4/01/24                         | 1,475        | 1,568,839         |
| Metropolitan Transportation Authority, New York, Dedicated Tax Fund Revenue Bonds, Series B, 5.25%, 11/15/25                     | 4,000        | 4,160,880         |
| Metropolitan Transportation Authority, New York, Revenue Bonds, Series A, 5%, 11/15/25   | 1,980        | 1,987,366         |
| Metropolitan Transportation Authority, New York, Revenue Refunding Bonds, Series A, 5%, 11/15/25 (d)(g)                          | 3,600        | 3,621,960         |
| New York City, New York, City IDA, Special Facility Revenue Bonds (Continental Airlines Inc. Project), AMT, 8.375%, 11/01/16     | 3,500        | 2,413,145         |
| New York City, New York, City Transitional Finance Authority, Building Aid Revenue Bonds, Series S-1: 5%, 1/15/23                | 3,560        | 3,622,514         |
| 5%, 7/15/24 (d)(g)   | 2,500        | 2,509,175         |
| New York City, New York, GO, Refunding, Series B, 5.75%, 8/01/15   | 5,000        | 5,369,500         |
| New York City, New York, GO, Series D1, 5.125%, 12/01/26   | 4,615        | 4,686,855         |
| New York City, New York, GO, Sub-Series I-1, 5.50%, 4/01/21  | 5,000        | 5,410,050         |
| New York City, New York, IDA, Civic Facility Revenue Bonds (Special Needs Facilities Pooled Program), Series C-1, 6.80%, 7/01/19 | 2,055        | 1,743,441         |
| New York City, New York, Sales Tax Asset Receivable Corporation Revenue Bonds, Series A, 5%,                                     | 9,070        | 9,940,720         |

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|  |       |           |
|--|-------|-----------|
| 10/15/20 (d)<br>New York State Dormitory Authority, Lease Revenue Refunding Bonds (Court Facilities), Series A, 5.25%, 5/15/12                                   | 5,580 | 6,043,419 |
| New York State Dormitory Authority, Non-State Supported Debt, Lease Revenue Bonds (Municipal Health Facilities Improvement Program), Sub-Series 2-4, 5%, 1/15/27 | 6,900 | 6,891,444 |
| New York State Dormitory Authority, Non-State Supported Debt, Revenue Refunding Bonds (Mount Sinai-NYU Medical Center Health System), Series A: 6.625%, 7/01/18  | 2,385 | 2,447,225 |
| 6.625%, 7/01/19  | 1,330 | 1,362,878 |
| New York State Dormitory Authority Revenue Bonds: (North Shore Long Island Jewish Health System), 5%, 5/01/12  | 1,000 | 1,055,840 |
| (School Districts Financing Program), Series D, 5.25%, 10/01/23 (d)  | 9,540 | 9,581,022 |

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

**New York (concluded)**

|   |          |              |
|---|----------|--------------|
| New York State Dormitory Authority, State Supported Debt Revenue Bonds (Mental Health Services Facilities), Series A, 5%, 2/15/22 (f)       | \$ 4,000 | \$ 4,136,120 |
| New York State Environmental Facilities Corporation, State Personal Income Tax Revenue Bonds, Series A, 5.25%, 12/15/14 (c)(g)              | 7,380    | 8,680,356    |
| New York State Thruway Authority, Local Highway and Bridge Service Contract, Revenue Refunding Bonds, 5.50%, 4/01/17                        | 60       | 65,310       |
| New York State Urban Development Corporation, Correctional and Youth Facilities Services, Revenue Refunding Bonds, Series A, 5.50%, 1/01/17 | 10,825   | 11,281,815   |
| New York State Urban Development Corporation, Personal Income Tax Revenue Bonds (State Facilities), Series A-1, 5.25%, 3/15/34 (d)(g)       | 10,000   | 10,106,400   |
| New York State Urban Development Corporation, Service Contract Revenue Refunding Bonds, Series B, 5%, 1/01/21                               | 8,000    | 8,407,840    |
| Port Authority of New York and New Jersey, Consolidated Revenue Refunding Bonds, 153rd Series, 5%, 7/15/24                                  | 2,010    | 2,103,324    |
| Port Authority of New York and New Jersey, Senior Consolidated Revenue Bonds, AMT, 131st Series, 5%, 12/15/17 (m)                           | 5,000    | 5,161,800    |
| Tobacco Settlement Financing Corporation of New York Revenue Bonds:   |          |              |
| Series A-1, 5.25%, 6/01/22 (e)  | 6,510    | 6,574,189    |
| Series C-1, 5.50%, 6/01/20 (g)  | 9,750    | 10,024,463   |
| Series C-1, 5.50%, 6/01/21  | 7,000    | 7,160,510    |
| Series C-1, 5.50%, 6/01/22  | 10,000   | 10,193,700   |

159,202,727

**North Carolina 0.9%**

|  |       |           |
|--|-------|-----------|
| Gaston County, North Carolina, Industrial Facilities and Pollution Control Financing Authority, Revenue Bonds (National Gypsum Company Project), AMT, 5.75%, 8/01/35 | 3,105 | 1,487,295 |
|  | 2,700 | 2,765,772 |

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North Carolina Municipal Power Agency Number 1,  
Catawba Electric Revenue Bonds, Series A, 5.25%,  
1/01/20 (d)

4,253,067

**Ohio 0.8%**

Buckeye Tobacco Settlement Financing Authority, Ohio,  
Tobacco Settlement Asset-Backed Bonds, Series A-2,  
6.50%, 6/01/47

4,820 2,977,314

Port of Greater Cincinnati Development Authority, Ohio,  
Special Assessment Revenue Bonds (Cooperative  
Public Parking Infrastructure Project), 6.30%, 2/15/24

1,280 1,003,354

3,980,668

**Pennsylvania 9.1%**

Montgomery County, Pennsylvania, IDA, Revenue Bonds  
(Whitemarsh Continuing Care Project), 6%, 2/01/21

3,500 2,581,110

Pennsylvania Economic Development Financing  
Authority, Exempt Facilities Revenue Bonds (National  
Gypsum Company), AMT, Series A, 6.25%, 11/01/27

7,710 4,001,953

Philadelphia, Pennsylvania, Airport Revenue Bonds  
(Philadelphia Airport System), AMT, Series A, 5%,  
6/15/20 (f)

2,895 2,816,835

Philadelphia, Pennsylvania, Airport Revenue Refunding  
Bonds (Philadelphia Airport System), AMT, Series B,  
5%, 6/15/19 (f)

3,905 3,824,362

Philadelphia, Pennsylvania, Gas Works Revenue  
Refunding Bonds, 1975 General Ordinance,  
17th Series, 5.375%, 7/01/22 (f)

7,490 7,696,050

See Notes to Financial Statements.

## Schedule of Investments (continued)

BlackRock Muni Intermediate Duration Fund, Inc. (MUI)  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value         |
|--|--------------|---------------|
| <b>Pennsylvania (concluded)</b>  |              |               |
| Pittsburgh, Pennsylvania, GO, Refunding, Series B, 5.25%, 9/01/17 (f)  | \$ 9,630     | \$ 10,407,334 |
| Pittsburgh, Pennsylvania, GO, Series C, 5.25%, 9/01/18 (f)   | 6,430        | 6,861,710     |
| Sayre, Pennsylvania, Health Care Facilities Authority, Revenue Refunding Bonds (Guthrie Healthcare System), Series A:<br>6.25%, 12/01/11 (c)   | 4,615        | 5,231,056     |
| 6.25%, 12/01/15  | 455          | 472,517       |
| 6.25%, 12/01/16  | 785          | 812,938       |
| 6.25%, 12/01/18  | 385          | 395,896       |
|  |              | 45,101,761    |
| <b>Puerto Rico 13.3%</b>   |              |               |
| Puerto Rico Commonwealth Aqueduct and Sewer Authority, Senior Lien Revenue Bonds, Series A, 5%, 7/01/25 (l)  | 3,215        | 3,243,035     |
| Puerto Rico Commonwealth Highway and Transportation Authority, Highway Revenue Bonds, Series Y, 6.25%, 7/01/21 (f)   | 3,000        | 3,217,260     |
| Puerto Rico Commonwealth Highway and Transportation Authority, Subordinate Transportation Revenue Bonds, 5.75%, 7/01/21 (g)  | 4,375        | 4,295,856     |
| Puerto Rico Electric Power Authority, Power Revenue Bonds, Series NN, 5.50%, 7/01/13 (c)   | 17,935       | 20,729,273    |
| Puerto Rico Housing Financing Authority, Capital Funding Program, Subordinate Revenue Refunding Bonds, 5.125%, 12/01/27  | 13,900       | 14,009,393    |
| Puerto Rico Industrial, Medical and Environmental Pollution Control Facilities Financing Authority, Special Facilities Revenue Bonds (American Airlines Inc.), Series A, 6.45%, 12/01/25 | 5,390        | 2,156,054     |
| Puerto Rico Public Buildings Authority, Government Facilities Revenue Refunding Bonds:<br>Series D, 5.25%, 7/01/27   | 3,930        | 3,339,596     |
| Series I, 5.50%, 7/01/14 (c)(n)  | 8,000        | 9,169,280     |
| Series M-3, 6%, 7/01/28 (d)(n)   | 1,900        | 1,861,696     |
| Puerto Rico Public Finance Corporation, Commonwealth Appropriation Revenue Bonds, Series E, 5.50%, 2/01/12 (c)   | 3,535        | 3,896,666     |
|  |              | 65,918,109    |
| <b>South Carolina 2.4%</b>   |              |               |
| Georgetown County, South Carolina, Pollution Control Facilities, Revenue Refunding Bonds (International Paper Company Project), Series A, 5.125%, 2/01/12                                | 8,000        | 7,620,800     |

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|   |       |                  |
|---|-------|------------------|
| Medical University Hospital Authority, South Carolina,<br>Hospital Facilities Revenue Refunding Bonds,<br>Series A, 5.25%, 8/15/23 (d)(i) | 4,250 | 4,298,747        |
|   |       | <hr/> 11,919,547 |

**South Dakota 0.3%**

|  |       |           |
|--|-------|-----------|
| Educational Enhancement Funding Corporation, South<br>Dakota, Series B, 6.50%, 6/01/32 | 2,200 | 1,685,992 |
|--|-------|-----------|

**Tennessee 5.3%**

|   |       |           |
|---|-------|-----------|
| Jackson, Tennessee, GO, Refunding (l):  |       |           |
| 4.50%, 3/01/20  | 2,000 | 2,111,720 |
| 4.50%, 3/01/21  | 3,995 | 4,162,191 |
| 4.375%, 3/01/24   | 1,620 | 1,602,828 |
| Johnson City, Tennessee, Health and Educational<br>Facilities Board, Retirement Facility Revenue Bonds<br>(Appalachian Christian Village Project), Series A,<br>6%, 2/15/19 | 1,800 | 1,505,682 |
| Memphis-Shelby County, Tennessee, Airport Authority,<br>Airport Revenue Bonds, AMT, Series A, 5.50%,<br>3/01/17 (f)   | 2,005 | 2,020,519 |

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

**Tennessee (concluded)**

|  |          |                  |
|--|----------|------------------|
| Shelby County, Tennessee, Health, Educational &<br>Housing Facilities Board Revenue Bonds<br>(Germantown Village), Series A:                 |          |                  |
| 6.75%, 12/01/18  | \$ 3,550 | \$ 3,056,018     |
| 7%, 12/01/23   | 1,450    | 1,187,463        |
| Shelby County, Tennessee, Health, Educational and<br>Housing Facility Board, Hospital Revenue Refunding<br>Bonds (Methodist Healthcare) (c): |          |                  |
| 6%, 9/01/12  | 6,000    | 6,803,880        |
| 6.25%, 9/01/12   | 3,500    | 3,997,105        |
|  |          | <hr/> 26,447,406 |

**Texas 9.0%**

|   |       |           |
|---|-------|-----------|
| Austin, Texas, Convention Center Revenue Bonds<br>(Convention Enterprises Inc.), First Tier, Series A,<br>6.375%, 1/01/11 (c)                         | 5,575 | 6,011,522 |
| Bexar County, Texas, Health Facilities Development<br>Corporation, Revenue Refunding Bonds (Army<br>Retirement Residence Project), 6.30%, 7/01/12 (c) | 1,500 | 1,721,670 |
| Brazos River Authority, Texas, PCR, Refunding (TXU<br>Energy Company Project), AMT, Series C, 5.75%,<br>5/01/36 (v)                                   | 7,000 | 4,130,000 |
| Dallas-Fort Worth, Texas, International Airport Facility<br>Improvement Corporation, Revenue Bonds<br>(Learjet Inc.), AMT, Series A-1, 6.15%, 1/01/16 | 4,000 | 3,417,520 |
| Dallas-Fort Worth, Texas, International Airport Facility<br>Improvement Corporation, Revenue Refunding Bonds,<br>AMT, Series A-2, 9%, 5/01/29         | 3,000 | 1,597,530 |
| Dallas-Fort Worth, Texas, International Airport, Joint<br>Revenue Refunding Bonds, AMT, Sub-Series A-2,<br>6.10%, 11/01/24 (d)                        | 1,500 | 1,501,740 |
| Gulf Coast, Texas, IDA, Solid Waste Disposal Revenue<br>Bonds (Citgo Petroleum Corporation Project), AMT,   | 2,440 | 2,368,630 |



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7.50%, 5/01/25

|  |       |            |
|--|-------|------------|
| Gulf Coast Waste Disposal Authority, Texas, Revenue Refunding Bonds (International Paper Company), AMT, Series A, 6.10%, 8/01/24                             | 2,000 | 1,523,500  |
| Houston, Texas, Airport System Revenue Refunding Bonds, Sub-Lien, AMT, Series A, 5.50%, 7/01/23 (e)  | 5,790 | 5,794,690  |
| Houston, Texas, Health Facilities Development Corporation, Retirement Facility Revenue Bonds (Buckingham Senior Living Community), Series A, 7%, 2/15/14 (c) | 1,500 | 1,790,205  |
| Lower Colorado River Authority, Texas, PCR (Samsung Austin Semiconductor), AMT, 6.95%, 4/01/30   | 7,420 | 6,874,333  |
| Sabine River Authority, Texas, PCR, Refunding (TXU Electric Company Project/TXU Energy Company LLC), AMT, Series B, 5.75%, 5/01/30                           | 5,000 | 2,950,000  |
| Texas State Affordable Housing Corporation, S/F Mortgage Revenue Bonds (Professional Educators Home Loan Program), AMT, Series B, 5.95%, 12/01/39 (o)(p)(q)  | 4,702 | 4,792,890  |
|  |       | 44,474,230 |

**U.S. Virgin Islands 1.3%**

|   |       |           |
|---|-------|-----------|
| Virgin Islands Government Refinery Facilities, Revenue Refunding Bonds (Hovensa Coker Project), AMT, 6.50%, 7/01/21 | 1,860 | 1,458,779 |
| Virgin Islands Public Finance Authority, Refinery Facilities Revenue Bonds (Hovensa Refinery), AMT, 6.125%, 7/01/22 | 6,750 | 5,053,118 |
|   |       | 6,511,897 |

**Vermont 0.6%**

|  |       |           |
|--|-------|-----------|
| Vermont Educational and Health Buildings Financing Agency, Hospital Revenue Bonds (Fletcher Allen Health Care), Series A, 6%, 12/01/23 (e) | 3,000 | 2,830,170 |
|--|-------|-----------|

See Notes to Financial Statements.

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## Schedule of Investments (continued)

**BlackRock Muni Intermediate Duration Fund, Inc. (MUI)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Virginia 2.6%</b>   |              |              |
| James City County, Virginia, IDA, Residential Care Facility<br>Revenue Refunding Bonds, Series A:                  |              |              |
| 5.75%, 3/01/17   | \$ 3,285     | \$ 2,845,664 |
| 6%, 3/01/23  | 1,150        | 879,888      |
| Tobacco Settlement Financing Corporation of Virginia,<br>Asset-Backed Revenue Bonds, 5.625%, 6/01/15 (c)           | 7,800        | 9,004,710    |
|  |              | 12,730,262   |
| <b>Washington 2.2%</b>   |              |              |
| Snohomish County, Washington, School District<br>Number 015 (Edmonds), GO, 5%, 12/01/19 (d)(g)                     |              |              |
|  | 10,000       | 10,853,500   |
| <b>Total Municipal Bonds 147.6%</b>  |              | 732,497,677  |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (r)</b>  |              |              |
| <b>California 5.5%</b>   |              |              |
| Peralta, California, Community College District, GO<br>(Election of 2000), Series D, 5%, 8/01/30 (f)               |              |              |
|  | 10,140       | 10,047,523   |
| San Jose, California, GO (Libraries, Parks and Public<br>Safety Projects), 5%, 9/01/30 (d)                         |              |              |
|  | 3,101        | 3,110,579    |
| Sequoia, California, Unified High School District, GO,<br>Refunding, Series B, 5.50%, 7/01/35 (f)                  |              |              |
|  | 9,028        | 9,155,610    |
| Tamalpais, California, Union High School District, GO<br>(Election of 2001), 5%, 8/01/28 (f)                       |              |              |
|  | 4,875        | 4,763,216    |
|  |              | 27,076,928   |
| <b>Illinois 2.6%</b>   |              |              |
| McHenry County, Illinois, Conservation District, GO,<br>5.125%, 2/01/27 (f)  |              |              |
|  | 12,695       | 13,141,705   |
| <b>Massachusetts 1.7%</b>  |              |              |
| Massachusetts State School Building Authority,<br>Dedicated Sales Tax Revenue Bonds, Series A,<br>5%, 8/15/30 (f)  |              |              |
|  | 8,338        | 8,495,360    |
| <b>New York 2.3%</b>   |              |              |
| New York City, New York, Sales Tax Asset Receivable<br>Corporation Revenue Bonds, Series A, 5.25%,<br>10/15/27 (e) |              |              |
|  | 11,100       | 11,575,080   |

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|   |                  |                |
|---|------------------|----------------|
| <b>Texas 6.7%</b>   |                  |                |
| Harris County, Texas, Toll Road Revenue Refunding Bonds, Senior Lien, Series A, 5.25%, 8/15/35 (f)            | 31,240           | 33,091,907     |
| <b>Total Municipal Bonds Transferred to Tender Option Bond Trusts 18.8%</b>                                   |                  | 93,380,980     |
| <b>Total Long-Term Investments (Cost \$865,785,417) 166.4%</b>  |                  | 825,878,657    |
|   | <b>Par (000)</b> | <b>Value</b>   |
| <b>Short-Term Securities</b>  |                  |                |
| <b>Texas 0.1%</b>   |                  |                |
| Austin, Texas, Hotel Occupancy Tax, Subordinate Lien Revenue Refunding Bonds, VRDN, Series A, 3%, 5/07/09 (s) | \$ 260           | \$ 260,000     |
|   | <b>Shares</b>    |                |
| <b>Money Market Funds 0.1%</b>  |                  |                |
| FFI Institutional Tax-Exempt Fund, 0.72% (t)(u)   | 403,856          | 403,856        |
| <b>Total Short-Term Securities (Cost \$663,856) 0.2%</b>  |                  | 663,856        |
| <b>Total Investments (Cost \$866,449,273*) 166.6%</b>   |                  | 826,542,513    |
| <b>Other Assets Less Liabilities 2.1%</b>   |                  | 10,450,524     |
| <b>Liability for Trust Certificates, Including Interest Expense and Fees Payable (10.8)%</b>                  |                  | (53,499,322)   |
| <b>Preferred Shares, at Redemption Value (57.9)%</b>  |                  | (287,247,205)  |
| <b>Net Assets Applicable to Common Shares 100.0%</b>  |                  | \$ 496,246,510 |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

|                               |                 |
|-------------------------------|-----------------|
| Aggregate cost                | \$ 813,142,577  |
| Gross unrealized appreciation | \$ 21,412,877   |
| Gross unrealized depreciation | (61,295,745)    |
| Net unrealized depreciation   | \$ (39,882,868) |

- (a) Non-income producing security.
- (b) Issuer filed for bankruptcy and/or is in default of interest payments.
- (c) US 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.

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- (d) NPMFGC Insured.
- (e) AMBAC Insured.
- (f) FSA Insured.
- (g) FGIC Insured.
- (h) BHAC Insured.
- (i) FHA Insured.
- (j) XL Capital Insured.
- (k) When-issued security.
- (l) Assured Guaranty Insured.
- (m) CIFG Insured.
- (n) Commonwealth Guaranteed.
- (o) GNMA Collateralized.
- (p) FHLMC Collateralized.
- (q) FNMA Collateralized.
- (r) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (s) Security may have a maturity of more than one year at time of issuance but has variable rate and demand features that qualify it as a short-term security. Rate shown is as of report date and maturity shown is the date the principal owed can be recovered through demand.
- (t) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate                         | Net<br>Activity | Income     |
|-----------------------------------|-----------------|------------|
| FFI Institutional Tax-Exempt Fund | 403,856         | \$ 223,002 |

- (u) Represents the current yield as of report date.
- (v) Variable rate security. Rate shown is as of report date.

See Notes to Financial Statements.

## Schedule of Investments (concluded)

## BlackRock Muni Intermediate Duration Fund, Inc. (MUI)

Effective June 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements ( FAS 157 ). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|------------------|---------------------------|
|                  | Assets                    |
| Level 1          | \$ 403,856                |
| Level 2          | 826,138,657               |
| Level 3          |                           |
| <b>Total</b>     | <b>\$ 826,542,513</b>     |

See Notes to Financial Statements.

Schedule of Investments April 30, 2009

**BlackRock MuniVest Fund II, Inc. (MVT)**  
 (Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value             |
|--|--------------|-------------------|
| <b>Alabama 2.6%</b>  |              |                   |
| Prattville, Alabama, IDB, Environmental Improvement Revenue Bonds (International Paper Company Projects), AMT, Series A, 4.75%, 12/01/30                                     | \$ 3,500     | \$ 2,060,660      |
| Selma, Alabama, IDB, Environmental Improvement Revenue Bonds (International Paper Company Project), AMT, Series A, 4.75%, 12/01/30   | 5,000        | 2,943,800         |
| Tuscaloosa, Alabama, Special Care Facilities Financing Authority, Residential Care Facility Revenue Bonds (Capstone Village, Inc. Project), Series A, 5.875%, 8/01/36 (a)(b) | 2,900        | 1,236,531         |
|  |              | <u>6,240,991</u>  |
| <b>Arizona 2.0%</b>  |              |                   |
| Maricopa County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project 1), Series A, 6.75%, 7/01/29   | 1,000        | 667,370           |
| Maricopa County, Arizona, School District Number 3, GO, Refunding (Tempe Elementary), 7.50%, 7/01/10 (c)(d)  | 2,315        | 2,469,688         |
| Pima County, Arizona, IDA, Education Revenue Bonds (Arizona Charter Schools Project), Series C, 6.75%, 7/01/31   | 1,960        | 1,376,841         |
| Pima County, Arizona, IDA, Education Revenue Refunding Bonds (Arizona Charter Schools Project II), Series A, 6.75%, 7/01/21  | 495          | 387,912           |
|  |              | <u>4,901,811</u>  |
| <b>California 11.7%</b>  |              |                   |
| California Educational Facilities Authority Revenue Bonds (University of Southern California), Series A, 5.25%, 10/01/39   | 2,615        | 2,719,312         |
| California State, GO:<br>5.50%, 4/01/30  | 5            | 5,010             |
| 6.50%, 4/01/33   | 14,925       | 16,304,219        |
| Chula Vista, California, IDR (San Diego Gas and Electric Company), AMT, Series B, 5%, 12/01/27   | 2,500        | 2,222,075         |
| Golden State Tobacco Securitization Corporation of California, Tobacco Settlement Revenue Bonds, Series A-3, 7.875%, 6/01/13 (e)   | 5,010        | 6,065,056         |
| San Diego, California, Community College District, GO (Election of 2002), 5.25%, 8/01/33 (f)   | 1,070        | 1,080,047         |
|  |              | <u>28,395,719</u> |
| <b>Colorado 4.9%</b>   |              |                   |
|  | 120          | 128,953           |

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|   |       |            |
|---|-------|------------|
| Colorado HFA, Revenue Refunding Bonds (S/F Program),<br>AMT, Senior Series A-2, 7.50%, 4/01/31                    |       |            |
| Colorado Health Facilities Authority Revenue Bonds<br>(Catholic Health Initiatives), Series D, 6.25%,<br>10/01/33 | 1,060 | 1,112,216  |
| Elk Valley, Colorado, Public Improvement Revenue<br>Bonds (Public Improvement Fee):                               |       |            |
| Series A, 7.35%, 9/01/31  | 3,025 | 2,405,298  |
| Series B, 7.45%, 9/01/31  | 440   | 353,408    |
| North Range Metropolitan District Number 1, Colorado,<br>GO, 7.25%, 12/15/11 (e)                                  | 1,310 | 1,488,658  |
| Plaza Metropolitan District Number 1, Colorado, Tax<br>Allocation Revenue Bonds (Public Improvement Fees):        |       |            |
| 8%, 12/01/25  | 3,300 | 2,798,433  |
| 8.125%, 12/01/25  | 820   | 630,170    |
| Southlands Metropolitan District Number 1, Colorado,<br>GO, 7%, 12/01/14 (e)                                      | 1,000 | 1,248,660  |
| University of Colorado, Enterprise System Revenue<br>Bonds, Series A:   |       |            |
| 5.75%, 6/01/28  | 750   | 811,395    |
| 5.125%, 6/01/29   | 1,000 | 1,030,540  |
|   |       | 12,007,731 |

| Municipal Bonds   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Connecticut 0.8%</b>   |              |              |
| Connecticut State Development Authority, Airport<br>Facility Revenue Bonds (Learjet Inc. Project), AMT,<br>7.95%, 4/01/26                     | \$ 1,165     | \$ 1,029,732 |
| Mohegan Tribe Indians Gaming Authority, Connecticut,<br>Public Improvement Revenue Refunding Bonds<br>(Priority Distribution), 6.25%, 1/01/31 | 2,000        | 1,000,060    |
|   |              | 2,029,792    |

|  |        |           |
|--|--------|-----------|
| <b>Florida 8.5%</b>  |        |           |
| Fiddlers Creek, Florida, Community Development<br>District Number 2, Special Assessment<br>Revenue Bonds:                          |        |           |
| Series A, 6.375%, 5/01/35  | 2,350  | 1,568,578 |
| Series B, 5.75%, 5/01/13   | 400    | 359,824   |
| Hillsborough County, Florida, IDA, Exempt Facilities<br>Revenue Bonds (National Gypsum Company), AMT,<br>Series B, 7.125%, 4/01/30 | 2,720  | 1,397,182 |
| Hillsborough County, Florida, IDA, Hospital Revenue<br>Bonds (H. Lee Moffitt Cancer Center Project), Series A,<br>5.25%, 7/01/37   | 3,500  | 2,906,435 |
| Miami-Dade County, Florida, Aviation Revenue<br>Refunding Bonds (Miami International Airport), AMT,<br>5%, 10/01/40 (g)(h)         | 10,000 | 8,623,100 |
| Midtown Miami, Florida, Community Development<br>District, Special Assessment Revenue Bonds,<br>Series A, 6.25%, 5/01/37           | 2,720  | 1,738,461 |
| Orlando, Florida, Urban Community Development District,<br>Capital Improvement Special Assessment Bonds:<br>6.25%, 5/01/34         | 1,135  | 766,795   |

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|   |       |            |
|---|-------|------------|
| Series A, 6.95%, 5/01/11 (e)  | 1,000 | 1,104,000  |
| Palm Coast Park Community Development District,<br>Florida, Special Assessment Revenue Bonds, 5.70%,<br>5/01/37                 | 1,230 | 663,154    |
| Park Place Community Development District, Florida,<br>Special Assessment Revenue Bonds, 6.75%,<br>5/01/10 (e)                  | 875   | 935,839    |
| Preserve at Wilderness Lake, Florida, Community<br>Development District, Capital Improvement Bonds,<br>Series A, 7.10%, 5/01/33 | 890   | 726,293    |
|   |       | 20,789,661 |

**Georgia 4.5%**

|   |       |            |
|---|-------|------------|
| Fulton County, Georgia, Residential Care Facilities,<br>Revenue Refunding Bonds (Canterbury Court Project),<br>Series A, 6.125%, 2/15/26          | 2,000 | 1,466,600  |
| Gainesville, Georgia, Redevelopment Authority,<br>Educational Facilities Revenue Refunding Bonds<br>(Riverside Military Academy), 5.125%, 3/01/37 | 600   | 298,878    |
| Georgia Municipal Electric Authority, Power Revenue<br>Refunding Bonds:   |       |            |
| Series W, 6.60%, 1/01/18  | 5,590 | 6,436,382  |
| Series W, 6.60%, 1/01/18 (i)  | 380   | 443,684    |
| Series X, 6.50%, 1/01/20  | 1,250 | 1,450,775  |
| Main Street Natural Gas, Inc., Georgia, Gas Project<br>Revenue Bonds, Series A, 6.25%, 7/15/33 (a)(b)   | 2,200 | 819,522    |
|   |       | 10,915,841 |

**Idaho 0.0%**

|  |    |        |
|--|----|--------|
| Idaho Housing Agency, S/F Mortgage Revenue<br>Refunding Bonds, AMT, Series E-2, 6.90%, 1/01/27 | 50 | 50,063 |
|--|----|--------|

See Notes to Financial Statements.



## Schedule of Investments (continued)

**BlackRock MuniVest Fund II, Inc. (MVT)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value      |
|---|--------------|------------|
| <b>Illinois 12.4%</b>   |              |            |
| Chicago, Illinois, S/F Mortgage Revenue Bonds, AMT, Series C, 7%, 3/01/32 (j)(k)(l)   | \$ 165       | \$ 170,032 |
| Chicago, Illinois, Special Assessment Bonds (Lake Shore East), 6.75%, 12/01/32  | 800          | 548,944    |
| Chicago, Illinois, Tax Allocation Bonds (Kingsbury Redevelopment Project), Series A, 6.57%, 2/15/13   | 1,000        | 936,750    |
| Hodgkins, Illinois, Environmental Improvement Revenue Bonds (Metro Biosolids Management LLC Project), AMT, 6%, 11/01/23                     | 2,800        | 2,749,544  |
| Illinois Development Finance Authority Revenue Bonds (Community Rehabilitation Providers Facilities), Series A, 6.50%, 7/01/22              | 1,000        | 941,760    |
| Illinois Development Finance Authority, Revenue Refunding Bonds (Community Rehabilitation Providers Facilities), Series A, 6%, 7/01/15      | 635          | 625,958    |
| Illinois State Finance Authority Revenue Bonds: (Advocate Health Care Network), Series D, 6.50%, 11/01/38                                   | 5,000        | 5,234,350  |
| (Friendship Village of Schaumburg), Series A, 5.625%, 2/15/37   | 500          | 282,110    |
| (Landing At Plymouth Place Project), Series A, 6%, 5/15/37  | 1,035        | 657,691    |
| Illinois State Toll Highway Authority Revenue Bonds, Series B, 5.50%, 1/01/33   | 3,000        | 3,108,540  |
| Regional Transportation Authority, Illinois, Revenue Bonds: Series A, 7.20%, 11/01/20 (m)   | 1,500        | 1,858,680  |
| Series A, 6.70%, 11/01/21 (c)(d)  | 7,000        | 8,541,750  |
| Series C, 7.75%, 6/01/20 (c)(d)   | 2,500        | 3,205,225  |
| Village of Wheeling, Illinois, Revenue Bonds (North Milwaukee/Lake-Cook Tax Increment Financing Redevelopment Project), 6%, 1/01/25         | 1,580        | 1,212,982  |
|   |              | 30,074,316 |
| <b>Indiana 7.4%</b>   |              |            |
| Indiana Health and Educational Facilities Financing Authority, Hospital Revenue Bonds (Clarian Health Obligation), Series A, 5.25%, 2/15/40 | 2,200        | 1,762,266  |
| Indiana Transportation Finance Authority, Highway Revenue Bonds: Series A, 7.25%, 6/01/15   | 1,900        | 2,146,150  |
| Series A, 6.80%, 12/01/16   | 3,775        | 4,349,668  |
| Indianapolis, Indiana, Local Public Improvement Bond Bank, Revenue Refunding Bonds, Series D, 6.75%, 2/01/14                                | 8,750        | 9,731,662  |
|   |              | 17,989,746 |

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**Louisiana 7.6%**

|   |        |            |
|---|--------|------------|
| Louisiana Public Facilities Authority, Hospital Revenue Bonds (Franciscan Missionaries of Our Lady Health System, Inc.), Series A, 5.25%, 8/15/36 | 8,260  | 7,031,490  |
| Port New Orleans, Louisiana, IDR, Refunding (Continental Grain Company Project), 6.50%, 1/01/17   | 10,000 | 8,501,100  |
| Sabine River Authority, Louisiana, Water Facilities Revenue Refunding Bonds (International Paper Company), 6.20%, 2/01/25                         | 3,600  | 2,877,192  |
|   |        | 18,409,782 |

| Municipal Bonds  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Maryland 1.8%</b>   |              |              |
| Maryland State Community Development Administration, Department of Housing and Community Development, Residential Revenue Refunding Bonds, AMT, Series D, 4.90%, 9/01/42                               | \$ 1,500     | \$ 1,317,060 |
| Maryland State Health and Higher Educational Facilities Authority Revenue Bonds, Series B: (King Farm Presbyterian Community), 5%, 1/01/17 (University of Maryland Medical System), 7%, 7/01/22 (c)(d) | 1,100        | 850,113      |
| Montgomery County, Maryland, Special Obligation, GO (West Germantown Development District), Series A, 6.70%, 7/01/27 (n)   | 1,000        | 1,148,280    |
|  | 1,205        | 1,107,793    |
|  |              | 4,423,246    |

**Massachusetts 8.0%**

|  |       |            |
|--|-------|------------|
| Massachusetts State College Building Authority, Project Revenue Refunding Bonds, Senior-Series A, 7.50%, 5/01/11 (o) | 500   | 561,535    |
| Massachusetts State, HFA, Housing Revenue Bonds, AMT, Series A: 5.10%, 12/01/27                                      | 2,000 | 1,891,920  |
| 5.20%, 12/01/37  | 3,000 | 2,773,590  |
| Massachusetts State, HFA, Housing Revenue Refunding Bonds, AMT: Series D, 4.85%, 6/01/40                             | 2,770 | 2,371,702  |
| Series F, 5.70%, 6/01/40   | 2,235 | 2,132,346  |
| Massachusetts State, HFA, S/F Housing Revenue Bonds, AMT, Series 130, 5%, 12/01/32                                   | 2,720 | 2,471,283  |
| Massachusetts State Water Resource Authority Revenue Bonds, Series A, 6.50%, 7/15/19 (i)                             | 6,000 | 7,370,580  |
|  |       | 19,572,956 |

**Michigan 8.7%**

|  |       |           |
|--|-------|-----------|
| Flint, Michigan, Hospital Building Authority, Revenue Refunding Bonds (Hurley Medical Center), Series A, 6%, 7/01/20 (p) | 3,100 | 2,482,604 |
| Michigan State Hospital Finance Authority, Revenue Refunding Bonds:  | 7,050 | 5,275,233 |

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|   |       |            |
|---|-------|------------|
| (Henry Ford Health System), Series A, 5.25%,<br>11/15/46  |       |            |
| (McLaren Health Care Corporation), 5.75%,<br>5/15/38  | 8,560 | 7,808,946  |
| (Trinity Health Credit Group), Series A, 6%,<br>12/01/20  | 2,200 | 2,261,182  |
| Pontiac, Michigan, Tax Increment Finance Authority,<br>Revenue Refunding Bonds (Development Area<br>Number 3), 6.375%, 6/01/12 (e)              | 3,000 | 3,462,120  |
|   |       | 21,290,085 |
| <b>Mississippi 7.0%</b>   |       |            |
| Lowndes County, Mississippi, Solid Waste Disposal and<br>PCR, Refunding (Weyerhaeuser Company Project),<br>Series A, 6.80%, 4/01/22             | 5,850 | 4,687,956  |
| Mississippi Business Finance Corporation, Mississippi,<br>PCR, Refunding (System Energy Resources Inc. Project):<br>5.875%, 4/01/22             | 7,200 | 6,575,184  |
| 5.90%, 5/01/22  | 5,215 | 4,772,038  |
| University of Southern Mississippi Education Building<br>Corporation Revenue Bonds (Campus Facilities<br>Improvements Project), 5.375%, 9/01/36 | 1,065 | 1,086,513  |
|   |       | 17,121,691 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniVest Fund II, Inc. (MVT)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>Missouri 0.0%</b>   |              |            |
| Missouri State Housing Development Commission,<br>S/F Mortgage Revenue Bonds (Homeowner Loan),<br>AMT, Series A, 7.50%, 3/01/31 (k)(l)                                 | \$ 70        | \$ 75,223  |
| <b>Nevada 0.2%</b>   |              |            |
| Clark County, Nevada, Improvement District Number 142,<br>Special Assessment Bonds, 6.375%, 8/01/23  | 605          | 441,426    |
| <b>New Jersey 6.1%</b>   |              |            |
| New Jersey EDA, Cigarette Tax Revenue Bonds, 5.50%,<br>6/15/24   | 4,250        | 3,311,345  |
| New Jersey EDA, Special Facility Revenue Bonds<br>(Continental Airlines Inc. Project), AMT, 6.25%,<br>9/15/29  | 3,000        | 1,918,500  |
| New Jersey Health Care Facilities Financing Authority<br>Revenue Bonds (Pascack Valley Hospital Association),<br>6.625%, 7/01/36 (a)                                   | 1,680        | 43,512     |
| New Jersey State Housing and Mortgage Finance Agency<br>Revenue Bonds, Series AA, 6.375%, 10/01/28   | 1,300        | 1,402,011  |
| New Jersey State Turnpike Authority, Turnpike Revenue<br>Bonds, Series E, 5.25%, 1/01/40   | 4,170        | 4,191,684  |
| Tobacco Settlement Financing Corporation of New Jersey,<br>Asset-Backed Revenue Bonds, 7%, 6/01/13 (e)   | 3,285        | 3,977,642  |
|  |              | 14,844,694 |
| <b>New Mexico 1.3%</b>   |              |            |
| Farmington, New Mexico, PCR, Refunding (Tucson<br>Electric Power Company San Juan Project),<br>Series A, 6.95%, 10/01/20   | 3,160        | 3,160,664  |
| <b>New York 10.4%</b>  |              |            |
| Metropolitan Transportation Authority, New York,<br>Revenue Bonds, Series C, 6.50%, 11/15/28   | 9,405        | 10,378,512 |
| New York City, New York, City IDA, Civic Facility<br>Revenue Bonds:<br>Series C, 6.80%, 6/01/28  | 690          | 676,952    |
| (Special Needs Facility Pooled Program),<br>Series C-1, 6.50%, 7/01/17   | 890          | 759,393    |
| New York City, New York, City IDA, Special Facility<br>Revenue Bonds (British Airways Plc Project), AMT,<br>7.625%, 12/01/32   | 1,920        | 1,291,277  |
| New York City, New York, City Municipal Water Finance<br>Authority, Second General Resolution, Water and<br>Sewer System Revenue Bonds, Series FF-2, 5.50%,<br>6/15/40 | 1,575        | 1,656,695  |
| New York City, New York, City Transitional Finance<br>Authority, Building Aid Revenue Bonds, Series S-3,   | 6,700        | 6,561,243  |

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|  |       |            |
|--|-------|------------|
| 5.25%, 1/15/39<br>New York City, New York, GO, Refunding, Series A,<br>6.375%, 5/15/15 (c)(d)  | 40    | 42,352     |
| Westchester County, New York, IDA, Civic Facility<br>Revenue Bonds (Special Needs Facilities Pooled<br>Program), Series E-1, 6.50%, 7/01/17          | 1,000 | 853,250    |
| Westchester County, New York, IDA, Continuing Care<br>Retirement, Mortgage Revenue Bonds (Kendal on<br>Hudson Project), Series A, 6.50%, 1/01/13 (e) | 2,690 | 3,135,868  |
|  |       | 25,355,542 |

**North Carolina 0.9%**

|   |       |           |
|---|-------|-----------|
| Gaston County, North Carolina, Industrial Facilities and<br>Pollution Control Financing Authority, Revenue Bonds<br>(National Gypsum Company Project), AMT, 5.75%,<br>8/01/35 | 1,675 | 802,325   |
| North Carolina Medical Care Commission, Retirement<br>Facilities Revenue Refunding Bonds (Carolina Village<br>Project), 6%, 4/01/38   | 2,000 | 1,306,420 |
|   |       | 2,108,745 |

| Municipal Bonds | Par<br>(000) | Value |
|-----------------|--------------|-------|
|-----------------|--------------|-------|

**Ohio 3.2%**

|   |           |              |
|---|-----------|--------------|
| Buckeye Tobacco Settlement Financing Authority, Ohio,<br>Tobacco Settlement Asset-Backed Bonds, Series A-2,<br>6.50%, 6/01/47 | \$ 12,500 | \$ 7,721,250 |
|---|-----------|--------------|

**Pennsylvania 2.2%**

|   |       |           |
|---|-------|-----------|
| Bucks County, Pennsylvania, IDA, Retirement Community<br>Revenue Bonds (Ann's Choice Inc.), Series A, 6.125%,<br>1/01/25                                | 880   | 641,951   |
| Lancaster County, Pennsylvania, Hospital Authority<br>Revenue Bonds (Brethren Village Project), Series A,<br>6.50%, 7/01/40                             | 2,000 | 1,580,320 |
| Montgomery County, Pennsylvania, IDA, Revenue Bonds<br>(Whitemarsh Continuing Care Project):<br>6.125%, 2/01/28   | 470   | 308,090   |
| 6.25%, 2/01/35  | 1,090 | 666,775   |
| Pennsylvania Economic Development Financing<br>Authority, Exempt Facilities Revenue Bonds (National<br>Gypsum Company), AMT, Series B, 6.125%, 11/01/27 | 2,000 | 1,038,200 |
| Philadelphia, Pennsylvania, Authority for IDR,<br>Commercial Development, 7.75%, 12/01/17   | 1,265 | 1,079,374 |
|   |       | 5,314,710 |

**Rhode Island 0.5%**

|  |       |           |
|--|-------|-----------|
| Rhode Island State Health and Educational Building<br>Corporation, Hospital Financing Revenue Bonds<br>(Lifespan Obligation Group), 6.50%, 8/15/12 (e) | 1,140 | 1,312,037 |
|--|-------|-----------|

**South Carolina 2.2%**

|   |     |         |
|---|-----|---------|
| South Carolina Housing Finance and Development<br>Authority, Mortgage Revenue Bonds, AMT, Series A,<br>6.70%, 7/01/27 | 125 | 125,104 |
|---|-----|---------|

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|  |       |                  |
|--|-------|------------------|
| South Carolina State Public Service Authority, Revenue Refunding Bonds, Series A, 5.50%, 1/01/38 | 5,000 | 5,248,150        |
|  |       | <u>5,373,254</u> |

**Tennessee 0.5%**

|  |       |                  |
|--|-------|------------------|
| Johnson City, Tennessee, Health and Educational Facilities Board, Retirement Facility Revenue Bonds (Appalachian Christian Village Project), Series A, 6%, 2/15/24 | 1,000 | 763,870          |
| Shelby County, Tennessee, Health, Educational and Housing Facility Board, Hospital Revenue Refunding Bonds (Methodist Healthcare), 6.50%, 9/01/12 (e)              | 425   | 494,339          |
|  |       | <u>1,258,209</u> |

**Texas 10.7%**

|   |       |           |
|---|-------|-----------|
| Brazos River Authority, Texas, PCR, Refunding (TXU Energy Company LLC Project), AMT: Series A, 7.70%, 4/01/33   | 1,500 | 615,255   |
| Series C, 5.75%, 5/01/36 (s)  | 2,740 | 1,616,600 |
| Brazos River, Texas, Harbor Navigation District, Brazoria County Environmental Revenue Refunding Bonds (Dow Chemical Company Project), AMT, Series A-7, 6.625%, 5/15/33 | 5,800 | 4,581,884 |
| Dallas-Fort Worth, Texas, International Airport, Joint Revenue Bonds, AMT (c): Series B, 6.25%, 11/01/28  | 4,500 | 4,509,990 |
| Series C, 6.25%, 11/01/28   | 3,450 | 3,457,659 |
| Dallas-Fort Worth, Texas, International Airport, Joint Revenue Refunding Bonds, AMT, Sub-Series A-2, 6.10%, 11/01/24 (c)  | 1,500 | 1,501,740 |
| Guadalupe-Blanco River Authority, Texas, Sewage and Solid Waste Disposal Facility Revenue Bonds (E. I. du Pont de Nemours and Company Project), AMT, 6.40%, 4/01/26     | 2,250 | 2,138,535 |

See Notes to Financial Statements.

## Schedule of Investments (continued)

**BlackRock MuniVest Fund II, Inc. (MVT)**  
(Percentages shown are based on Net Assets)

| Municipal Bonds   | Par<br>(000) | Value             |
|---|--------------|-------------------|
| <b>Texas (concluded)</b>  |              |                   |
| Harris County, Texas, Health Facilities Development Corporation, Hospital Revenue Refunding Bonds (Memorial Hermann Healthcare System), Series B, 7.25%, 12/01/35 | \$ 2,000     | \$ 2,120,260      |
| Houston, Texas, Airport System, Special Facilities Revenue Bonds (Continental Airlines), AMT, Series E, 6.75%, 7/01/21  | 4,820        | 3,566,511         |
| Port Corpus Christi, Texas, Revenue Refunding Bonds (Celanese Project):   |              |                   |
| AMT, Series B, 6.70%, 11/01/30  | 2,500        | 1,556,150         |
| Series A, 6.45%, 11/01/30   | 800          | 486,784           |
|   |              | <u>26,151,368</u> |
| <b>U.S. Virgin Islands 1.9%</b>   |              |                   |
| Virgin Islands Government Refinery Facilities, Revenue Refunding Bonds (Hovensa Coker Project), AMT, 6.50%, 7/01/21   | 6,000        | 4,705,740         |
| <b>Virginia 1.3%</b>  |              |                   |
| Fairfax County, Virginia, EDA, Residential Care Facilities, Mortgage Revenue Refunding Bonds (Goodwin House, Inc.):   |              |                   |
| 5.125%, 10/01/37  | 1,000        | 697,670           |
| 5.125%, 10/01/42  | 3,440        | 2,336,723         |
|   |              | <u>3,034,393</u>  |
| <b>Washington 6.6%</b>  |              |                   |
| Energy Northwest, Washington, Electric Revenue Refunding Bonds (Columbia Generating):   |              |                   |
| Series A, 5.75%, 7/01/18 (c)  | 1,000        | 1,072,480         |
| Series B, 6%, 7/01/18 (m)   | 2,250        | 2,424,938         |
| Washington State Health Care Facilities Authority, Revenue Refunding Bonds (Catholic Health Initiatives), Series D, 6.375%, 10/01/36                              | 3,700        | 3,863,429         |
| Washington State Public Power Supply System, Revenue Refunding Bonds, Series B:   |              |                   |
| (Nuclear Project Number 1), 7.125%, 7/01/16   | 5,000        | 6,328,700         |
| (Nuclear Project Number 3), 7.125%, 7/01/16 (c)   | 1,900        | 2,397,914         |
|   |              | <u>16,087,461</u> |
| <b>Wisconsin 5.2%</b>   |              |                   |
| Wisconsin Housing and EDA, Home Ownership Revenue Refunding Bonds, AMT, Series A, 5.625%, 3/01/31   | 2,830        | 2,817,435         |
| Wisconsin State, General Fund Annual Appropriation Bonds, Series A, 6%, 5/01/36   | 7,100        | 7,482,051         |

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|  |       |           |
|--|-------|-----------|
| Wisconsin State Health and Educational Facilities Authority Revenue Bonds (SynergyHealth Inc.), 6%, 11/15/32 | 2,215 | 2,231,258 |
|--|-------|-----------|

12,530,744

|                                     |  |             |
|-------------------------------------|--|-------------|
| <b>Total Municipal Bonds 141.1%</b> |  | 343,688,891 |
|-------------------------------------|--|-------------|

**Municipal Bonds Transferred to Tender Option Bond Trust (q)**

**Connecticut 2.5%**

|   |       |           |
|---|-------|-----------|
| Connecticut State Health and Educational Facilities Authority Revenue Bonds (Yale University), Series Z-3, 5.05%, 7/01/42 | 6,000 | 6,190,020 |
|---|-------|-----------|

**Municipal Bonds Transferred to Tender Option Bond Trust (q)**

**Par  
(000)**

**Value**

**Illinois 5.8%**

|   |          |              |
|---|----------|--------------|
| Chicago, Illinois, Water Revenue Refunding Bonds, Second Lien, 5.25%, 11/01/33 (r)  | \$ 1,320 | \$ 1,334,335 |
| Kane and De Kalb Counties, Illinois, Community Unit School District Number 302, GO (d):   |          |              |
| 5.75%, 2/01/19  | 1,000    | 1,176,530    |
| 5.75%, 2/01/20  | 4,200    | 4,941,426    |
| Metropolitan Pier and Exposition Authority, Illinois, Dedicated State Tax Revenue Refunding Bonds (McCormick Place Expansion Project), Series B, 5.75%, 6/15/23 (c) | 6,400    | 6,738,944    |

14,191,235

**Maryland 1.0%**

|  |       |           |
|--|-------|-----------|
| Maryland State Transportation Authority, Transportation Facilities Projects Revenue Bonds, 5%, 7/01/41 (r) | 2,290 | 2,342,258 |
|--|-------|-----------|

**Massachusetts 4.2%**

|   |        |            |
|---|--------|------------|
| Massachusetts State School Building Authority, Dedicated Sales Tax Revenue Bonds, Series A, 5%, 8/15/30 (r) | 10,000 | 10,188,300 |
|---|--------|------------|

**New York 2.6%**

|  |       |           |
|--|-------|-----------|
| New York City, New York, City Municipal Water Finance Authority, Water and Sewer System, Revenue Refunding Bonds, Series DD, 5%, 6/15/37 | 6,299 | 6,195,833 |
|--|-------|-----------|

**North Carolina 2.6%**

|   |       |           |
|---|-------|-----------|
| North Carolina Capital Facilities Finance Agency, Revenue Refunding Bonds (Duke University Project), Series A, 5%, 10/01/41 | 6,239 | 6,355,050 |
|---|-------|-----------|

**Ohio 1.0%**

|   |       |           |
|---|-------|-----------|
| Ohio State Higher Educational Facilities Commission, Hospital Revenue Bonds (University Hospitals Health System), Series A, 5.25%, 01/01/33 | 2,400 | 2,345,760 |
|---|-------|-----------|



|   |        |                |
|---|--------|----------------|
| <b>Texas 7.7%</b>   |        |                |
| Harris County, Texas, Health Facilities Development Corporation Revenue Refunding Bonds (School Health Care System), Series B, 5.75%, 7/01/27 (i) | 10,000 | 11,352,000     |
| Texas State Department of Housing and Community Affairs, S/F Mortgage Revenue Bonds, AMT, Series B, 5.25%, 9/01/32 (j)(k)(l)                      | 4,972  | 4,666,487      |
| Texas State University, System Financing Revenue Refunding Bonds, 5%, 3/15/30 (r)   | 2,743  | 2,776,638      |
|   |        | 18,795,125     |
| <b>Washington 8.4%</b>  |        |                |
| Central Puget Sound Regional Transportation Authority, Washington, Sales and Use Tax Revenue Bonds, Series A:                                     |        |                |
| 5%, 11/01/32 (r)  | 7,693  | 7,762,398      |
| 5%, 11/01/34  | 5,000  | 5,027,500      |
| 5%, 11/01/36  | 4,000  | 4,022,000      |
| Energy Northwest, Washington, Electric Revenue Refunding Bonds (Columbia Generating), Series A, 5.75%, 7/01/18 (c)                                | 3,500  | 3,753,680      |
|   |        | 20,565,578     |
| <b>Total Municipal Bonds Transferred to Tender Option Bond Trust 35.8%</b>  |        | 87,169,159     |
| <b>Total Investments (Cost \$458,763,614*) 176.9%</b>   |        | 430,858,050    |
| <b>Other Assets Less Liabilities 3.4%</b>   |        | 8,462,062      |
| <b>Liability for Trust Certificates, Including Interest Expense and Fees Payable (18.4)%</b>  |        | (44,902,432)   |
| <b>Preferred Shares, at Redemption Value (61.9)%</b>  |        | (150,834,619)  |
| <b>Net Assets Applicable to Common Shares 100.0%</b>  |        | \$ 243,583,061 |

See Notes to Financial Statements.

## Schedule of Investments (concluded)

BlackRock MuniVest Fund II, Inc. (MVT)

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2009, as computed for federal income tax purposes, were as follows:

|                               |                 |
|-------------------------------|-----------------|
| Aggregate cost                | \$ 413,912,072  |
| Gross unrealized appreciation | \$ 20,733,066   |
| Gross unrealized depreciation | (48,553,529)    |
| Net unrealized depreciation   | \$ (27,820,463) |

- (a) Issuer filed for bankruptcy and/or is in default of interest payments.
- (b) Non-income producing security.
- (c) NPFGC Insured.
- (d) FGIC Insured.
- (e) US 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.
- (f) When-issued security.
- (g) XL Capital Insured.
- (h) Assured Guaranty Insured.
- (i) Security is collateralized by Municipal or US Treasury Obligations.
- (j) FHLMC Collateralized.
- (k) FNMA Collateralized.
- (l) GNMA Collateralized.
- (m) AMBAC Insured.
- (n) Radian Insured.
- (o) Commonwealth Guaranteed.
- (p) ACA Insured.
- (q) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (r) FSA Insured.
- (s) Variable rate security. Rate shown is as of report date.

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Effective November 1, 2008, the Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements ( FAS 157 ). FAS 157 clarifies the definition of fair value, establishes a framework for measuring fair values and requires additional disclosures about the use of fair value measurements. Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical securities

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 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 circumstance, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1 of the Notes to Financial Statements.

The following table summarizes the inputs used as of April 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation Inputs | Investments in Securities |
|------------------|---------------------------|
|                  | Assets                    |
| Level 1          |                           |
| Level 2          | \$ 430,858,050            |
| Level 3          |                           |
| <b>Total</b>     | <b>\$ 430,858,050</b>     |

See Notes to Financial Statements.

## Statements of Assets and Liabilities

| April 30,<br>2009                              | BlackRock<br>Apex<br>Municipal<br>Fund, Inc.<br>(APX) | BlackRock<br>MuniAssets<br>Fund, Inc.<br>(MUA) | BlackRock<br>MuniEnhanced<br>Fund, Inc.<br>(MEN) | BlackRock<br>MuniHoldings<br>Fund, Inc.<br>(MHD) | BlackRock<br>MuniHoldings<br>Fund II, Inc.<br>(MUH) | BlackRock<br>MuniHoldings<br>Insured<br>Fund, Inc.<br>(MUS) | BlackRock<br>Muni<br>Intermediate<br>Duration<br>Fund, Inc.<br>(MUI) | BlackRock<br>MuniVest<br>Fund II, Inc.<br>(MVT) |
|--|---|--|--|--|---|---|--|---|
| <b>Assets</b>                                  |   |  |  |  |   |   |  |   |
| Investments at value unaffiliated <sup>1</sup> | \$ 157,356,981  | \$ 226,549,098                                 | \$ 482,896,870                                   | \$ 307,507,159                                   | \$ 226,590,809                                      | \$ 263,758,832  | \$ 826,138,657   | \$ 430,858,050                                  |
| Investments at value affiliated <sup>2</sup>   | 100,006   | 2,001,534                                      | 3,302,493  | 1,910,337  | 112,826   | 15,326,703  | 403,856  |   |
| Cash   | 43,120  | 1,781  | 37,185   | 1,758,061  | 1,368,477   |   | 80,441   | 994,448   |
| Investments sold receivable                    | 500,000   | 240,000  | 126,445  | 167,424  | 40,000  | 777,498   | 2,297,300  | 1,589,543                                       |
| Interest receivable                            | 3,798,159   | 5,432,679                                      | 7,805,575  | 5,586,580  | 3,718,742   | 3,820,784   | 13,808,406   | 8,648,212                                       |
| Prepaid expenses                               | 17,072  | 20,833   | 32,805   | 18,335   | 19,554  | 15,372  | 67,611   | 34,684  |
| Other assets                                   |   |  |  |  |   | 1,310   | 36,842   |   |
| <b>Total assets</b>                            | <b>161,815,338</b>                                    | <b>234,245,925</b>                             | <b>494,201,373</b>                               | <b>316,947,896</b>                               | <b>231,850,408</b>                                  | <b>283,700,499</b>  | <b>842,833,113</b>   | <b>442,124,937</b>                              |
| <b>Accrued Liabilities</b>                     |   |  |  |  |   |   |  |   |
| Bank overdraft                                 |   |  |  |  |   | 4,415   |  |   |
| Investments purchased payable                  | 500,000   |  | 648,794  | 8,728,132  | 6,357,795   | 4,146,786   | 3,145,687  | 1,082,561                                       |
| Income dividends payable                       |   |  |  |  |   |   |  |   |
| Common Shares                                  | 926,825   | 1,414,839                                      | 1,262,905  | 987,823  | 703,916   | 624,981   | 2,206,026  | 1,447,355                                       |
| Investment advisory fees payable               | 83,791  | 102,558  | 199,012  | 136,205  | 99,836  | 100,227   | 305,577  | 177,784   |
| Interest expense and fees payable              | 8,165   | 14,465   | 154,206  | 123,722  | 101,465   | 102,894   | 216,518  | 135,991   |
| Other affiliates payable                       | 1,024   | 1,352  | 2,034  | 1,704  | 1,236   | 1,740   | 5,392  | 2,492   |
| Officers and Directors fees payable            | 181   | 263  | 576  | 359  | 261   | 332   | 38,378   | 647   |
| Other accrued expenses payable                 | 49,360  | 57,347   | 128,822  | 62,469   | 66,850  | 58,441  | 139,016  | 93,986  |

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|                           |           |           |           |            |           |           |           |           |
|---------------------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|
| Total accrued liabilities | 1,569,346 | 1,590,824 | 2,396,349 | 10,040,414 | 7,331,359 | 5,039,816 | 6,056,594 | 2,940,816 |
|---------------------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|

**Other Liabilities**

|                                 |           |            |            |            |            |            |            |            |
|---------------------------------|-----------|------------|------------|------------|------------|------------|------------|------------|
| Trust certificates <sup>3</sup> | 7,285,446 | 10,755,646 | 45,851,537 | 30,287,956 | 24,138,073 | 26,389,442 | 53,282,804 | 44,766,441 |
|---------------------------------|-----------|------------|------------|------------|------------|------------|------------|------------|

|                          |                  |                   |                   |                   |                   |                   |                   |                   |
|--------------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total Liabilities</b> | <b>8,854,792</b> | <b>12,346,470</b> | <b>48,247,886</b> | <b>40,328,370</b> | <b>31,469,432</b> | <b>31,429,258</b> | <b>59,339,398</b> | <b>47,707,257</b> |
|--------------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

**Preferred Shares at Redemption Value**

|  |  |  |             |            |            |            |             |             |
|--|--|--|-------------|------------|------------|------------|-------------|-------------|
| \$25,000 per share at liquidation preference, plus unpaid dividends <sup>4</sup> |  |  | 158,875,005 | 91,934,549 | 61,003,971 | 94,210,220 | 287,247,205 | 150,834,619 |
|--|--|--|-------------|------------|------------|------------|-------------|-------------|

|   |                       |                       |                       |                       |                       |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Net Assets Applicable to Common Shareholders</b> | <b>\$ 152,960,546</b> | <b>\$ 221,899,455</b> | <b>\$ 287,078,482</b> | <b>\$ 184,684,977</b> | <b>\$ 139,377,005</b> | <b>\$ 158,061,021</b> | <b>\$ 496,246,510</b> | <b>\$ 243,583,061</b> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|

See Notes to Financial Statements.

Statements of Assets and Liabilities (concluded)

|   | <b>BlackRock<br/>Apex<br/>Municipal<br/>Fund, Inc.<br/>(APX)</b> | <b>BlackRock<br/>MuniAssets<br/>Fund, Inc.<br/>(MUA)</b> | <b>BlackRock<br/>MuniEnhanced<br/>Fund, Inc.<br/>(MEN)</b> | <b>BlackRock<br/>MuniHoldings<br/>Fund, Inc.<br/>(MHD)</b> | <b>BlackRock<br/>MuniHoldings<br/>Fund II, Inc.<br/>(MUH)</b> | <b>BlackRock<br/>MuniHoldings<br/>Insured<br/>Fund, Inc.<br/>(MUS)</b> | <b>BlackRock<br/>Muni<br/>Intermediate<br/>Duration<br/>Fund, Inc.<br/>(MUI)</b> | <b>BlackRock<br/>MuniVest<br/>Fund II, Inc.<br/>(MVT)</b> |
|---|--|--|--|--|---|--|--|---|
| <b>Assets Applicable to Common Shareholders Consist of</b>                      |  |  |  |  |   |  |  |   |
| Equity in capital   | \$ 196,126,375   | \$ 295,726,346   | \$ 316,511,557   | \$ 207,184,538   | \$ 154,187,843  | \$ 173,564,169   | \$ 540,501,506   | \$ 278,610,600  |
| Distributed net investment income   | 1,296,579  | 1,210,315  | 2,930,536  | 2,334,885  | 2,284,534   | 2,284,843  | 4,159,528  | 2,348,000   |
| Accumulated net realized (loss)   | (10,942,960)   | (26,535,985)   | (8,342,940)  | 514,391  | (1,474,003)   | (12,606,509)   | (8,507,764)  | (9,470,000)   |
| Unrealized appreciation/depreciation  | (33,519,448)   | (48,501,221)   | (24,020,671)   | (25,348,837)   | (15,621,369)  | (5,181,482)  | (39,906,760)   | (27,905,500)  |
| <b>Assets Applicable to Common Shareholders</b>                                 | <b>\$ 152,960,546</b>  | <b>\$ 221,899,455</b>                                    | <b>\$ 287,078,482</b>                                      | <b>\$ 184,684,977</b>                                      | <b>\$ 139,377,005</b>   | <b>\$ 158,061,021</b>  | <b>\$ 496,246,510</b>  | <b>\$ 243,583,000</b>                                     |
| Asset value per common share <sup>5,6</sup>                                     | \$ 7.67  | \$ 10.59   | \$ 9.77  | \$ 13.27   | \$ 12.47  | \$ 12.27   | \$ 13.05   | \$ 11.10  |
| Investments at cost   | \$ 190,876,429   | \$ 275,050,319   | \$ 506,917,541   | \$ 332,855,996   | \$ 242,212,178  | \$ 268,940,314   | \$ 866,045,417   | \$ 458,763,600  |
| Investments at cost stated  | \$ 100,006   | \$ 2,001,534   | \$ 3,302,493   | \$ 1,910,337   | \$ 112,826  | \$ 15,326,703  | \$ 403,856   |   |
| Represents short-term financing rate certificates held by tender option trusts. |  |  |  |  |   |  |  |   |
| Preferred Shares outstanding:   |  |  |  |  |   |  |  |   |
| Par value \$0.025 per share   |  |  | 5,097  |  |   |  |  |   |
| Par value \$0.05 per share  |  |  |  |  |   |  |  | 4,600   |
| Par value \$0.10 per share  |  |  | 1,257  | 3,677  | 2,440   | 3,768  | 11,487   | 1,300   |
| Common Shares outstanding, \$0.10 par value                                     | 19,931,713   | 20,960,583   | 29,369,874   | 13,913,010   | 11,173,277  | 12,886,200   | 38,034,934   | 20,385,200  |
| Authorized Common Shares  | 150 Million  | 200 Million  | 200 Million  | 200 Million  | 200 Million   | 200 Million  | 200 Million  | 200 Million   |

See Notes to Financial Statements.

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## Statements of Operations

|  | <b>BlackRock<br/>Apex Municipal<br/>Fund, Inc.<br/>(APX)</b> |   | <b>BlackRock<br/>MuniAssets<br/>Fund, Inc.<br/>(MUA)</b>     |  | <b>BlackRock<br/>MuniEnhanced<br/>Fund, Inc.<br/>(MEN)</b>       |  |
|--|--|---|--|--|--|--|
|  | <b>Period<br/>July 1,<br/>2008 to<br/>April 30,<br/>2009</b> | <b>Year<br/>Ended<br/>June 30,<br/>2008</b> | <b>Period<br/>June 1,<br/>2008 to<br/>April 30,<br/>2009</b> | <b>Year<br/>Ended<br/>May 31,<br/>2008</b> | <b>Period<br/>February 1,<br/>2009 to<br/>April 30,<br/>2009</b> | <b>Year<br/>Ended<br/>January 31,<br/>2009</b> |
| <b>Investment Income</b>                             |  |   |  |  |  |  |
| Interest   | \$ 10,653,508  | \$ 12,228,923                               | \$ 16,610,670  | \$ 17,963,762                              | \$ 5,932,024   | \$ 26,490,337                                  |
| Income affiliated                                    | 31,470   | 43,703                                      | 106,721  | 107,637                                    | 196,216  | 276,519  |
| Total income   | 10,684,978   | 12,272,626                                  | 16,717,391   | 18,071,399                                 | 6,128,240  | 26,766,856                                     |
| <b>Expenses</b>                                      |  |   |  |  |  |  |
| Investment advisory                                  | 891,184  | 1,229,902                                   | 1,214,568  | 1,523,956                                  | 582,438  | \$ 2,511,591                                   |
| Professional   | 56,370   | 61,732                                      | 39,829   | 51,074                                     | 61,979   | 161,347  |
| Commissions for Preferred Shares                     |  |   |  |  | 61,862   | 410,987  |
| Accounting services                                  | 44,259   | 79,184                                      | 76,575   | 99,443                                     | 31,855   | 127,598  |
| Printing   | 36,062   | 41,323                                      | 49,099   | 43,250                                     | 22,063   | 51,643   |
| Transfer agent                                       | 21,630   | 15,112                                      | 28,725   | 5,881                                      | 18,261   | 53,722   |
| Officer and Directors                                | 16,076   | 17,547                                      | 26,417   | 21,971                                     | 10,468   | 32,017   |
| Custodian  | 9,944  | 12,232                                      | 12,377   | 16,758                                     | 6,036  | 28,196   |
| Registration   | 3,169  | 9,238                                       | 3,055  | 8,868                                      | 3,338  | 7,127  |
| Miscellaneous  | 39,252   | 50,513                                      | 44,832   | 53,838                                     | 23,896   | 76,388   |
| Total expenses excluding interest expense and fees   | 1,117,946  | 1,516,783                                   | 1,495,477  | 1,825,039                                  | 822,196  | 3,460,616                                      |
| Interest expense and fees <sup>1</sup>               | 85,062   | 85,497                                      | 129,170  | 107,312                                    | 153,610  | 1,686,006                                      |
| Total expenses                                       | 1,203,008  | 1,602,280                                   | 1,624,647  | 1,932,351                                  | 975,806  | 5,146,622                                      |
| Less fees waived by advisor                          | (3,663)  | (3,446)                                     | (9,317)  | (7,246)                                    | (6,232)  | (27,586)                                       |
| Less fees paid indirectly                            |  |   | (10)   |  |  | (69)   |
| Total expenses after fees waived and paid indirectly | 1,199,345  | 1,598,834                                   | 1,615,320  | 1,925,105                                  | 969,574  | 5,118,967                                      |
| Net investment income                                | 9,485,633  | 10,673,792                                  | 15,102,071   | 16,146,294                                 | 5,158,666  | 21,647,889                                     |



**Realized and Unrealized Gain (Loss)**

Net realized gain (loss) from:

|   |             |           |             |             |           |             |
|---|-------------|-----------|-------------|-------------|-----------|-------------|
| Investments                             | (1,901,804) | (111,429) | (1,285,245) | (1,634,734) | (964,506) | (3,413,933) |
| Futures and forward interest rate swaps |             | 227,869   | 259,342     | 127,102     |           | (2,476,627) |
|   | (1,901,804) | 116,440   | (1,025,903) | (1,507,632) | (964,506) | (5,890,560) |

Net change in unrealized appreciation/depreciation on:

|   |              |              |              |              |            |              |
|---|--------------|--------------|--------------|--------------|------------|--------------|
| Investments                             | (27,472,314) | (15,672,274) | (44,534,083) | (20,157,187) | 18,357,213 | (54,838,454) |
| Futures and forward interest rate swaps |              | 178,595      | (115,218)    | 171,992      |            | 805,532      |
|   | (27,472,314) | (15,493,679) | (44,649,301) | (19,985,195) | 18,357,213 | (54,032,922) |

Total realized and unrealized gain (loss)

|  |              |              |              |              |            |              |
|--|--------------|--------------|--------------|--------------|------------|--------------|
|  | (29,374,118) | (15,377,239) | (45,675,204) | (21,492,827) | 17,392,707 | (59,923,482) |
|--|--------------|--------------|--------------|--------------|------------|--------------|

**Dividends to Preferred Shareholders From**

|                       |  |  |  |  |           |             |
|-----------------------|--|--|--|--|-----------|-------------|
| Net investment income |  |  |  |  | (373,520) | (5,591,529) |
|-----------------------|--|--|--|--|-----------|-------------|

**Net Increase (Decrease) in Net Assets Applicable to Common Shareholders Resulting from Operations**

|  |                 |                |                 |                |               |                 |
|--|-----------------|----------------|-----------------|----------------|---------------|-----------------|
|  | \$ (19,888,485) | \$ (4,703,447) | \$ (30,573,133) | \$ (5,346,533) | \$ 22,177,853 | \$ (43,867,122) |
|--|-----------------|----------------|-----------------|----------------|---------------|-----------------|

<sup>1</sup> Related to tender option bond trusts.

See Notes to Financial Statements.

Statements of Operations (concluded)

|   | <b>BlackRock<br/>MuniHoldings<br/>Fund, Inc.<br/>(MHD)</b> | <b>BlackRock<br/>MuniHoldings<br/>Fund II, Inc.<br/>(MUH)</b>  | <b>BlackRock<br/>MuniHoldings<br/>Insured<br/>Fund, Inc.<br/>(MUS)</b> | <b>BlackRock<br/>Muni Intermediate<br/>Duration<br/>Fund, Inc.<br/>(MUI)</b> | <b>BlackRock<br/>MuniVest<br/>Fund II, Inc.<br/>(MVT)</b>    |  |  |  |
|---|--|--|--|--|--|--|--|--|
|   | <b>Year<br/>Ended<br/>April 30,<br/>2009</b>               | <b>Period<br/>August 1,<br/>2008 to<br/>April 30,<br/>2009</b> | <b>Year<br/>Ended<br/>July 31,<br/>2008</b>                            | <b>Year<br/>Ended<br/>April 30,<br/>2009</b>                                 | <b>Period<br/>June 1,<br/>2008 to<br/>April 30,<br/>2009</b> | <b>Year<br/>Ended<br/>May 31,<br/>2008</b> | <b>Period<br/>November<br/>1,<br/>2008 to<br/>April 30,<br/>2009</b> | <b>Year<br/>Ended<br/>October 31,<br/>2008</b> |
| <b>Investment Income</b>                              |  |  |  |  |  |  |  |  |
| Interest  | \$ 17,994,259  | \$ 9,595,636   | \$ 14,179,423  | \$ 14,406,319  | \$ 39,351,496  | \$ 45,410,403                              | \$ 12,561,027  | \$ 27,492,399                                  |
| Income - affiliated                                   | 35,142   | 27,300   | 315  | 99,242   | 225,843  | 269  |  |  |
| Total income  | 18,029,401   | 9,622,936  | 14,179,738   | 14,505,561   | 39,577,339   | 45,410,672                                 | 12,561,027   | 27,492,399                                     |
| <b>Expenses</b>                                       |  |  |  |  |  |  |  |  |
| Investment advisory                                   | 1,742,847  | 921,261  | 1,374,513  | 1,575,653  | 4,214,114  | 4,863,950                                  | 1,039,681  | 2,340,694                                      |
| Commissions for<br>Preferred Shares                   | 210,037  | 93,952   | 215,176  | 219,414  | 571,370  | 814,748                                    | 128,944  | 431,016  |
| Professional  | 124,769  | 71,436   | 100,169  | 124,401  | 212,167  | 165,596                                    | 69,388   | 144,766  |
| Accounting services                                   | 85,960   | 48,925   | 94,583   | 81,992   | 180,910  | 226,158                                    | 48,022   | 145,530  |
| Transfer agent  | 42,648   | 24,611   | 24,584   | 38,246   | 64,462   | 44,553                                     | 26,290   | 19,812   |
| Printing  | 30,701   | 21,583   | 19,771   | 27,485   | 66,204   | 56,577                                     | 23,075   | 38,329   |
| Officer and Directors                                 | 22,753   | 13,538   | 19,375   | 18,953   | 52,575   | 42,165                                     | 16,676   | 29,230   |
| Custodian   | 17,327   | 9,931  | 15,781   | 16,841   | 35,114   | 44,603                                     | 9,780  | 28,609   |
| Registration  | 9,191  | 3,055  | 8,884  | 9,166  | 12,467   | 13,270                                     | 3,177  | 9,083  |
| Miscellaneous   | 70,761   | 39,473   | 64,352   | 68,092   | 95,629   | 119,268                                    | 34,789   | 99,925   |
| Total expenses excluding<br>interest expense and fees | 2,356,994  | 1,247,765  | 1,937,188  | 2,180,243  | 5,505,012  | 6,390,888                                  | 1,399,822  | 3,286,994                                      |
| Interest expense and fees <sup>1</sup>                | 726,765  | 384,908  | 609,210  | 740,357  | 1,033,073  | 976,191                                    | 284,301  | 1,434,369                                      |
| Total expenses  | 3,083,759  | 1,632,673  | 2,546,398  | 2,920,600  | 6,538,085  | 7,367,079                                  | 1,684,123  | 4,721,363                                      |
| Less fees waived by<br>advisor                        | (7,584)  | (4,942)  | (22)   | (360,409)  | (874,243)  | (1,326,562)                                |  |  |
| Less fees paid indirectly                             |  |  |  |  | (8)  | (111)                                      |  |  |
|   | 3,076,175  | 1,627,731  | 2,546,376  | 2,560,191  | 5,663,834  | 6,040,406                                  | 1,684,123  | 4,721,363                                      |

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|  |                 |                |                |                |                 |              |               |                 |
|--|-----------------|----------------|----------------|----------------|-----------------|--------------|---------------|-----------------|
| Total expenses after fees waived and paid directly   |                 |                |                |                |                 |              |               |                 |
| Net investment income  | 14,953,226      | 7,995,205      | 11,633,362     | 11,945,370     | 33,913,505      | 39,370,266   | 10,876,904    | 22,771,036      |
| <b>Realized and Unrealized Gain (Loss)</b>   |                 |                |                |                |                 |              |               |                 |
| Net realized gain (loss) from:   |                 |                |                |                |                 |              |               |                 |
| Investments  | 934,450         | (653,515)      | 1,098,534      | (8,311,813)    | (6,621,611)     | (594,822)    | 700,399       | (4,694,610)     |
| Derivatives and forward interest rate swaps  | (137,764)       |                | (31,587)       |                |                 | (400,021)    |               | (1,192,179)     |
|  | 796,686         | (653,515)      | 1,066,947      | (8,311,813)    | (6,621,611)     | (994,843)    | 700,399       | (5,886,789)     |
| Net change in unrealized appreciation/depreciation:  |                 |                |                |                |                 |              |               |                 |
| Investments  | (27,850,295)    | (12,946,433)   | (13,877,342)   | (7,075,567)    | (47,262,844)    | (22,841,249) | 18,630,931    | (65,443,827)    |
| Derivatives and forward interest rate swaps  |                 |                | 66,099         |                |                 | 96,795       |               | 427,302         |
|  | (27,850,295)    | (12,946,433)   | (13,811,243)   | (7,075,567)    | (47,262,844)    | (22,744,454) | 18,630,931    | (65,016,525)    |
| Total realized and unrealized gain (loss)  | (27,053,609)    | (13,599,948)   | (12,744,296)   | (15,387,380)   | (53,884,455)    | (23,739,297) | 19,331,330    | (70,903,314)    |
| <b>Dividends and Distributions to Preferred Shareholders From</b>  |                 |                |                |                |                 |              |               |                 |
| Net investment income  | (2,473,001)     | (1,093,524)    | (2,964,352)    | (2,507,663)    | (8,817,093)     | (12,598,505) | (1,057,535)   | (6,547,531)     |
| Net realized gain  | (75,129)        |                |                |                |                 |              |               |                 |
| Total dividends and distributions to Preferred Shareholders  | (2,548,130)     | (1,093,524)    | (2,964,352)    | (2,507,663)    | (8,817,093)     | (12,598,505) | (1,057,535)   | (6,547,531)     |
| <b>Net Increase (Decrease) in Net Assets Applicable to Common Shareholders Resulting from Operations</b> |                 |                |                |                |                 |              |               |                 |
|  | \$ (14,648,513) | \$ (6,698,267) | \$ (4,075,286) | \$ (5,949,673) | \$ (28,788,043) | \$ 3,032,464 | \$ 29,150,699 | \$ (54,679,809) |

<sup>1</sup> Related to tender option bond trusts.

See Notes to Financial Statements.



## Statements of Changes in Net Assets

|   | BlackRock Apex<br>Municipal Fund, Inc. (APX)      |                        |                | BlackRock MuniAssets<br>Fund, Inc. (MUA)          |                       |                |
|---|---|------------------------|----------------|---|-----------------------|----------------|
|   | Period<br>July 1,<br>2008 to<br>April 30,<br>2009 | Year Ended<br>June 30, |                | Period<br>June 1,<br>2008 to<br>April 30,<br>2009 | Year Ended<br>May 31, |                |
| Increase (Decrease) in Net Assets:  | 2008  | 2007                   |                | 2008  | 2007                  |                |
| <b>Operations</b>   |   |                        |                |   |                       |                |
| Net investment income   | \$ 9,485,633                                      | \$ 10,673,792          | \$ 11,385,891  | \$ 15,102,071                                     | \$ 16,146,294         | \$ 16,973,304  |
| Net realized gain (loss)  | (1,901,804)                                       | 116,440                | (3,091,653)    | (1,025,903)                                       | (1,507,632)           | (5,079,543)    |
| Net change in unrealized<br>appreciation/depreciation                                   | (27,472,314)                                      | (15,493,679)           | 4,418,732      | (44,649,301)                                      | (19,985,195)          | 9,799,343      |
| Net increase (decrease) in net assets<br>resulting from operations                      | (19,888,485)                                      | (4,703,447)            | 12,712,970     | (30,573,133)                                      | (5,346,533)           | 21,693,104     |
| <b>Dividends and Distributions to<br/>Shareholders From</b>                             |   |                        |                |   |                       |                |
| Net investment income   | (9,259,509)                                       | (11,460,645)           | (11,596,069)   | (15,527,663)                                      | (17,002,831)          | (17,339,322)   |
| Net realized gain   |   |                        |                |   | (65,858)              |                |
| Decrease in net assets resulting from<br>dividends and distributions to<br>shareholders | (9,259,509)                                       | (11,460,645)           | (11,596,069)   | (15,527,663)                                      | (17,068,689)          | (17,339,322)   |
| <b>Capital Share Transactions</b>   |   |                        |                |   |                       |                |
| Reinvestment of dividends   | 452,841   | 993,437                | 1,063,048      | 1,086,978   | 1,961,372             | 2,220,383      |
| <b>Net Assets</b>   |   |                        |                |   |                       |                |
| Total increase (decrease) in net assets   | (28,695,153)                                      | (15,170,655)           | 2,179,949      | (45,013,818)                                      | (20,453,850)          | 6,574,165      |
| Beginning of period   | 181,655,699                                       | 196,826,354            | 194,646,405    | 266,913,273                                       | 287,367,123           | 280,792,958    |
| End of period   | \$ 152,960,546                                    | \$ 181,655,699         | \$ 196,826,354 | \$ 221,899,455                                    | \$ 266,913,273        | \$ 287,367,123 |
| End of period undistributed net<br>investment income                                    | \$ 1,296,579                                      | \$ 1,093,688           | \$ 1,880,620   | \$ 1,210,315                                      | \$ 1,666,151          | \$ 2,522,745   |

See Notes to Financial Statements.



## Statements of Changes in Net Assets (continued)

|   | BlackRock<br>MuniEnhanced Fund, Inc. (MEN)            |                           |                | BlackRock<br>MuniHoldings Fund, Inc. (MHD) |                |
|---|---|---------------------------|----------------|--|----------------|
|   | Period<br>February 1,<br>2009 to<br>April 30,<br>2009 | Year Ended<br>January 31, |                | Year Ended<br>April 30,                    |                |
| Increase (Decrease) in Net Assets<br>Applicable to Common Shareholders:                                 |   | 2009                      | 2008           | 2009                                       | 2008           |
| <b>Operations</b>   |   |                           |                |  |                |
| Net investment income   | \$ 5,158,666  | \$ 21,647,889             | \$ 22,814,801  | \$ 14,953,226                              | \$ 16,092,295  |
| Net realized gain (loss)  | (964,506)   | (5,890,560)               | 3,625,564      | 796,686                                    | 618,266        |
| Net change in unrealized<br>appreciation/depreciation   | 18,357,213  | (54,032,922)              | (15,876,207)   | (27,850,295)                               | (17,097,855)   |
| Dividends and distributions to Preferred<br>Shareholders from:  |   |                           |                |  |                |
| Net investment income   | (373,520)   | (5,591,529)               | (6,935,161)    | (2,473,001)                                | (4,329,651)    |
| Net realized gain   |   |                           |                | (75,129)                                   | (478,218)      |
| Net increase (decrease) in net assets<br>applicable to Common Shareholders<br>resulting from operations | 22,177,853  | (43,867,122)              | 3,628,997      | (14,648,513)                               | (5,195,163)    |
| <b>Dividends and Distributions to<br/>Common Shareholders From</b>                                      |   |                           |                |  |                |
| Net investment income   | (3,788,714)   | (15,154,855)              | (15,154,855)   | (11,874,169)                               | (11,848,523)   |
| Net realized gain   |   |                           |                | (221,635)                                  | (1,156,764)    |
| Decrease in net assets resulting from<br>dividends and distributions to Common<br>Shareholders          | (3,788,714)   | (15,154,855)              | (15,154,855)   | (12,095,804)                               | (13,005,287)   |
| <b>Capital Share Transactions</b>   |   |                           |                |  |                |
| Reinvestment of common dividends  |   |                           |                |  | 253,398        |
| <b>Net Assets Applicable to Common<br/>Shareholders</b>   |   |                           |                |  |                |
| Total increase (decrease) in net assets<br>applicable to Common Shareholders                            | 18,389,139  | (59,021,977)              | (11,525,858)   | (26,744,317)                               | (17,947,052)   |
| Beginning of period   | 268,689,343   | 327,711,320               | 339,237,178    | 211,429,294                                | 229,376,346    |
| End of period   | \$ 287,078,482  | \$ 268,689,343            | \$ 327,711,320 | \$ 184,684,977                             | \$ 211,429,294 |
|   | \$ 2,930,536  | \$ 2,372,225              | \$ 2,111,950   | \$ 2,334,885                               | \$ 1,608,417   |

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End of period undistributed net  
investment income

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See Notes to Financial Statements.

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## Statements of Changes in Net Assets (continued)

| Increase (Decrease) in Net Assets<br>Applicable to Common Shareholders:                                 | BlackRock<br>MuniHoldings Fund II, Inc. (MUH)       |                           |                | BlackRock MuniHoldings<br>Insured Fund, Inc. (MUS) |                |
|---|---|---------------------------|----------------|--|----------------|
|   | Period<br>August 1,<br>2008 to<br>April 30,<br>2009 | Year Ended<br>January 31, |                | Year Ended<br>April 30,                            |                |
|   |   | 2009                      | 2008           | 2009   | 2008           |
| <b>Operations</b>   |   |                           |                |  |                |
| Net investment income   | \$ 7,995,205  | \$ 11,633,362             | \$ 11,705,163  | \$ 11,945,370                                      | \$ 13,564,913  |
| Net realized gain (loss)  | (653,515)   | 1,066,947                 | 1,636,714      | (8,311,813)  | (2,120,717)    |
| Change in net unrealized<br>appreciation/depreciation   | (12,946,433)  | (13,811,243)              | (2,106,859)    | (7,075,567)  | (9,018,484)    |
| Dividends to Preferred Shareholders from net<br>investment income                                       | (1,093,524)   | (2,964,352)               | (3,062,036)    | (2,507,663)  | (4,926,956)    |
| Net increase (decrease) in net assets<br>applicable to Common Shareholders<br>resulting from operations | (6,698,267)   | (4,075,286)               | 8,172,982      | (5,949,673)  | (2,501,244)    |
| <b>Dividends to Common Shareholders From</b>  |   |                           |                |  |                |
| Net investment income   | (6,557,719)   | (8,477,052)               | (8,623,062)    | (7,499,768)  | (7,628,630)    |
| <b>Capital Share Transactions</b>   |   |                           |                |  |                |
| Reinvestment of common dividends  |   |                           | 70,232         |  |                |
| <b>Net Assets Applicable to Common<br/>Shareholders</b>   |   |                           |                |  |                |
| Total decrease in net assets applicable to<br>Common Shareholders                                       | (13,255,986)  | (12,552,338)              | (379,848)      | (13,449,441)                                       | (10,129,874)   |
| Beginning of period   | 152,632,991   | 165,185,329               | 165,565,177    | 171,510,462  | 181,640,336    |
| End of period   | \$ 139,377,005                                      | \$ 152,632,991            | \$ 165,185,329 | \$ 158,061,021                                     | \$ 171,510,462 |
| End of period undistributed net investment<br>income  | \$ 2,284,534  | \$ 1,985,174              | \$ 1,645,606   | \$ 2,284,843                                       | \$ 1,070,407   |

See Notes to Financial Statements.



## Statements of Changes in Net Assets (concluded)

|  | BlackRock Muni Intermediate<br>Duration Fund, Inc. (MUI) |                       |                | BlackRock MuniVest<br>Fund II, Inc. (MVT)             |                           |                |
|--|--|-----------------------|----------------|---|---------------------------|----------------|
|  | Period<br>June 1,<br>2008 to<br>April 30,<br>2009        | Year Ended<br>May 31, |                | Period<br>November 1,<br>2008 to<br>April 30,<br>2009 | Year Ended<br>October 31, |                |
| Increase (Decrease) in Net Assets<br>Applicable to Common Shareholders:                        | 2008   | 2007                  |                | 2008  | 2007                      |                |
| <b>Operations</b>  |  |                       |                |   |                           |                |
| Net investment income  | \$ 33,913,505  | \$ 39,370,266         | \$ 38,972,329  | \$ 10,876,904   | \$ 22,771,036             | \$ 23,451,287  |
| Net realized gain (loss)   | (6,621,611)  | (994,843)             | (139,587)      | 700,399   | (5,886,789)               | 2,851,750      |
| Change in net unrealized<br>appreciation/depreciation  | (47,262,844)   | (22,744,454)          | 7,090,554      | 18,630,931  | (65,016,525)              | (19,973,083)   |
| Dividends and distributions to Preferred<br>Shareholders from:                                 |  |                       |                |   |                           |                |
| Net investment income  | (8,817,093)  | (12,598,505)          | (10,462,698)   | (1,057,535)   | (6,547,531)               | (6,403,711)    |
| Net realized gains   |  |                       | (1,446,608)    |   |                           |                |
| Net increase (decrease) in net assets to<br>Common Shareholders resulting from<br>operations   | (28,788,043)   | 3,032,464             | 34,013,990     | 29,150,699  | (54,679,809)              | (73,757)       |
| <b>Dividends and Distributions to<br/>Common Shareholders From</b>                             |  |                       |                |   |                           |                |
| Net investment income  | (24,380,887)   | (27,841,571)          | (28,297,991)   | (8,777,352)   | (17,375,256)              | (17,386,821)   |
| Net realized gain  |  |                       | (4,525,473)    |   |                           |                |
| Decrease in net assets resulting from<br>dividends and distributions to Common<br>Shareholders | (24,380,887)   | (27,841,571)          | (32,823,464)   | (8,777,352)   | (17,375,256)              | (17,386,821)   |
| <b>Capital Share Transactions</b>  |  |                       |                |   |                           |                |
| Reinvestment of common dividends   |  |                       |                |   | 1,428,596                 | 1,322,155      |
| <b>Net Assets Applicable to Common<br/>Shareholders</b>  |  |                       |                |   |                           |                |
| Total increase (decrease) in net assets<br>applicable to Common Shareholders                   | (53,168,930)   | (24,809,107)          | 1,190,526      | 20,373,347  | (70,626,469)              | (16,138,423)   |
| Beginning of period  | 549,415,440  | 574,224,547           | 573,034,021    | 223,209,714   | 293,836,183               | 309,974,606    |
| End of period  | \$ 496,246,510   | \$ 549,415,440        | \$ 574,224,547 | \$ 243,583,061  | \$ 223,209,714            | \$ 293,836,183 |
|  | \$ 4,159,528   | \$ 3,452,820          | \$ 4,522,630   | \$ 2,348,021  | \$ 1,127,498              | \$ 2,310,698   |

End of period undistributed net  
investment income

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See Notes to Financial Statements.

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## Statements of Cash Flows

|  | BlackRock<br>MuniEnhanced<br>Fund, Inc.<br>(MEN) | BlackRock<br>MuniHoldings<br>Fund, Inc.<br>(MHD) | BlackRock<br>MuniHoldings<br>Fund II, Inc.<br>(MUH) | BlackRock<br>MuniHoldings<br>Insured<br>Fund, Inc.<br>(MUS) | BlackRock<br>MuniVest<br>Fund II, Inc.<br>(MVT)       |
|--|--|--|---|---|---|
|  | Year<br>Ended<br>January 31,<br>2009             | Year<br>Ended<br>April 30,<br>2009               | Period<br>August 1,<br>2008 to<br>April 30,<br>2009 | Year<br>Ended<br>April 30,<br>2009                          | Period<br>November 1,<br>2008 to<br>April 30,<br>2009 |
| <b>Cash Provided by Operating Activities</b>   |  |  |   |   |   |
| Net increase (decrease) in net assets resulting from operations, excluding dividends and distributions to Preferred Shareholders       | \$ (38,275,593)                                  | \$ (12,100,383)                                  | \$ (5,604,743)                                      | \$ (3,442,010)  | \$ 30,208,234   |
| Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by operating activities: |  |  |   |   |   |
| (Increase) decrease in receivables   | 676,229  | (67,794)   | (280,364)   | 260,850   | (733,675)   |
| (Increase) decrease in prepaid expenses and other assets   | (13,444)   | (2,892)  | (10,326)  | (3,156)   | 4,130   |
| Increase (decrease) in liabilities   | (204,272)  | (39,746)   | (110,287)   | 32,230  | (275,087)   |
| Net realized and unrealized gain (loss)  | 57,446,855                                       | 26,915,845                                       | 13,599,948  | 15,387,380  | (19,331,330)  |
| Amortization of premium and discount on investments  | (886,036)  | 602,226  | 186,160   | 491,777   | 527,944   |
| Proceeds from sales of long-term investments   | 188,640,839                                      | 82,799,352                                       | 51,540,260  | 126,750,712   | 46,629,432  |
| Net proceeds from sales (net purchases) of short-term investments  | (24,602,002)                                     | (201,366)  | 298,896   | (15,565,882)  | 38,330,000  |
| Purchases of long-term investments   | (121,956,804)                                    | (61,249,020)                                     | (36,372,029)  | (94,040,772)  | (79,941,661)  |
| Net cash provided by operating activities  | 60,825,772                                       | 36,656,222                                       | 23,247,515  | 29,871,129  | 15,417,987  |

**Cash Used for Financing Activities**

|   |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
| Payments on redemption of Preferred Shares                      | (28,150,000) | (33,075,000) |              | (39,800,000) |              |
| Cash receipts from trust certificates                           | 51,158,202   | 40,944,256   | 5,770,000    | 42,798,667   |              |
| Cash payments for trust certificates                            | (62,999,454) | (28,186,300) | (20,043,275) | (22,899,225) | (4,851,111)  |
| Cash dividends and distributions paid to Common Shareholders    | (15,154,855) | (12,095,805) | (6,557,719)  | (7,499,768)  | (8,777,352)  |
| Cash dividends and distributions paid to Preferred Shareholders | (5,711,648)  | (2,580,354)  | (1,107,370)  | (2,550,221)  | (1,112,333)  |
| Increase in bank overdraft                                      |              |              |              | 4,415        |              |
| Net cash used for financing activities                          | (60,857,755) | (34,993,203) | (21,938,364) | (29,946,132) | (14,740,796) |

**Cash**

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|                                 |           |              |              |          |            |
|---------------------------------|-----------|--------------|--------------|----------|------------|
| Net increase (decrease) in cash | (31,983)  | 1,663,019    | 1,309,151    | (75,003) | 677,191    |
| Cash at beginning of period     | 83,648    | 95,042       | 59,326       | 75,003   | 317,257    |
| Net cash at end of period       | \$ 51,665 | \$ 1,758,061 | \$ 1,368,477 | \$       | \$ 994,448 |

**Cash Flow Information**

|  |              |            |            |            |            |
|--|--------------|------------|------------|------------|------------|
| Cash paid during the period for interest | \$ 1,836,345 | \$ 715,497 | \$ 453,934 | \$ 659,765 | \$ 495,658 |
|--|--------------|------------|------------|------------|------------|

See Notes to Financial Statements.

## Financial Highlights

## BlackRock Apex Municipal Fund, Inc. (APX)

|   | Period<br>July 1,<br>2008 to<br>April 30,<br>2009 | Year Ended June 30, |          |          |         |                     |
|---|---|---------------------|----------|----------|---------|---------------------|
|   |   | 2008                | 2007     | 2006     | 2005    | 2004                |
| <b>Per Share Operating Performance</b>  |   |                     |          |          |         |                     |
| Net asset value, beginning of period  | \$ 9.14   | \$ 9.95             | \$ 9.90  | \$ 9.82  | \$ 9.13 | \$ 8.99             |
| Net investment income <sup>1</sup>  | 0.48  | 0.54                | 0.58     | 0.58     | 0.58    | 0.60                |
| Net realized and unrealized gain (loss)   | (1.48)  | (0.77)              | 0.06     | 0.08     | 0.69    | 0.11                |
| Net increase (decrease) from investment operations                                    | (1.00)  | (0.23)              | 0.64     | 0.66     | 1.27    | 0.71                |
| Dividends and distributions from:   |   |                     |          |          |         |                     |
| Net investment income   | (0.47)  | (0.58)              | (0.59)   | (0.58)   | (0.58)  | (0.57)              |
| Net realized gain   |   |                     |          |          |         | (0.00) <sup>2</sup> |
| Total dividends and distributions   | (0.47)  | (0.58)              | (0.59)   | (0.58)   | (0.58)  | (0.57)              |
| Net asset value, end of period  | \$ 7.67   | \$ 9.14             | \$ 9.95  | \$ 9.90  | \$ 9.82 | \$ 9.13             |
| Market price, end of period   | \$ 7.72   | \$ 9.28             | \$ 10.23 | \$ 10.25 | \$ 9.48 | \$ 8.26             |
| <b>Total Investment Return<sup>3</sup></b>  |   |                     |          |          |         |                     |
| Based on net asset value  | (10.81)% <sup>4</sup>                             | (2.40)%             | 6.48%    | 7.00%    | 14.67%  | 8.64%               |
| Based on market price   | (11.58)% <sup>4</sup>                             | (3.61)%             | 5.73%    | 14.76%   | 22.36%  | 4.20%               |
| <b>Ratios to Average Net Assets</b>   |   |                     |          |          |         |                     |
| Total expenses after fees waived and excluding interest expense and fees <sup>5</sup> | 0.84% <sup>6</sup>                                | 0.80%               | 0.80%    | 0.80%    | 0.80%   | 0.79%               |
| Total expenses after fees waived  | 0.91% <sup>6</sup>                                | 0.84%               | 0.80%    | 0.80%    | 0.80%   | 0.79%               |
| Total expenses  | 0.91% <sup>6</sup>                                | 0.85%               | 0.80%    | 0.81%    | 0.80%   | 0.79%               |
| Net investment income   | 7.16% <sup>6</sup>                                | 5.64%               | 5.75%    | 5.83%    | 6.11%   | 6.52%               |

**Supplemental Data**

|                                 |    |         |    |         |    |         |    |         |    |         |    |         |
|---------------------------------|----|---------|----|---------|----|---------|----|---------|----|---------|----|---------|
| Net assets, end of period (000) | \$ | 152,961 | \$ | 181,656 | \$ | 196,826 | \$ | 194,646 | \$ | 192,475 | \$ | 178,983 |
| Portfolio turnover              |    | 20%     |    | 25%     |    | 22%     |    | 19%     |    | 22%     |    | 19%     |

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Amount is less than \$(0.01) per share.

<sup>3</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

<sup>4</sup> Aggregate total investment return.

<sup>5</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

<sup>6</sup> Annualized.

See Notes to Financial Statements.



## Financial Highlights

BlackRock MuniAssets Fund, Inc. (MUA)

|   | Period<br>June 1,<br>2008 to<br>April 30,<br>2009 | Year Ended May 31,  |          |          |          |          |
|---|---|---------------------|----------|----------|----------|----------|
|   |   | 2008                | 2007     | 2006     | 2005     | 2004     |
| <b>Per Share Operating Performance</b>  |   |                     |          |          |          |          |
| Net asset value, beginning of period  | \$ 12.79  | \$ 13.87            | \$ 13.65 | \$ 13.40 | \$ 12.36 | \$ 11.94 |
| Net investment income <sup>1</sup>  | 0.72  | 0.78                | 0.82     | 0.81     | 0.81     | 0.83     |
| Net realized and unrealized gain (loss)   | (2.18)  | (1.04)              | 0.24     | 0.27     | 1.04     | 0.38     |
| Net increase (decrease) from investment operations  | (1.46)  | (0.26)              | 1.06     | 1.08     | 1.85     | 1.21     |
| Dividends and distributions to Common Shareholders from:  |   |                     |          |          |          |          |
| Net investment income   | (0.74)  | (0.82)              | (0.84)   | (0.83)   | (0.81)   | (0.78)   |
| Net realized gain   |   | (0.00) <sup>2</sup> |          |          |          | (0.01)   |
| Total dividends and distributions   | (0.74)  | (0.82)              | (0.84)   | (0.83)   | (0.81)   | (0.79)   |
| Net asset value, end of period  | \$ 10.59  | \$ 12.79            | \$ 13.87 | \$ 13.65 | \$ 13.40 | \$ 12.36 |
| Market price, end of period   | \$ 10.91  | \$ 13.35            | \$ 15.29 | \$ 14.13 | \$ 13.27 | \$ 11.38 |
| <b>Total Investment Return<sup>3</sup></b>  |   |                     |          |          |          |          |
| Based on net asset value  | (11.29)% <sup>4</sup>                             | (1.90)%             | 7.72%    | 8.31%    | 15.65%   | 10.74%   |
| Based on market price   | (12.45)% <sup>4</sup>                             | (7.12)%             | 14.71%   | 13.22%   | 24.39%   | 2.22%    |
| <b>Ratios to Average Net Assets</b>   |   |                     |          |          |          |          |
| Total expenses after waiver and fees paid indirectly and excluding interest expense and fees <sup>5</sup> | 0.70% <sup>6</sup>                                | 0.66%               | 0.68%    | 0.68%    | 0.67%    | 0.67%    |
| Total expenses after waiver and fees paid indirectly  | 0.76% <sup>6</sup>                                | 0.69%               | 0.68%    | 0.68%    | 0.67%    | 0.67%    |
| Total expenses  | 0.77% <sup>6</sup>                                | 0.70%               | 0.68%    | 0.68%    | 0.67%    | 0.67%    |

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|                       |                    |       |       |       |       |       |
|-----------------------|--------------------|-------|-------|-------|-------|-------|
| Net investment income | 7.13% <sup>6</sup> | 5.81% | 5.91% | 5.97% | 6.30% | 6.71% |
|-----------------------|--------------------|-------|-------|-------|-------|-------|

**Supplemental Data**

|                                 |            |            |            |            |            |            |
|---------------------------------|------------|------------|------------|------------|------------|------------|
| Net assets, end of period (000) | \$ 221,899 | \$ 266,913 | \$ 287,367 | \$ 280,793 | \$ 273,382 | \$ 252,203 |
| Portfolio turnover              | 23%        | 23%        | 25%        | 17%        | 20%        | 19%        |

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Amount is less than \$(0.01) per share.

<sup>3</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

<sup>4</sup> Aggregate total investment return.

<sup>5</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

<sup>6</sup> Annualized.

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## Financial Highlights

BlackRock MuniEnhanced Fund, Inc. (MEN)

|   | Period<br>February 1,<br>2009 to<br>April 30,<br>2009 | Year Ended January 31, |          |          |          |          |
|---|---|------------------------|----------|----------|----------|----------|
|   |   | 2009                   | 2008     | 2007     | 2006     | 2005     |
| <b>Per Share Operating Performance</b>  |   |                        |          |          |          |          |
| Net asset value, beginning of period  | \$ 9.15   | \$ 11.16               | \$ 11.55 | \$ 11.52 | \$ 11.85 | \$ 11.83 |
| Net investment income <sup>1</sup>  | 0.18  | 0.72                   | 0.78     | 0.76     | 0.77     | 0.79     |
| Net realized and unrealized gain (loss)   | 0.58  | (2.02)                 | (0.41)   | 0.06     | (0.22)   | 0.05     |
| Dividends to Preferred Shareholders from net investment income  | (0.01)  | (0.19)                 | (0.24)   | (0.22)   | (0.16)   | (0.07)   |
| Net increase (decrease) from investment operations  | 0.75  | (1.49)                 | 0.13     | 0.60     | 0.39     | 0.77     |
| Dividends to Common Shareholders from net investment income   | (0.13)  | (0.52)                 | (0.52)   | (0.57)   | (0.72)   | (0.73)   |
| Capital charges with respect to issuance of Preferred Shares  |   |                        |          |          |          | (0.02)   |
| Net asset value, end of period  | \$ 9.77   | \$ 9.15                | \$ 11.16 | \$ 11.55 | \$ 11.52 | \$ 11.85 |
| Market price, end of period   | \$ 8.88   | \$ 8.31                | \$ 10.66 | \$ 10.77 | \$ 11.03 | \$ 10.93 |
| <b>Total Investment Return<sup>2</sup></b>  |   |                        |          |          |          |          |
| Based on net asset value  | 8.40% <sup>3</sup>                                    | (13.19)%               | 1.44%    | 5.66%    | 3.63%    | 7.20%    |
| Based on market price   | 8.48% <sup>3</sup>                                    | (17.46)%               | 3.92%    | 2.90%    | 7.58%    | 4.25%    |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>                                       |   |                        |          |          |          |          |
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees <sup>4,5</sup> | 1.22% <sup>6</sup>                                    | 1.18%                  | 1.08%    | 1.08%    | 1.07%    | 1.01%    |
| Total expenses after fees waived and paid indirectly <sup>5</sup>   | 1.45% <sup>6</sup>                                    | 1.76%                  | 1.72%    | 1.69%    | 1.51%    | 1.32%    |
| Total expenses <sup>5</sup>   | 1.46% <sup>6</sup>                                    | 1.77%                  | 1.72%    | 1.69%    | 1.51%    | 1.32%    |

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|  |                    |       |       |       |       |       |
|--|--------------------|-------|-------|-------|-------|-------|
| Net investment income <sup>5</sup>           | 7.72% <sup>6</sup> | 7.43% | 6.85% | 6.57% | 6.63% | 6.80% |
| Dividends to Preferred Shareholders          | 0.56% <sup>6</sup> | 1.92% | 2.08% | 1.88% | 1.34% | 0.59% |
| Net investment income to Common Shareholders | 7.16% <sup>6</sup> | 5.51% | 4.77% | 4.69% | 5.29% | 6.21% |

**Supplemental Data**

|   |            |            |                        |                        |                        |                        |
|---|------------|------------|------------------------|------------------------|------------------------|------------------------|
| Net assets applicable to Common Shareholders, end of period (000)           | \$ 287,078 | \$ 268,689 | \$ 327,711             | \$ 339,237             | \$ 338,450             | \$ 348,027             |
| Preferred Shares outstanding at liquidation preference, end of period (000) | \$ 158,850 | \$ 158,850 | \$ 187,000             | \$ 187,000             | \$ 187,000             | \$ 187,000             |
| Portfolio turnover  | 6%         | 24%        | 18%                    | 31%                    | 22%                    | 33%                    |
| Asset coverage per Preferred Share, end of period                           | \$ 70,185  | \$ 67,294  | \$ 68,834 <sub>7</sub> | \$ 70,373 <sub>7</sub> | \$ 70,262 <sub>7</sub> | \$ 71,538 <sub>7</sub> |

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

<sup>3</sup> Aggregate total investment return.

<sup>4</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

<sup>5</sup> Do not reflect the effect of dividends to Preferred Shareholders.

<sup>6</sup> Annualized.

<sup>7</sup> Amounts have been recalculated to conform with current presentation.

See Notes to Financial Statements.

## Financial Highlights

BlackRock MuniHoldings Fund, Inc. (MHD)

|   | Year Ended April 30, |          |          |                     |          |
|---|----------------------|----------|----------|---------------------|----------|
|   | 2009                 | 2008     | 2007     | 2006                | 2005     |
| <b>Per Share Operating Performance</b>  |                      |          |          |                     |          |
| Net asset value, beginning of year  | \$ 15.20             | \$ 16.51 | \$ 16.14 | \$ 16.31            | \$ 15.54 |
| Net investment income <sup>1</sup>  | 1.07                 | 1.16     | 1.17     | 1.16                | 1.20     |
| Net realized and unrealized gain (loss)   | (1.94)               | (1.20)   | 0.42     | (0.00) <sup>2</sup> | 0.84     |
| Dividends and distributions to Preferred Shareholders from:                         |                      |          |          |                     |          |
| Net investment income   | (0.18)               | (0.31)   | (0.32)   | (0.23)              | (0.12)   |
| Net realized gain   | (0.01)               | (0.03)   |          |                     |          |
| Net increase (decrease) from investment operations                                  | (1.06)               | (0.38)   | 1.27     | 0.93                | 1.92     |
| Dividends and distributions to Common Shareholders from:                            |                      |          |          |                     |          |
| Net investment income   | (0.85)               | (0.85)   | (0.90)   | (1.08)              | (1.15)   |
| Net realized gain   | (0.02)               | (0.08)   |          |                     |          |
| Total dividends and distributions to Common Shareholders                            | (0.87)               | (0.93)   | (0.90)   | (1.08)              | (1.15)   |
| Capital charges with respect to issuance of Preferred Shares                        |                      |          |          | (0.02)              |          |
| Net asset value, end of year  | \$ 13.27             | \$ 15.20 | \$ 16.51 | \$ 16.14            | \$ 16.31 |
| Market price, end of year   | \$ 11.97             | \$ 14.77 | \$ 16.49 | \$ 16.20            | \$ 16.12 |
| <b>Total Investment Return<sup>3</sup></b>  |                      |          |          |                     |          |
| Based on net asset value  | (6.24)%              | (2.08)%  | 8.06%    | 5.69%               | 12.95%   |
| Based on market price   | (12.97)%             | (4.74)%  | 7.52%    | 7.34%               | 20.22%   |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>               |                      |          |          |                     |          |
| Total expenses after fees waived excluding interest expense and fees <sup>4,5</sup> | 1.25%                | 1.20%    | 1.17%    | 1.15%               | 1.13%    |
| Total expenses after fees waived <sup>5</sup>                                       | 1.64%                | 1.56%    | 1.54%    | 1.30%               | 1.15%    |

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|  |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|
| Total expenses <sup>5</sup>                  | 1.65% | 1.56% | 1.54% | 1.30% | 1.15% |
| Net investment income <sup>5</sup>           | 7.98% | 7.27% | 7.14% | 7.15% | 7.61% |
| Dividends to Preferred Shareholders          | 1.32% | 1.96% | 1.93% | 1.45% | 0.74% |
| Net investment income to Common Shareholders | 6.66% | 5.31% | 5.20% | 5.70% | 6.87% |

**Supplemental Data**

|   |            |                        |                        |                        |                        |
|---|------------|------------------------|------------------------|------------------------|------------------------|
| Net assets applicable to Common Shareholders, end of year (000)           | \$ 184,685 | \$ 211,429             | \$ 229,376             | \$ 223,658             | \$ 225,218             |
| Preferred Shares outstanding at liquidation preference, end of year (000) | \$ 91,925  | \$ 125,000             | \$ 125,000             | \$ 125,000             | \$ 110,000             |
| Portfolio turnover  | 19%        | 30%                    | 20%                    | 45%                    | 34%                    |
| Asset coverage per Preferred Share, end of year                           | \$ 75,230  | \$ 67,294 <sub>6</sub> | \$ 70,889 <sub>6</sub> | \$ 69,742 <sub>6</sub> | \$ 76,186 <sub>6</sub> |

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Amount is less than \$(0.01) per share.

<sup>3</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

<sup>4</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

<sup>5</sup> Do not reflect the effect of dividends to Preferred Shareholders.

<sup>6</sup> Amounts have been recalculated to conform with current year presentation.

See Notes to Financial Statements.

## Financial Highlights

## BlackRock MuniHoldings Fund II, Inc. (MUH)

|   | Period<br>August 1,<br>2008 to<br>April 30,<br>2009 | Year Ended July 31, |          |          |          |          |
|---|---|---------------------|----------|----------|----------|----------|
|   |   | 2008                | 2007     | 2006     | 2005     | 2004     |
| <b>Per Share Operating Performance</b>  |   |                     |          |          |          |          |
| Net asset value, beginning of period  | \$ 13.66  | \$ 14.78            | \$ 14.82 | \$ 15.03 | \$ 13.98 | \$ 13.46 |
| Net investment income <sup>1</sup>  | 0.72  | 1.04                | 1.05     | 1.04     | 1.08     | 1.15     |
| Net realized and unrealized gain (loss)   | (1.22)  | (1.14)              | (0.05)   | (0.11)   | 1.15     | 0.50     |
| Dividends to Preferred Shareholders from net investment income                      | (0.10)  | (0.26)              | (0.27)   | (0.23)   | (0.14)   | (0.10)   |
| Net increase (decrease) from investment operations                                  | (0.60)  | (0.36)              | 0.73     | 0.70     | 2.09     | 1.55     |
| Dividends to Common Shareholders from net investment income                         | (0.59)  | (0.76)              | (0.77)   | (0.91)   | (1.04)   | (1.03)   |
| Net asset value, end of period  | \$ 12.47  | \$ 13.66            | \$ 14.78 | \$ 14.82 | \$ 15.03 | \$ 13.98 |
| Market price, end of period   | \$ 11.33  | \$ 13.01            | \$ 13.99 | \$ 14.12 | \$ 15.25 | \$ 13.53 |
| <b>Total Investment Return<sup>2</sup></b>  |   |                     |          |          |          |          |
| Based on net asset value  | (3.55)% <sup>3</sup>                                | (2.30)%             | 5.08%    | 4.89%    | 15.46%   | 11.88%   |
| Based on market price   | (7.99)% <sup>3</sup>                                | (1.69)%             | 4.39%    | (1.50)%  | 21.04%   | 10.75%   |
| <b>Ratios to Average Net Assets of Common Shareholders</b>                          |   |                     |          |          |          |          |
| Total expenses after fees waived excluding interest expense and fees <sup>4,5</sup> | 1.22% <sup>6</sup>                                  | 1.18%               | 1.19%    | 1.18%    | 1.19%    | 1.21%    |
| Total expenses after fees waived <sup>5</sup>                                       | 1.60% <sup>6</sup>                                  | 1.55%               | 1.63%    | 1.44%    | 1.27%    | 1.30%    |
| Total expenses <sup>5</sup>   | 1.60% <sup>6</sup>                                  | 1.55%               | 1.63%    | 1.44%    | 1.27%    | 1.31%    |
| Net investment income <sup>5</sup>  | 7.84% <sup>6</sup>                                  | 7.07%               | 6.97%    | 7.04%    | 7.38%    | 8.13%    |
| Dividends to Preferred Shareholders   | 1.07% <sup>6</sup>                                  | 1.79%               | 1.82%    | 1.55%    | 0.98%    | 0.69%    |

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|  |                    |       |       |       |       |       |
|--|--------------------|-------|-------|-------|-------|-------|
| Net investment income to Common Shareholders | 6.77% <sup>6</sup> | 5.28% | 5.15% | 5.49% | 6.41% | 7.44% |
|--|--------------------|-------|-------|-------|-------|-------|

**Supplemental Data**

|   |            |                        |                        |                        |                        |                        |
|---|------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Net assets applicable to Common Shareholders, end of period (000)           | \$ 139,377 | \$ 152,633             | \$ 165,185             | \$ 165,565             | \$ 167,588             | \$ 155,583             |
| Preferred Shares outstanding at liquidation preference, end of period (000) | \$ 61,000  | \$ 61,000              | \$ 87,000              | \$ 87,000              | \$ 87,000              | \$ 87,000              |
| Portfolio turnover  | 19%        | 28%                    | 15%                    | 49%                    | 38%                    | 29%                    |
| Asset coverage per Preferred Share, end of period                           | \$ 81,123  | \$ 87,562 <sup>7</sup> | \$ 72,478 <sup>7</sup> | \$ 72,555 <sup>7</sup> | \$ 73,163 <sup>7</sup> | \$ 69,725 <sup>7</sup> |

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

<sup>3</sup> Aggregate total investment return.

<sup>4</sup> Do not reflect the effect of dividends to Preferred Shareholders.

<sup>5</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

<sup>6</sup> Annualized.

<sup>7</sup> Amounts have been recalculated to conform with current period presentation.

See Notes to Financial Statements.



## Financial Highlights

## BlackRock MuniHoldings Insured Fund, Inc. (MUS)

|   | Year Ended April 30, |          |          |          |          |
|---|----------------------|----------|----------|----------|----------|
|   | 2009                 | 2008     | 2007     | 2006     | 2005     |
| <b>Per Share Operating Performance</b>  |                      |          |          |          |          |
| Net asset value, beginning of year  | \$ 13.31             | \$ 14.10 | \$ 13.80 | \$ 14.44 | \$ 14.12 |
| Net investment income <sup>1</sup>  | 0.93                 | 1.05     | 0.93     | 0.97     | 1.01     |
| Net realized and unrealized gain (loss)   | (1.20)               | (0.87)   | 0.36     | (0.50)   | 0.38     |
| Dividends to Preferred Shareholders from net investment income                          | (0.19)               | (0.38)   | (0.36)   | (0.28)   | (0.16)   |
| Net increase (decrease) from investment operations                                      | (0.46)               | (0.20)   | 0.93     | 0.19     | 1.23     |
| Dividends to Common Shareholders from net investment income                             | (0.58)               | (0.59)   | (0.63)   | (0.83)   | (0.91)   |
| Net asset value, end of year  | \$ 12.27             | \$ 13.31 | \$ 14.10 | \$ 13.80 | \$ 14.44 |
| Market price, end of year   | \$ 10.87             | \$ 11.97 | \$ 13.13 | \$ 13.10 | \$ 13.70 |
| <b>Total Investment Return<sup>2</sup></b>  |                      |          |          |          |          |
| Based on net asset value  | (2.52)%              | (0.95)%  | 7.29%    | 1.46%    | 9.35%    |
| Based on market price   | (3.97)%              | (4.34)%  | 5.25%    | 1.51%    | 15.90%   |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>                   |                      |          |          |          |          |
| Total expenses after fees waived and excluding interest expense and fees <sup>3,4</sup> | 1.17%                | 1.27%    | 1.23%    | 1.24%    | 1.24%    |
| Total expenses after fees waived <sup>4</sup>   | 1.65%                | 1.51%    | 1.56%    | 1.54%    | 1.60%    |
| Total expenses <sup>4</sup>   | 1.88%                | 1.64%    | 1.67%    | 1.65%    | 1.70%    |
| Net investment income <sup>4</sup>  | 7.69%                | 7.72%    | 6.62%    | 6.87%    | 7.09%    |
| Dividends to Preferred Shareholders   | 1.61%                | 2.80%    | 2.59%    | 2.00%    | 1.09%    |

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|  |       |       |       |       |       |
|--|-------|-------|-------|-------|-------|
| Net investment income to Common Shareholders | 6.08% | 4.92% | 4.03% | 4.87% | 6.00% |
|--|-------|-------|-------|-------|-------|

**Supplemental Data**

|   |            |                        |                        |                        |                        |
|---|------------|------------------------|------------------------|------------------------|------------------------|
| Net assets applicable to Common Shareholders, end of year (000)           | \$ 158,061 | \$ 171,510             | \$ 181,640             | \$ 177,790             | \$ 185,821             |
| Preferred Shares outstanding at liquidation preference, end of year (000) | \$ 94,200  | \$ 134,000             | \$ 134,000             | \$ 134,000             | \$ 134,000             |
| Portfolio turnover  | 35%        | 57%                    | 29%                    | 59%                    | 43%                    |
| Asset coverage per Preferred Share, end of year                           | \$ 66,951  | \$ 57,008 <sub>5</sub> | \$ 58,903 <sub>5</sub> | \$ 58,181 <sub>5</sub> | \$ 59,674 <sub>5</sub> |

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

<sup>3</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

<sup>4</sup> Do not reflect the effect of dividends to Preferred Shareholders.

<sup>5</sup> Amounts have been recalculated to conform with current period presentation.

See Notes to Financial Statements.

## Financial Highlights

## BlackRock Muni Intermediate Duration Fund, Inc. (MUI)

|   | Period<br>June 1,<br>2008 to<br>April 30,<br>2009 | Year Ended May 31, |                   |                   |                   | Period<br>August 1,<br>2003 <sup>1</sup> to<br>May 31,<br>2004 |
|---|---|--------------------|-------------------|-------------------|-------------------|--|
|   |   | 2008               | 2007              | 2006              | 2005              |  |
| <b>Per Share Operating Performance</b>                      |   |                    |                   |                   |                   |  |
| Net asset value, beginning of period                        | \$ 14.45  | \$ 15.10           | \$ 15.07          | \$ 15.51          | \$ 14.52          | \$ 14.33   |
| Net investment income                                       | 0.89 <sub>2</sub>                                 | 1.04 <sub>2</sub>  | 1.03 <sub>2</sub> | 1.04 <sub>2</sub> | 1.02 <sub>2</sub> | 0.79   |
| Net realized and unrealized gain (loss)                     | (1.42)  | (0.63)             | 0.18              | (0.15)            | 1.15              | 0.21   |
| Dividends and distributions to Preferred Shareholders from: |   |                    |                   |                   |                   |  |
| Net investment income                                       | (0.23)  | (0.33)             | (0.28)            | (0.21)            | (0.11)            | (0.06)   |
| Net realized gain   |   |                    | (0.04)            | (0.04)            | (0.02)            |  |
| Net increase (decrease) from investment operations          | (0.76)  | 0.08               | 0.89              | 0.64              | 2.04              | 0.94   |
| Dividends and distributions to Common Shareholders from:    |   |                    |                   |                   |                   |  |
| Net investment income                                       | (0.64)  | (0.73)             | (0.74)            | (0.84)            | (0.86)            | (0.65)   |
| Net realized gain   |   |                    | (0.12)            | (0.23)            | (0.19)            |  |
| Total dividends and distributions to Common Shareholders    | (0.64)  | (0.73)             | (0.86)            | (1.07)            | (1.05)            | (0.65)   |
| Capital charges with respect to issuance of:                |   |                    |                   |                   |                   |  |
| Common Shares   |   |                    |                   |                   |                   | (0.02)   |
| Preferred Shares  |   |                    |                   | (0.01)            |                   | (0.08)   |
| Total capital charges with respect to issuance of shares    |   |                    |                   | (0.01)            |                   | (0.10)   |
| Net asset value, end of period                              | \$ 13.05  | \$ 14.45           | \$ 15.10          | \$ 15.07          | \$ 15.51          | \$ 14.52   |
| Market price, end of period                                 | \$ 11.77  | \$ 13.70           | \$ 14.85          | \$ 14.52          | \$ 13.94          | \$ 13.10   |
| <b>Total Investment Return<sup>3</sup></b>                  |   |                    |                   |                   |                   |  |
| Based on net asset value                                    | (4.56)% <sup>4</sup>                              | 0.86%              | 6.14%             | 4.71%             | 15.36%            | 6.09% <sup>4</sup>   |
| Based on market price                                       | (9.21)% <sup>4</sup>                              | (2.76)%            | 8.34%             | 12.25%            | 14.93%            | (8.59)% <sup>4</sup>   |

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**Ratios to Average Net Assets Applicable to Common Shareholders**

|   |                    |       |       |       |       |                    |
|---|--------------------|-------|-------|-------|-------|--------------------|
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees <sup>5,6</sup> | 1.02% <sup>7</sup> | 0.90% | 0.87% | 0.87% | 0.84% | 0.75% <sup>7</sup> |
| Total expenses after fees waived and paid indirectly <sup>5</sup>   | 1.25% <sup>7</sup> | 1.07% | 1.07% | 1.00% | 0.85% | 0.75% <sup>7</sup> |
| Total expenses <sup>5</sup>   | 1.44% <sup>7</sup> | 1.30% | 1.31% | 1.24% | 1.07% | 1.03% <sup>7</sup> |
| Net investment income <sup>5</sup>  | 7.46% <sup>7</sup> | 6.97% | 6.71% | 6.82% | 6.77% | 6.51% <sup>7</sup> |
| Dividends to Preferred Shareholders   | 1.94% <sup>7</sup> | 2.23% | 1.80% | 1.36% | 0.74% | 0.48% <sup>7</sup> |
| Net investment income to Common Shareholders  | 5.52% <sup>7</sup> | 4.74% | 4.91% | 5.46% | 6.03% | 6.03% <sup>7</sup> |

**Supplemental Data**

|   |            |                        |                        |                        |                        |                        |
|---|------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Net assets applicable to Common Shareholders, end of period (000)           | \$ 496,247 | \$ 549,415             | \$ 574,225             | \$ 573,034             | \$ 589,802             | \$ 552,179             |
| Preferred Shares outstanding at liquidation preference, end of period (000) | \$ 287,175 | \$ 320,000             | \$ 320,000             | \$ 320,000             | \$ 285,000             | \$ 285,000             |
| Portfolio turnover  | 13%        | 14%                    | 12%                    | 49%                    | 54%                    | 70%                    |
| Asset coverage per Preferred Share, end of period                           | \$ 68,207  | \$ 67,941 <sub>8</sub> | \$ 69,875 <sub>8</sub> | \$ 69,781 <sub>8</sub> | \$ 73,743 <sub>8</sub> | \$ 73,441 <sub>8</sub> |

<sup>1</sup> Commencement of operations.

<sup>2</sup> Based on average shares outstanding.

<sup>3</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effects of sales charges.

<sup>4</sup> Aggregate total investment return.

<sup>5</sup> Do not reflect the effect of dividends to Preferred Shareholders.

<sup>6</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

<sup>7</sup> Annualized.

<sup>8</sup> Amounts have been recalculated to conform with current period presentation.

See Notes to Financial Statements.



## Financial Highlights

BlackRock MuniVest Fund II, Inc. (MVT)

|   | Period<br>November 1,<br>2008 to<br>April 30,<br>2009 | Year Ended October 31, |          |          |          |          |
|---|---|------------------------|----------|----------|----------|----------|
|   |   | 2008                   | 2007     | 2006     | 2005     | 2004     |
| <b>Per Share Operating Performance</b>                            |   |                        |          |          |          |          |
| Net asset value, beginning of period                              | \$ 10.95  | \$ 14.49               | \$ 15.35 | \$ 15.13 | \$ 15.21 | \$ 14.76 |
| Net investment income <sup>1</sup>                                | 0.53  | 1.12                   | 1.16     | 1.16     | 1.19     | 1.17     |
| Net realized and unrealized gain (loss)                           | 0.95  | (3.49)                 | (0.84)   | 0.35     | 0.04     | 0.44     |
| Dividends to Preferred Shareholders from net investment income    | (0.05)  | (0.32)                 | (0.32)   | (0.29)   | (0.18)   | (0.07)   |
| Net increase (decrease) from investment operations                | 1.43  | (2.69)                 |          | 1.22     | 1.05     | 1.54     |
| Dividends to Common Shareholders from net investment income       | (0.43)  | (0.85)                 | (0.86)   | (1.00)   | (1.10)   | (1.09)   |
| Capital charge with respect to issuance of Preferred Shares       |   |                        |          |          | (0.03)   |          |
| Net asset value, end of period                                    | \$ 11.95  | \$ 10.95               | \$ 14.49 | \$ 15.35 | \$ 15.13 | \$ 15.21 |
| Market price, end of period                                       | \$ 11.65  | \$ 9.75                | \$ 13.91 | \$ 16.29 | \$ 15.40 | \$ 15.15 |
| <b>Total Investment Return<sup>2</sup></b>                        |   |                        |          |          |          |          |
| Based on net asset value  | 13.71% <sup>3</sup>                                   | (19.33)%               | (0.02)%  | 8.36%    | 6.88%    | 10.94%   |
| Based on market price   | 24.49% <sup>3</sup>                                   | (25.18)%               | (9.56)%  | 12.98%   | 9.21%    | 14.38%   |
| <b>Ratios to Average Net Assets Applicable to Common Shares</b>   |   |                        |          |          |          |          |
| Total expenses excluding interest expense and fees <sup>4,5</sup> | 1.26% <sup>6</sup>                                    | 1.16%                  | 1.12%    | 1.11%    | 1.07%    | 0.99%    |
| Total expenses <sup>5</sup>                                       | 1.51% <sup>6</sup>                                    | 1.67%                  | 1.67%    | 1.61%    | 1.35%    | 1.16%    |
| Net investment income <sup>5</sup>                                | 9.77% <sup>6</sup>                                    | 8.03%                  | 7.74%    | 7.70%    | 7.76%    | 7.86%    |

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|  |                    |       |       |       |       |       |
|--|--------------------|-------|-------|-------|-------|-------|
| Dividends to Preferred Shareholders          | 0.95% <sup>6</sup> | 2.31% | 2.11% | 1.90% | 1.14% | 0.46% |
| Net investment income to Common Shareholders | 8.82% <sup>6</sup> | 5.72% | 5.63% | 5.80% | 6.62% | 7.40% |

**Supplemental Data**

|   |            |            |                        |                        |                        |                        |
|---|------------|------------|------------------------|------------------------|------------------------|------------------------|
| Net assets applicable to Common Shareholders, end of period (000)           | \$ 243,583 | \$ 223,210 | \$ 293,836             | \$ 309,975             | \$ 303,701             | \$ 303,448             |
| Preferred Shares outstanding at liquidation preference, end of period (000) | \$ 150,800 | \$ 150,800 | \$ 175,000             | \$ 175,000             | \$ 175,000             | \$ 135,000             |
| Portfolio turnover  | 9%         | 49%        | 43%                    | 60%                    | 64%                    | 20%                    |
| Asset coverage per Preferred Share, end of period                           | \$ 65,388  | \$ 62,019  | \$ 67,004 <sup>7</sup> | \$ 69,307 <sup>7</sup> | \$ 68,389 <sup>7</sup> | \$ 81,194 <sup>7</sup> |

<sup>1</sup> Based on average shares outstanding.

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effect of sales charges.

<sup>3</sup> Aggregate total investment return.

<sup>4</sup> Interest expense and fees relate to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

<sup>5</sup> Do not reflect the effects of dividends to Preferred Shareholders.

<sup>6</sup> Annualized.

<sup>7</sup> Amounts have been recalculated to conform with current period presentation.

See Notes to Financial Statements.

## Notes to Financial Statements

**1. Organization and Significant Accounting Policies:**

BlackRock Apex Municipal Fund, Inc. ( Apex ), BlackRock MuniAssets Fund, Inc. ( MuniAssets ), BlackRock MuniEnhanced Fund, Inc. ( MuniEnhanced ), BlackRock MuniHoldings Fund, Inc. ( MuniHoldings Fund ), BlackRock Muni-Holdings Fund II, Inc. ( MuniHoldings Fund II ), BlackRock MuniHoldings Insured Fund, Inc. ( MuniHoldings Insured ), BlackRock Muni Intermediate Duration Fund, Inc. ( Muni Intermediate ) and BlackRock MuniVest Fund II, Inc. ( MuniVest Fund II ) (all, collectively the Funds or individually as the Fund ) are registered under the Investment Company Act of 1940, as amended (the 1940 Act ), as non-diversified, closed-end management investment companies. All Funds are organized as Maryland corporations. The Funds' financial statements are prepared in conformity with accounting principles generally accepted in the United States of America, which may require the use of management accruals and estimates. Actual results may differ from these estimates. All Funds' year ends were changed to April 30, except MuniHoldings Fund and MuniHoldings Insured as follows:

|                      | Current Period                     | Prior Year End   |
|----------------------|------------------------------------|------------------|
| Apex                 | July 1, 2008 to April 30, 2009     | June 30, 2008    |
| MuniAssets           | June 1, 2008 to April 30, 2009     | May 31, 2008     |
| MuniEnhanced         | February 1, 2009 to April 30, 2009 | January 31, 2009 |
| MuniHoldings Fund II | August 1, 2008 to April 30, 2009   | July 31, 2008    |
| Muni Intermediate    | June 1, 2008 to April 30, 2009     | May 31, 2008     |
| MuniVest Fund II     | November 1, 2008 to April 30, 2009 | October 31, 2008 |

Each Fund determines, and makes available for publication the net asset value of its Common Shares on a daily basis.

The following is a summary of significant accounting policies followed by the Funds:

**Valuation of Investments:** 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 selected under the supervision of each Fund's Board of Directors (the Board ). In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from bond dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments. Financial futures contracts traded on exchanges are valued at their last sale price. Swap agreements are valued by utilizing quotes received daily by the Funds' pricing service or through brokers, which are derived using daily swap curves and trades of underlying securities. Short-term securities with maturities less than 60 days may be valued at amortized cost, which approximates fair value. Investments in open-end investment companies are valued at net asset value each business day.

In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the market value of such investment, the investment will be valued by a method approved by each Fund's Board as reflecting fair value ( Fair Value Assets ). When determining the price for Fair Value Assets, the investment advisor and/or sub-advisor seeks to determine the price that each Fund might reasonably expect to receive from the current sale of that asset in an arm's-length transaction. Fair value determinations shall be based upon all available factors that the investment advisor and/or sub-advisor deems relevant. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof.

**Derivative Financial Instruments:** Each Fund may engage in various portfolio investment strategies both to increase the return of the Fund and to hedge, or protect, its exposure to interest rate movements and movements in the securities markets. Losses may arise if the value of the contract decreases due to an unfavorable change in the price of the underlying security or if the counterparty does not perform under the contract.

**Financial futures contracts** Each Fund may purchase or sell financial futures contracts and options on such futures contracts for investment purposes or to manage its interest rate risk. Futures are contracts for delayed delivery of securities at a specific future date and at a specific price or yield. Pursuant to the contract, the Fund agrees to receive from, or pay to, the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as margin variation and are recognized by the Fund as unrealized gains or losses. When the contract is closed, the Fund records a realized gain or loss 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 transactions involves the risk of an



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imperfect correlation in the movements in the price of futures contracts, interest rates and the underlying assets, and the possible inability of counterparties to meet the terms of their contracts.

**Forward interest rate swaps** Each Fund may enter into forward interest rate swaps for investment purposes. The Funds may enter into swap agreements, in which the Fund and the counterparty agree to make periodic net payments on a specific notional amount. In a forward interest rate swap, a Fund and the counterparty agreed to make periodic net payments on a specified notional contract amount, commencing on a specified future effective date, unless terminated earlier. These periodic payments received or made by the Funds are recorded in the accompanying Statements of Operations as realized gains or losses, respectively. Swaps are marked-to-market daily and changes in value are recorded as unrealized appreciation (depreciation). When the swap is terminated, the Funds will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Funds' basis in the contract, if any. The Funds generally intend to close each forward interest rate swap before the effective date specified in the agreement and therefore avoid entering into the interest rate swap underlying each forward interest rate swap. Swap transactions involve, to varying degrees, elements of credit and market risk in excess of the amounts recognized on the Statements of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of the contractual terms in the agreements, and that there may be unfavorable changes in interest rates and/or market values associated with these transactions.

**Forward Commitments and When-Issued Delayed Delivery Securities:** Each Fund may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such

## Notes to Financial Statements (continued)

transactions normally occurs within a month or more after the purchase or sale commitment is made. The Funds may purchase securities under such conditions only 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, the Funds may be required to pay more at settlement than the security is worth. In addition, the purchaser is not entitled to any of the interest earned prior to settlement. When purchasing a security on a delayed-delivery basis, the Funds assume the rights and risks of ownership of the security, including the risk of price and yield fluctuations.

**Municipal Bonds Transferred to Tender Option Bond Trusts:** Each Fund leverages its assets through the use of tender option bond trusts ( TOBs ). A TOB is established by a third party sponsor forming a special purpose entity, into which one or more funds, or an agent on behalf of the funds, transfers municipal bonds. Other funds managed by the investment advisor may also contribute municipal bonds to a TOB into which a Fund has contributed bonds. A TOB typically issues two classes of beneficial interests: short-term floating rate certificates, which are sold to third party investors, and residual certificates ( TOB Residuals ), which are generally issued to the participating funds that made the transfer. The TOB Residuals held by a Fund include the right of the Fund (1) to cause the holders of a proportional share of the floating rate certificates to tender their certificates at par, and (2) to transfer, within seven days, a corresponding share of the municipal bonds from the TOB to the Fund. The TOB may also be terminated without the consent of the Fund upon the occurrence of certain events as defined in the TOB agreements. Such termination events may include the bankruptcy or default of the municipal bond, a substantial downgrade in credit quality of the municipal bond, the inability of the TOB to obtain quarterly or annual renewal of the liquidity support agreement, a substantial decline in market value of the municipal bond or the inability to remarket the short-term floating rate certificates to third party investors.

The cash received by the TOB from the sale of the short-term floating rate certificates, less transaction expenses, is paid to the Fund, which typically invests the cash in additional municipal bonds. Each Fund's transfer of the municipal bonds to a TOB is accounted for as a secured borrowing, therefore the municipal bonds deposited into a TOB are presented in the Funds' Schedules of Investments and the proceeds from the issuance of the short term floating rate certificates are shown on the Statements of Assets and Liabilities as trust certificates.

Interest income from the underlying security is recorded by the Funds on an accrual basis. Interest expense incurred on the secured borrowing and other expenses related to remarketing, administration and trustee services to a TOB are reported as expenses of the Funds. The floating rate certificates have interest rates that generally reset weekly and their holders have the option to tender certificates to the TOB for redemption at par at each reset date. At April 30, 2009, the aggregate value of the underlying municipal bonds transferred to TOBs, the related liability for trust certificates and the range of interest rates for trust certificates were as follows:

|                      | Underlying<br>Municipal<br>Bonds<br>Transferred to<br>TOBs | Liability<br>for Trust<br>Certificates | Range of<br>Interest<br>Rates<br>for Trust<br>Certificates |        |
|----------------------|--|--|--|--------|
| Apex                 | \$ 14,288,953  | \$ 7,285,446                           | 0.578%   | 1.717% |
| MuniAssets           | \$ 21,104,447  | \$ 10,755,646                          | 0.578%   | 1.717% |
| MuniEnhanced         | \$ 87,187,189  | \$ 45,851,537                          | 0.513%   | 1.636% |
| MuniHoldings Fund    | \$ 57,523,400  | \$ 30,287,956                          | 0.713%   | 1.974% |
| MuniHoldings Fund II | \$ 45,315,513  | \$ 24,138,073                          | 0.713%   | 1.927% |
| MuniHoldings Insured | \$ 46,830,446  | \$ 26,389,442                          | 0.477%   | 2.312% |
| Muni Intermediate    | \$ 93,380,980  | \$ 53,282,804                          | 1.736%   | 2.317% |
| MuniVest Fund II     | \$ 87,169,159  | \$ 44,766,441                          | 0.615%   | 1.265% |

Financial transactions executed through TOBs generally will underperform the market for fixed rate municipal bonds when short-term interest rates rise, but tend to outperform the market for fixed rate bonds when short term interest rates decline or remain relatively stable. Should short-term interest rates rise, the Funds' investments in TOBs may adversely affect the Funds' investment income and distributions to shareholders. Also, fluctuations in the market value of municipal bonds deposited into the TOB may adversely affect the Funds' net asset value per share.

**Zero-Coupon Bonds:** Each Fund may invest in zero-coupon bonds, which are normally issued at a significant discount from face value and do not provide periodic interest payments. Zero-coupon bonds may experience greater volatility in market value than similar maturity debt obligations which provide regular interest payments.

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**Segregation and Collateralization:** In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission ( SEC ) require that each Fund segregates assets in connection with certain investments (e.g., when-issued, delayed delivery securities, futures and swaps), each Fund will, consistent with certain interpretive letters issued by the SEC, designate on its books and records cash or other liquid securities having a market value at least equal to the amount that would otherwise be required to be physically segregated. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, the Funds may also be required to deliver or deposit securities as collateral for certain investments (e.g., futures and swaps).

**Investment Transactions and Investment Income:** Investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on security transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income is recognized on the accrual method. Each Fund amortizes all premiums and discounts on debt securities.

**Dividends and Distributions:** Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates. Dividends and distributions to Preferred Shareholders are accrued and determined as described in Note 5.

**Income Taxes:** It is each Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Notes to Financial Statements (continued)

Each Fund files US federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Funds' US federal tax returns remains open for the year or period ended April 30, 2009 and the preceding three fiscal years of the respective Fund. The statutes of limitations on the Funds' state and local tax returns may remain open for an additional year depending upon the jurisdiction.

**Recent Accounting Pronouncement:** In March 2008, Statement of Financial Accounting Standards No. 161, "Disclosures about Derivative Instruments and Hedging Activities" (an amendment of FASB Statement No. 133 (FAS 161)), was issued. FAS 161 is intended to improve financial reporting for derivative instruments by requiring enhanced disclosure that enables investors to understand how and why an entity uses derivatives, how derivatives are accounted for and how derivative instruments affect an entity's results of operations and financial position. FAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. MuniEnhanced adopted FAS 161, effective February 1, 2009. Adoption of FAS 161 had no impact on the Fund's financial statement disclosures. For all other Funds, the impact on the Funds' financial statement disclosures, if any, is currently being assessed.

**Deferred Compensation and BlackRock Closed-End Share Equivalent Investment Plan:** Under the deferred compensation plan approved by each Fund's Board, non-interested Directors (Independent Directors) 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 other certain BlackRock Closed-End Funds selected by the Independent Directors. This has approximately the same economic effect for the Independent Directors as if the Independent Directors had invested the deferred amounts directly in other certain BlackRock Closed-End Funds.

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Fund. Each Fund may, however, elect to invest in common shares of other certain BlackRock Closed-End Funds selected by the Independent Directors in order to match their deferred compensation obligations.

**Bank Overdraft:** MuniHoldings Insured recorded a bank overdraft which resulted from estimates of available cash.

**Other:** Expenses directly related to each Fund are charged to that Fund. Other operating expenses shared by several funds are pro-rated among those funds on the basis of relative net assets or other appropriate methods. Custodian fees may be reduced by amounts calculated on uninvested cash balances, which are shown on the Statements of Operations as fees paid indirectly.

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

Each Fund entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the Advisor), an indirect, wholly owned subsidiary of BlackRock, Inc. (BlackRock), to provide investment advisory and administration services. The PNC Financial Services Group, Inc. (PNC) and Bank of America Corporation (BAC) are the largest stockholders of BlackRock. BAC became a stockholder of BlackRock following its acquisition of Merrill Lynch & Co., Inc. (Merrill Lynch) on January 1, 2009. Prior to that date, both PNC and Merrill Lynch were considered affiliates of the Funds under the 1940 Act. Subsequent to the acquisition, PNC remains an affiliate, but due to the restructuring of Merrill Lynch's ownership interest of BlackRock, BAC is not deemed to be an affiliate under the 1940 Act.

The Advisor is responsible for the management of each Fund's portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of each Fund. For such services, each Fund pays the Advisor a monthly fee at an annual rate of 0.50% for MuniEnhanced and MuniVest II, 0.55% for MuniAssets, MuniHoldings Fund, MuniHoldings Fund II, MuniHoldings Insured and Muni Intermediate, and 0.65% for Apex of each Fund's average daily net assets. Average daily net assets is the average daily value of the respective Fund's total assets minus the sum of its accrued liabilities.

The Advisor has contractually agreed to waive a portion of its fee during the first seven years of Muni Intermediate's operations ending July 31, 2010, as follows:

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**Fee Waiver  
(As a Percentage  
of Average Daily  
Net Assets)**

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|                       |       |
|-----------------------|-------|
| Years 1 through 5     | 0.15% |
| Year 6                | 0.10% |
| Year 7                | 0.05% |
| Year 8 and thereafter | 0.00% |

This amount is included in fees waived by advisor on the Statements of Operations for Muni Intermediate. For the two periods shown, the waiver was as follows:

|                   | Current Year | Prior Year   |
|-------------------|--------------|--------------|
| Muni Intermediate | \$ 836,120   | \$ 1,319,995 |

The Advisor has agreed to waive its advisory fees by the amount of investment advisory fees each Fund pays to the Advisor indirectly through its investment in affiliated money market funds. These amounts are included in fees waived by advisor on the Statements of Operations. For the two periods shown, the amounts were as follows:

|                      | Current Period | Prior Year |
|----------------------|----------------|------------|
| Apex                 | \$ 3,663       | \$ 3,446   |
| MuniAssets           | \$ 9,317       | \$ 7,246   |
| MuniEnhanced         | \$ 6,232       | \$ 27,586  |
| MuniHoldings Fund    | \$ 7,584       | \$ 18      |
| MuniHoldings Fund II | \$ 4,942       | \$ 22      |
| MuniHoldings Insured | \$ 15,206      | \$ 331     |
| Muni Intermediate    | \$ 38,123      | \$ 6,567   |

The Advisor for MuniHoldings Insured has voluntarily agreed to waive its investment advisory fee on the proceeds of Preferred Shares and TOBs that exceed 35% of the Fund's average daily net assets. This amount is included

**Notes to Financial Statements (continued)**

in fees waived by advisor on the Statements of Operations. For the current year ended April 30, 2009, the waiver was as follows:

|                      |    |         |
|----------------------|----|---------|
| MuniHoldings Insured | \$ | 345,203 |
|----------------------|----|---------|

The Advisor has entered into a separate sub-advisory agreement with BlackRock Investment Management, LLC ( BIM ), an affiliate of the Advisor, under which the Advisor pays BIM for services it provides, a monthly fee that is a percentage of the investment advisory fee paid by each Fund to the Advisor.

Each Fund reimbursed the Advisor for certain accounting services, which are included in accounting services on the Statements of Operations. The amounts for the current period and the prior year are as follows:

|                      | Current Period | Prior Year |
|----------------------|----------------|------------|
| Apex                 | \$ 2,398       | \$ 3,435   |
| MuniAssets           | \$ 3,832       | \$ 4,953   |
| MuniEnhanced         | \$ 2,364       | \$ 7,895   |
| MuniHoldings Fund    | \$ 5,151       | \$ 6,207   |
| MuniHoldings Fund II | \$ 2,882       | \$ 4,203   |
| MuniHoldings Insured | \$ 4,831       | \$ 5,542   |
| Muni Intermediate    | \$ 13,544      | \$ 15,942  |
| MuniVest Fund II     | \$ 3,909       | \$ 7,622   |

Certain officers and/or directors of the Funds are officers and/or directors of BlackRock or its affiliates. Each Fund reimburses the Advisor for compensation paid to each Fund's Chief Compliance Officer.

**3. Investments:**

Purchases and sales of investments, excluding short-term securities, for the current period, were as follows:

|                      | Purchases      | Sales          |
|----------------------|----------------|----------------|
| Apex                 | \$ 37,404,240  | \$ 32,778,548  |
| MuniAssets           | \$ 65,459,726  | \$ 53,501,275  |
| MuniEnhanced         | \$ 41,022,657  | \$ 26,855,574  |
| MuniHoldings Fund    | \$ 57,374,846  | \$ 57,734,679  |
| MuniHoldings Fund II | \$ 42,729,824  | \$ 51,580,260  |
| MuniHoldings Insured | \$ 95,113,347  | \$ 127,528,210 |
| Muni Intermediate    | \$ 127,937,159 | \$ 103,036,763 |
| MuniVest Fund II     | \$ 76,270,115  | \$ 37,211,399  |

**4. Concentration, Market and Credit Risk:**

Each Fund invests a substantial amount of its assets in issuers located in a single state or limited number of states. Please see the Schedule of Investments for concentrations in specific states.

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Many municipalities insure repayment of their bonds, which reduces the risk of loss due to issuer default. 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.

In the normal course of business, the Funds invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations (credit risk). The value of securities held by the Funds may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Funds; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency and interest rate and price fluctuations. Similar to credit risk, the Funds may be exposed to counterparty risk, or the risk that an entity with which the Funds have unsettled or open transactions may default. Financial assets, which potentially expose the Funds to credit and counterparty risks, consist principally of investments and cash due from counterparties. The extent of the Funds' exposure to credit and counterparty risks with respect to these financial assets is approximated by their value recorded in the Funds' Statements of Assets and Liabilities.

### 5. Capital Share Transactions:

Each Fund, except Apex, is authorized to issue 200 million shares (150 million for Apex), all of which were initially classified as Common Shares. The par value for each Fund's Common Shares is \$0.10. The par value for each Fund's Preferred Shares is \$0.10 except MuniEnhanced Series A, B and C which is \$0.025, and MuniVest II Series A, B and C which is \$0.05. Each Board is authorized, however, to reclassify any unissued shares without approval of Common Shareholders.

#### Common Shares

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

|                      | Current Period | Prior Year | Two Years Prior |
|----------------------|----------------|------------|-----------------|
| Apex                 | 53,658         | 103,837    | 104,307         |
| MuniAssets           | 95,859         | 146,172    | 154,369         |
| MuniHoldings Fund II |                |            | 4,645           |
| MuniVest Fund II     |                | 104,666    | 87,529          |

Shares issued and outstanding remained constant for MuniEnhanced, MuniHoldings Fund, MuniHoldings Insured and Muni Intermediate for the period ended April 30, 2009 and the prior two years.

#### Preferred Shares

The Preferred Shares are redeemable at the option of each respective Fund, in whole or in part, on any dividend payment date at its liquidation preference per share plus any accumulated or unpaid dividends whether or not declared. The Preferred Shares are also subject to mandatory redemption at \$25,000 per share plus any accumulated or unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and liabilities of the Funds, as set forth in the Funds' Articles Supplementary, are not satisfied.

From time to time in the future, the Funds that have issued Preferred Shares may effect repurchases of such shares at prices below their liquidation preferences as agreed upon by the Funds and seller. The Funds also may redeem their respective Preferred Shares from time to time as provided in the applicable Governing Instrument. The Funds intend to effect such redemptions and/or repurchases to the extent necessary to maintain applicable asset coverage requirements or for such other reasons as the Board may determine.

## Notes to Financial Statements (continued)

The holders of Preferred Shares have voting rights equal to the holders of Common Shares (one vote per share) and will vote together with the holders of Common Shares (one vote per share) as a single class. However, the holders of Preferred Shares, voting as a separate class, are also entitled to elect two Directors for each Fund. In addition, the 1940 Act requires that along with the approval of the holders of a majority of any outstanding Preferred Shares, voting separately as a class, would be required to (a) adopt any plan of reorganization that would adversely affect the Preferred Shares (b) change the Fund'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.

The Funds had the following series of Preferred Shares outstanding, effective yields and reset frequency at April 30, 2009:

|                      | Series            | Preferred Shares | Effective Yield | Reset Frequency Days |
|----------------------|-------------------|------------------|-----------------|----------------------|
| MuniEnhanced         | A <sup>1</sup>    | 1,699            | 0.731%          | 28                   |
|                      | B <sup>1</sup>    | 1,699            | 0.792%          | 28                   |
|                      | C <sup>1</sup>    | 1,699            | 0.792%          | 7                    |
|                      | D <sup>2</sup>    | 1,257            | 1.792%          | 7                    |
| MuniHoldings Fund    | A <sup>1</sup>    | 1,618            | 0.792%          | 7                    |
|                      | B <sup>1</sup>    | 1,618            | 0.762%          | 7                    |
|                      | C <sup>2</sup>    | 441              | 1.820%          | 7                    |
| MuniHoldings Fund II | A <sup>1</sup>    | 1,220            | 0.792%          | 7                    |
|                      | B <sup>1</sup>    | 1,220            | 0.792%          | 7                    |
| MuniHoldings Insured | A <sup>1</sup>    | 1,884            | 0.762%          | 7                    |
|                      | B <sup>1</sup>    | 1,884            | 0.792%          | 7                    |
| Muni Intermediate    | M7 <sup>2</sup>   | 1,795            | 1.820%          | 7                    |
|                      | T7 <sup>2</sup>   | 2,423            | 1.820%          | 7                    |
|                      | W7 <sup>2</sup>   | 1,795            | 1.820%          | 7                    |
|                      | TH7 <sup>2</sup>  | 2,423            | 1.792%          | 7                    |
|                      | F7 <sup>2</sup>   | 1,795            | 1.820%          | 7                    |
|                      | TH28 <sup>2</sup> | 1,256            | 1.751%          | 28                   |
| MuniVest Fund II     | A <sup>1</sup>    | 1,551            | 0.716%          | 28                   |
|                      | B <sup>1</sup>    | 1,551            | 0.746%          | 28                   |
|                      | C <sup>1</sup>    | 1,551            | 0.792%          | 7                    |
|                      | D <sup>2</sup>    | 1,379            | 1.820%          | 7                    |

<sup>1</sup> The maximum applicable rate is the higher of 110% of the AA commercial paper rate or 110% of 90% of the Kenny S&P 30-day High Grade Index rate divided by 1.00 minus the marginal tax rate.

<sup>2</sup> The maximum applicable rate is the higher of 110% plus or times the Telerate/BBA LIBOR or 110% or 90% of the Kenny S&P 30-day High Grade Index rate divided by 1.00 minus the marginal tax rate.

Dividends on seven-day and 28-day Preferred Shares are cumulative at a rate, which is reset every seven or 28 days, respectively, based on the results of an auction. If the Preferred Shares fail to clear the auction on an auction date, the Fund is required to pay the maximum applicable rate on the Preferred Shares to holders of such shares for successive dividend periods until such time as the shares are successfully auctioned. The maximum applicable rate on the Preferred Shares is as footnoted in the table above. The low, high and average dividend rates on the Preferred Shares for each Fund for the period were as follows:



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|                      | Series | Low    | High    | Average |
|----------------------|--------|--------|---------|---------|
| MuniEnhanced         | A      | 0.655% | 0.914%  | 0.796%  |
|                      | B      | 0.716% | 1.142%  | 0.795%  |
|                      | C      | 0.594% | 0.914%  | 0.754%  |
|                      | D      | 1.640% | 1.931%  | 1.786%  |
| MuniHoldings Fund    | A      | 0.594% | 11.347% | 2.419%  |
|                      | B      | 0.594% | 12.261% | 2.467%  |
|                      | C      | 1.640% | 10.377% | 3.330%  |
| MuniHoldings Fund II | A      | 0.594% | 11.347% | 2.282%  |
|                      | B      | 0.594% | 11.728% | 2.320%  |
| MuniHoldings Insured | A      | 0.594% | 12.261% | 2.467%  |
|                      | B      | 0.594% | 10.205% | 2.443%  |
| Muni Intermediate    | M7     | 1.640% | 10.377% | 3.271%  |
|                      | T7     | 1.640% | 11.415% | 3.259%  |
|                      | W7     | 1.682% | 12.523% | 3.266%  |
|                      | TH7    | 1.640% | 12.246% | 3.227%  |
|                      | F7     | 1.640% | 11.762% | 3.154%  |
|                      | TH28   | 1.640% | 12.246% | 3.613%  |
| MuniVest Fund II     | A      | 0.640% | 3.488%  | 0.972%  |
|                      | B      | 0.655% | 1.752%  | 1.000%  |
|                      | C      | 0.640% | 1.904%  | 1.040%  |
|                      | D      | 1.640% | 4.105%  | 2.050%  |

Since February 13, 2008, the Preferred Shares of each Fund failed to clear any of their auctions. As a result, the Preferred Shares dividend rates were reset to the maximum applicable rate, which ranged from 0.594% to 12.523% for the period ended April 30, 2009. A failed auction is not an event of default for the Funds but it has a negative impact on the liquidity of Preferred Shares. A failed auction occurs when there are more sellers of a Fund's auction rate preferred shares than buyers. It is impossible to predict how long this imbalance will last. A successful auction for each Fund's Preferred Shares may not occur for some time, if ever, and even if liquidity does resume, Preferred Shareholders may not have the ability to sell the Preferred Shares at their liquidation preference.

The Funds may not declare dividends or make other distributions on Common Shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding Preferred Shares is less than 200%.

## Notes to Financial Statements (continued)

Prior to December 22, 2008, the Funds paid commissions to certain broker-dealers at the end of each auction at an annual rate of 0.25%, calculated on the aggregate principal amount. As of December 22, 2008, commissions paid to broker-dealers on Preferred Shares that experienced a failed auction were reduced to 0.15% on the aggregate principal amount. The Funds will pay commissions of 0.25% on the aggregate principal amount if all shares successfully clear their auctions. For the two periods shown Merrill Lynch, Pierce, Fenner & Smith Incorporated, a wholly owned subsidiary of Merrill Lynch, earned commissions as follows for the current period through December 31, 2008 (after which Merrill Lynch was no longer considered an affiliate).

|                      | Current Period | Prior Year |
|----------------------|----------------|------------|
| MuniEnhanced         |                | \$ 176,601 |
| MuniHoldings Fund    | \$ 76,091      | \$ 137,897 |
| MuniHoldings Fund II | \$ 23,846      | \$ 80,144  |
| MuniHoldings Insured | \$ 80,081      | \$ 154,960 |
| Muni Intermediate    | \$ 286,179     | \$ 524,140 |
| MuniVest Fund II     | \$ 29,708      | \$ 221,296 |

On June 4, 2008 for MuniEnhanced, MuniHoldings Fund, MuniHoldings Fund II, MuniHoldings Insured and Muni Intermediate and June 17, 2008 for MuniVest Fund II, the Funds announced the following redemptions of Preferred Shares at a price of \$25,000 per share plus any accrued and unpaid dividends through the redemption date:

|                      | Series | Redemption Date | Shares Redeemed | Aggregate Principal |
|----------------------|--------|-----------------|-----------------|---------------------|
| MuniEnhanced         | A      | 6/17/08         | 301             | \$ 7,525,000        |
|                      | B      | 6/24/08         | 301             | \$ 7,525,000        |
|                      | C      | 6/17/08         | 301             | \$ 7,525,000        |
|                      | D      | 6/27/08         | 223             | \$ 5,575,000        |
| MuniHoldings Fund    | A      | 6/25/08         | 582             | \$ 14,550,000       |
|                      | B      | 6/27/08         | 582             | \$ 14,550,000       |
|                      | C      | 6/24/08         | 159             | \$ 3,975,000        |
| MuniHoldings Fund II | A      | 6/25/08         | 520             | \$ 13,000,000       |
|                      | B      | 6/23/08         | 520             | \$ 13,000,000       |
| MuniHoldings Insured | A      | 6/27/08         | 796             | \$ 19,900,000       |
|                      | B      | 6/24/08         | 796             | \$ 19,900,000       |
| Muni Intermediate    | M7     | 6/24/08         | 205             | \$ 5,125,000        |
|                      | T7     | 6/25/08         | 277             | \$ 6,925,000        |
|                      | W7     | 6/26/08         | 205             | \$ 5,125,000        |
|                      | TH7    | 6/27/08         | 277             | \$ 6,925,000        |
|                      | F7     | 6/23/08         | 205             | \$ 5,125,000        |
|                      | TH28   | 7/07/08         | 144             | \$ 3,600,000        |
| MuniVest Fund II     | A      | 7/03/08         | 249             | \$ 6,225,000        |
|                      | B      | 7/10/08         | 249             | \$ 6,225,000        |
|                      | C      | 6/26/08         | 249             | \$ 6,225,000        |
|                      | D      | 6/24/08         | 221             | \$ 5,525,000        |

The Funds financed the Preferred Share redemptions with cash received from TOB transactions.

Preferred Shares issued and outstanding for the period ended April 30, 2009 and the years ended December 31, 2007 and October 31, 2007 remained constant.

**6. Income Tax Information:**

**Reclassifications:** Accounting principles generally accepted in the United States of America require that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or on net asset values per share. The following permanent differences as of April 30, 2009 attributable to amortization methods on fixed income securities, securities in default, the reclassification of distributions and the expiration of capital loss carryforwards, were reclassified to the following accounts:

|                                      | Apex           | MuniAssets     | MuniEnhanced | MuniHoldings Fund |
|--------------------------------------|----------------|----------------|--------------|-------------------|
| Paid-in capital                      | \$ (5,341,699) | \$ (3,487,083) |              |                   |
| Undistributed net investment income  | \$ (23,233)    | \$ (30,244)    | \$ (438,121) | \$ 120,412        |
| Accumulated net realized gain (loss) | \$ 5,364,932   | \$ 3,517,327   | \$ 438,121   | \$ (120,412)      |

|                                      | MuniHoldings Fund II | MuniHoldings Insured | Muni Intermediate | MuniVest Fund II |
|--------------------------------------|----------------------|----------------------|-------------------|------------------|
| Paid-in capital                      | \$ (11,767,756)      | \$ (9,681,758)       |                   |                  |
| Undistributed net investment income  | \$ (44,602)          | \$ (723,503)         | \$ (8,817)        | \$ 178,506       |
| Accumulated net realized gain (loss) | \$ 11,812,358        | \$ 10,405,261        | \$ 8,817          | \$ (178,506)     |

Notes to Financial Statements (continued)

The tax character of distributions paid during the periods shown were as follows:

|                          | Apex          | MuniAssets    | MuniEnhanced  | MuniHoldings Fund |
|--------------------------|---------------|---------------|---------------|-------------------|
| Tax-Exempt Income:       |               |               |               |                   |
| Current Period           | \$ 9,259,509  | \$ 15,527,663 | \$ 4,162,234  | \$ 14,319,988     |
| Prior Period             | 11,460,645    | 17,002,831    | 20,746,384    | 16,178,174        |
| Two Years Prior          | 11,596,069    | 17,339,322    | 22,090,016    | 16,870,018        |
| Ordinary income:         |               |               |               |                   |
| Current Period           |               |               |               | 27,182            |
| Prior Period             |               | 65,858        |               | 100,708           |
| Long-Term Capital Gains: |               |               |               |                   |
| Current Period           |               |               |               | 296,764           |
| Prior Period             |               |               |               | 1,534,274         |
| Two Years Prior          |               |               |               |                   |
| <b>Total</b>             |               |               |               |                   |
| Current Period           | \$ 9,259,509  | \$ 15,527,663 | \$ 4,162,234  | \$ 14,643,934     |
| Prior Period             | \$ 11,460,645 | \$ 17,068,689 | \$ 20,746,384 | \$ 17,813,156     |
| Two Years Prior          | \$ 11,596,069 | \$ 17,339,322 | \$ 22,090,016 | \$ 16,870,018     |

|                          | MuniHoldings Fund II | MuniHoldings Insured | Muni Intermediate | MuniVest Fund II |
|--------------------------|----------------------|----------------------|-------------------|------------------|
| Tax-Exempt Income:       |                      |                      |                   |                  |
| Current Period           | \$ 7,352,534         | \$ 10,007,431        | \$ 33,025,061     | \$ 9,682,717     |
| Prior Period             | 11,399,342           | 12,555,586           | 40,440,076        | 23,845,376       |
| Two Years Prior          | 11,685,098           | 12,849,769           | 38,760,689        | 23,790,532       |
| Ordinary income:         |                      |                      |                   |                  |
| Current Period           | 298,709              |                      | 172,919           | 152,170          |
| Prior Period             | 42,062               |                      |                   | 77,411           |
| Two Years Prior          |                      |                      | 4,118,763         |                  |
| Long-Term Capital Gains: |                      |                      |                   |                  |
| Two Years Prior          |                      |                      | 1,853,318         |                  |
| <b>Total</b>             |                      |                      |                   |                  |
| Current Period           | \$ 7,651,243         | \$ 10,007,431        | \$ 33,197,980     | \$ 9,834,887     |
| Prior Period             | \$ 11,441,404        | \$ 12,555,586        | \$ 40,440,076     | \$ 23,922,787    |
| Two Years Prior          | \$ 11,685,098        | \$ 12,849,769        | \$ 44,732,770     | \$ 23,790,532    |

As of April 30, 2009, the components of accumulated losses on a tax basis were as follows:

|                                 | Apex                   | MuniAssets             | MuniEnhanced           | MuniHoldings Fund      |
|---------------------------------|------------------------|------------------------|------------------------|------------------------|
| Undistributed tax-exempt income | \$ 436,106             | \$ 336,114             | \$ 3,369,898           | \$ 1,937,149           |
| Undistributed ordinary Income   | 173,691                | 243,650                |                        | 906                    |
| Undistributed long-term gains   |                        |                        |                        | 298,564                |
| Capital loss carryforwards      | (9,380,544)            | (26,130,920)           | (8,368,605)            |                        |
| Net unrealized losses*          | (34,395,082)           | (48,275,735)           | (24,434,368)           | (24,736,180)           |
| <b>Total accumulated losses</b> | <b>\$ (43,165,829)</b> | <b>\$ (73,826,891)</b> | <b>\$ (29,433,075)</b> | <b>\$ (22,499,561)</b> |

|                                 | MuniHoldings Fund II   | MuniHoldings Insured   | Muni Intermediate      | MuniVest Fund II       |
|---------------------------------|------------------------|------------------------|------------------------|------------------------|
| Undistributed tax-exempt income | \$ 1,757,217           | \$ 2,350,901           | \$ 3,716,347           | \$ 2,191,062           |
| Undistributed ordinary income   | 2,818                  |                        |                        |                        |
| Capital loss carryforwards      | (878,613)              | (5,997,063)            | (1,267,419)            | (7,239,097)            |
| Net unrealized losses*          | (15,692,260)           | (11,856,986)           | (46,703,924)           | (29,979,591)           |
| <b>Total accumulated losses</b> | <b>\$ (14,810,838)</b> | <b>\$ (15,503,148)</b> | <b>\$ (44,254,996)</b> | <b>\$ (35,027,626)</b> |

\* The difference between book-basis and tax-basis net unrealized losses is attributable primarily to the tax deferral of losses on wash sales, the tax deferral of losses on straddles, the difference between book and tax amortization methods for premiums and discounts on fixed income securities, book/tax differences in the accrual of income on securities in default, the difference between the book and tax treatment of residual interests in tender option bond trusts, the deferral of post-October capital losses for tax purposes and the deferral of compensation to directors.

## Notes to Financial Statements (continued)

As of April 30, 2009 the Funds had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates:

| Expires April 30, | Apex                | MuniAssets           | MuniEnhanced        | MuniHoldings Fund II | MuniHoldings Insured | Muni Intermediate   | MuniVest Fund II    |
|-------------------|---------------------|----------------------|---------------------|----------------------|----------------------|---------------------|---------------------|
| 2010              | \$ 2,075,987        | \$ 2,260,830         | \$ 1,955,204        | \$ 689,205           |                      |                     |                     |
| 2011              | 2,163,492           | 7,452,325            |                     | 189,408              |                      |                     |                     |
| 2012              | 1,659,281           | 5,486,273            | 364,714             |                      |                      |                     |                     |
| 2013              | 35,292              | 3,762,613            |                     |                      |                      |                     |                     |
| 2015              | 3,072,949           | 5,065,527            |                     |                      |                      | \$ 334,473          |                     |
| 2016              |                     | 527,784              | 2,508,309           |                      | \$ 623,720           | 611,323             | \$ 7,239,097        |
| 2017              | 373,543             | 1,575,568            | 3,540,378           |                      | 5,373,343            | 321,623             |                     |
| <b>Total</b>      | <b>\$ 9,380,544</b> | <b>\$ 26,130,920</b> | <b>\$ 8,368,605</b> | <b>\$ 878,613</b>    | <b>\$ 5,997,063</b>  | <b>\$ 1,267,419</b> | <b>\$ 7,239,097</b> |

**7. Restatement Information:**

Subsequent to the initial issuance of the April 30, 2006 financial statements for MuniHoldings Fund and MuniHoldings Insured, May 31, 2006 for Muni Intermediate and July 31, 2006 for MuniHoldings II, the Funds determined that the criteria for sale accounting in FAS 140 had not been met for certain transfers of municipal bonds related to investments in TOB Residuals, and that these transfers should have been accounted for as secured borrowings rather than as sales. As a result, certain financial highlights for the year ended April 30, 2005 for MuniHoldings Fund and MuniHoldings Insured, May 31, 2005 for Muni Intermediate and July 31, 2004 and 2005 for MuniHoldings II have been restated to give effect to recording the transfers of the municipal bonds as secured borrowings, including recording interest on the bonds as interest income and interest on the secured borrowings as interest expense.

**MuniHoldings Fund Financial Highlights  
For the Year Ended April 30, 2005**

|                                       | Previously Reported | Restated |
|---------------------------------------|---------------------|----------|
| Total expenses, net of reimbursement* | 1.13%               | 1.15%    |
| Total expenses*                       | 1.13%               | 1.15%    |
| Portfolio turnover                    | 36.23%              | 34%      |

**MuniHoldings Insured Fund Financial Highlights  
For the Year Ended April 30, 2005**

|                                       | Previously Reported | Restated |
|---------------------------------------|---------------------|----------|
| Total expenses, net of reimbursement* | 1.24%               | 1.60%    |
| Total expenses*                       | 1.35%               | 1.70%    |
| Portfolio turnover                    | 51.81%              | 43%      |

**Muni Intermediate Fund Financial Highlights  
For the Year Ended May 31, 2005**

|  | Previously Reported | Restated |
|--|---------------------|----------|
|--|---------------------|----------|

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|                                |        |       |
|--------------------------------|--------|-------|
| Total expenses, net of waiver* | 0.84%  | 0.85% |
| Portfolio turnover             | 54.55% | 54%   |

| MuniHoldings Fund II<br>Financial Highlights<br>For the Year Ended<br>July 31, 2005 and 2004 | 2005                                  |          | 2004                   |          |
|--|---------------------------------------|----------|------------------------|----------|
|  | Previously<br>Reported                | Restated | Previously<br>Reported | Restated |
|  | Total expenses, net of reimbursement* | 1.19%    | 1.27%                  | 1.21%    |
| Total expenses*  | 1.19%                                 | 1.27%    | 1.22%                  | 1.31%    |
| Portfolio turnover   | 45.11%                                | 38%      | 31.03%                 | 29%      |

\* Do not reflect the effect of dividends to Preferred Shareholders.

**8. Subsequent Events:**

The Funds paid a net investment income dividend in the following amounts per share on June 1, 2009 to shareholders of record on May 15, 2009:

|                      | Common Dividend<br>Per Share |
|----------------------|------------------------------|
| Apex                 | \$ 0.046500                  |
| MuniAssets           | \$ 0.067500                  |
| MuniEnhanced         | \$ 0.043000                  |
| MuniHoldings Fund    | \$ 0.071000                  |
| MuniHoldings Fund II | \$ 0.063000                  |
| MuniHoldings Insured | \$ 0.048500                  |
| Muni Intermediate    | \$ 0.058000                  |
| MuniVest Fund II     | \$ 0.071000                  |

Notes to Financial Statements (concluded)

The dividends declared on Preferred Shares for the period May 1, 2009 to May 31, 2009 for the Funds were as follows:

|                      | Series | Dividends Declared |
|----------------------|--------|--------------------|
| MuniEnhanced         | A      | \$ 24,300          |
|                      | B      | \$ 24,086          |
|                      | C      | \$ 23,993          |
|                      | D      | \$ 44,671          |
| MuniHoldings Fund    | A      | \$ 22,244          |
|                      | B      | \$ 21,702          |
|                      | C      | \$ 15,956          |
| MuniHoldings Fund II | A      | \$ 16,772          |
|                      | B      | \$ 17,055          |
| MuniHoldings Insured | A      | \$ 25,270          |
|                      | B      | \$ 26,606          |
| Muni Intermediate    | M-7    | \$ 64,948          |
|                      | T-7    | \$ 86,877          |
|                      | W-7    | \$ 64,291          |
|                      | TH7    | \$ 86,108          |
|                      | TH28   | \$ 45,268          |
|                      | F7     | \$ 64,738          |
| MuniVest Fund II     | A      | \$ 21,957          |
|                      | B      | \$ 21,953          |
|                      | C      | \$ 21,270          |
|                      | D      | \$ 49,896          |

The Funds' distribution rates declared on June 1, 2009 were as follows:

|                      | Per Share Amount |
|----------------------|------------------|
| MuniEnhanced         | \$ 0.0505        |
| MuniHoldings Fund    | \$ 0.0835        |
| MuniHoldings Fund II | \$ 0.0755        |
| MuniHoldings Insured | \$ 0.0660        |
| Muni Intermediate    | \$ 0.0655        |
| MuniVest Fund II     | \$ 0.0835        |

On June 15, 2009, the Funds' Boards approved the following redemptions of Preferred Shares at a price of \$25,000 per share plus any accrued and unpaid dividends through the redemption date:



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|                      | Series | Redemption Date | Shares to be Redeemed | Aggregate Principal |
|----------------------|--------|-----------------|-----------------------|---------------------|
| MuniEnhanced         | A      | 7/14/09         | 174                   | \$ 4,350,000        |
|                      | B      | 7/21/09         | 174                   | \$ 4,350,000        |
|                      | C      | 6/30/09         | 174                   | \$ 4,350,000        |
|                      | D      | 7/06/09         | 129                   | \$ 3,225,000        |
| MuniHoldings Fund    | A      | 7/08/09         | 145                   | \$ 3,625,000        |
|                      | B      | 7/06/09         | 145                   | \$ 3,625,000        |
|                      | C      | 7/07/09         | 39                    | \$ 975,000          |
| MuniHoldings Fund II | A      | 7/08/09         | 119                   | \$ 2,975,000        |
|                      | B      | 7/06/09         | 119                   | \$ 2,975,000        |
| MuniHoldings Insured | A      | 7/06/09         | 144                   | \$ 3,600,000        |
|                      | B      | 7/07/09         | 144                   | \$ 3,600,000        |
| MuniVest Fund II     | A      | 7/30/09         | 111                   | \$ 2,775,000        |
|                      | B      | 7/09/09         | 111                   | \$ 2,775,000        |
|                      | C      | 7/09/09         | 111                   | \$ 2,775,000        |
|                      | D      | 7/07/09         | 99                    | \$ 2,475,000        |

The Funds will finance the Preferred Share redemptions with cash received from tender option bond transactions (See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts).

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**Report of Independent Registered Public Accounting Firm****To the Shareholders and Boards of Directors of:****BlackRock Apex Municipal Fund, Inc.****BlackRock MuniAssets Fund, Inc.****BlackRock MuniEnhanced Fund, Inc.****BlackRock MuniHoldings Fund, Inc.****BlackRock MuniHoldings Fund II, Inc.****BlackRock MuniHoldings Insured Fund, Inc.****BlackRock Muni Intermediate Duration Fund, Inc.****BlackRock MuniVest Fund II, Inc.****(Collectively, the Funds )**

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlackRock Apex Municipal Fund, Inc. as of April 30, 2009, and the related statements of operations for the period July 1, 2008 to April 30, 2009 and for the year ended June 30, 2008, the statements of changes in net assets for the period July 1, 2008 to April 30, 2009 and for each of the two years in the period ended June 30, 2008, and the financial highlights for the period July 1, 2008 to April 30, 2009 and for each of the five years in the period ended June 30, 2008. We have also audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlackRock MuniAssets Fund, Inc. as of April 30, 2009, and the related statements of operations for the period June 1, 2008 to April 30, 2009 and for the year ended May 31, 2008, the statements of changes in net assets for the period June 1, 2008 to April 30, 2009 and for each of the two years in the period ended May 31, 2008, and the financial highlights for the period June 1, 2008 to April 30, 2009 and for each of the five years in the period ended May 31, 2008. We have also audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlackRock MuniEnhanced Fund, Inc. as of April 30, 2009, and the related statements of operations for the period February 1, 2009 to April 30, 2009 and for the year ended January 31, 2009, the statement of cash flows for the year ended January 31, 2009, the statements of changes in net assets for the period February 1, 2009 to April 30, 2009 and for each of the two years in the period ended January 31, 2009, and the financial highlights for the period February 1, 2009 to April 30, 2009 and for each of the five years in the period ended January 31, 2009. We have also audited the accompanying statements of assets and liabilities, including the schedules of investments, of BlackRock MuniHoldings Fund, Inc. and BlackRock MuniHoldings Insured Fund, Inc. as of April 30, 2009, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the four years in the period then ended. We have also audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlackRock MuniHoldings Fund II, Inc. as of April 30, 2009, and the related statements of operations for the period August 1, 2008 to April 30, 2009 and for the year ended July 31, 2008, the related statement of cash flows for the period August 1, 2008 to April 30, 2009, the statements of changes in net assets for the period August 1, 2008 to April 30, 2009 and for each of the two years in the period ended July 31, 2008, and the financial highlights for the period August 1, 2008 to April 30, 2009 and for each of the three years in the period ended July 31, 2008. We have also audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlackRock Muni Intermediate Duration Fund, Inc. as of April 30, 2009, and the related statements of operations for the period June 1, 2008 to April 30, 2009 and for the year ended May 31, 2008, the statements of changes in net assets for the period June 1, 2008 to April 30, 2009 and for each of the two years in the period ended May 31, 2008, and the financial highlights for the period June 1, 2008 to April 30, 2009 and for each of the three years in the period ended May 31, 2008. We have also audited the accompanying statement of assets and liabilities, including the schedule of investments, of BlackRock MuniVest Fund II, Inc. as of April 30, 2009, and the related statements of operations for the period November 1, 2008 to April 30, 2009 and for the year ended October 31, 2008, the statement of cash flows for the period November 1, 2008 to April 30, 2009, the statements of changes in net assets for the period November 1, 2008 to April 30, 2009 and for each of the two years in the period ended October 31, 2008, and the financial highlights for the period November 1, 2008 to April 30, 2009 and for each of the five years in the period ended October 31, 2008. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. The financial highlights for BlackRock MuniHoldings Fund, Inc. and BlackRock MuniHoldings Insured Fund, Inc. for the year ended April 30, 2005 (before the restatement described in Note 7) were audited by other auditors whose report, dated June 10, 2005, expressed a qualified opinion on the financial highlights because of the errors described in Note 7. The financial highlights for BlackRock MuniHoldings Fund II, Inc. for each of the two years in the period ended July 31, 2005 (before the restatement described in Note 7) were audited by other auditors whose report, dated September 12, 2005, expressed a qualified opinion on those financial highlights because of the errors described in Note 7. The financial highlights for BlackRock Muni Intermediate Duration Fund, Inc. for the year ended May 31, 2005 (before the restatement described in Note 7) were audited by other auditors whose report, dated July 13, 2005, expressed a qualified opinion on the financial highlights because of the errors described in Note 7. The financial highlights for BlackRock Muni Intermediate Duration Fund, Inc. for the period August 1, 2003 (commencement of operations) to May 31, 2004 were audited by other auditors whose report, dated July 13, 2005, expressed an unqualified opinion on those financial highlights.

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We conducted our audits in accordance with the standards of the Public Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Funds are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of April 30, 2009, by correspondence with the custodians and brokers, where replies were not received from custodians and brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

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ANNUAL REPORT

APRIL 30, 2009

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**Report of Independent Registered Public Accounting Firm (concluded)**

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock Apex Municipal Fund, Inc. as of April 30, 2009, the results of its operations for the period July 1, 2008 to April 30, 2009 and for the year ended June 30, 2008, the changes in net assets for the period July 1, 2008 to April 30, 2009 and for each of the two years in the period ended June 30, 2008, and the financial highlights for the period July 1, 2008 to April 30, 2009 and for each of the five years in the period ended June 30, 2008, in conformity with accounting principles generally accepted in the United States of America. Additionally, in our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock MuniAssets Fund, Inc. as of April 30, 2009, the results of its operations for the period June 1, 2008 to April 30, 2009 and for the year ended May 31, 2008, the changes in net assets for the period June 1, 2008 to April 30, 2009 and for each of the two years in the period ended May 31, 2008, and the financial highlights for the period June 1, 2008 to April 30, 2009 and for each of the five years in the period ended May 31, 2008, in conformity with accounting principles generally accepted in the United States of America. Additionally, in our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock MuniEnhanced Fund, Inc. as of April 30, 2009, the results of its operations for the period February 1, 2009 to April 30, 2009 and for the year ended January 31, 2009, the changes in net assets for the period February 1, 2009 to April 30, 2009 and for each of the two years in the period ended January 31, 2009, its cash flows for the year ended January 31, 2009, and the financial highlights for the period February 1, 2009 to April 30, 2009 and for each of the five years in the period ended January 31, 2009, in conformity with accounting principles generally accepted in the United States of America. Additionally, in our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock MuniHoldings Fund, Inc. and BlackRock MuniHoldings Insured Fund, Inc. as of April 30, 2009, the results of their operations and their cash flows for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the four years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. Additionally, in our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock MuniHoldings Fund II, Inc. as of April 30, 2009, the results of its operations for the period August 1, 2008 to April 30, 2009 and for the year ended July 31, 2008, the changes in net assets for the period August 1, 2008 to April 30, 2009 and for each of the two years in the period ended July 31, 2008, its cash flows for the period August 1, 2008 to April 30, 2009 and for the year ended July 31, 2008, and the financial highlights for the period August 1, 2008 to April 30, 2009 and for each of the three years in the period ended July 31, 2008, in conformity with accounting principles generally accepted in the United States of America. Additionally, in our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock Muni Intermediate Duration Fund, Inc. as of April 30, 2009, the results of its operations for the period June 1, 2008 to April 30, 2009 and for the year ended May 31, 2008, the changes in net assets for the period June 1, 2008 to April 30, 2009 and for each of the two years in the period ended May 31, 2008, and the financial highlights for the period June 1, 2008 to April 30, 2009 and for each of the three years in the period ended May 31, 2008, in conformity with accounting principles generally accepted in the United States of America. Additionally, in our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock MuniVest Fund II, Inc. as of April 30, 2009, the results of its operations for the period November 1, 2008 to April 30, 2009 and for the year ended October 31, 2008, the changes in net assets for the period November 1, 2008 to April 30, 2009 and for each of the two years in the period ended October 31, 2008, its cash flows for the period November 1, 2008 to April 30, 2009, and the financial highlights for the period November 1, 2008 to April 30, 2009 and for each of the five years in the period ended October 31, 2008, in conformity with accounting principles generally accepted in the United States of America.

We also have audited the adjustments, applied by management, to restate certain financial highlights for the year ended April 30, 2005 for BlackRock MuniHoldings Fund, Inc. and BlackRock MuniHoldings Insured Fund, Inc., for each of the two years in the period ended July 31, 2005 for BlackRock Muni-Holdings Fund II, Inc., and for the year ended May 31, 2005 for BlackRock Muni Intermediate Duration Fund, Inc. to correct the errors described in Note 7. These adjustments are the responsibility of the Funds' management. The audit procedures that we performed with respect to the adjustments included such tests as we considered necessary in the circumstances and were designed to obtain reasonable assurance about whether the adjustments are appropriate and have been properly applied, in all material respects, to the restated financial highlights for the year ended April 30, 2005 for BlackRock MuniHoldings Fund, Inc. and BlackRock MuniHoldings Insured Fund, Inc., for each of the two years in the period ended July 31, 2005 for BlackRock MuniHoldings Fund II, Inc., and for the year ended May 31, 2005 for BlackRock Muni Intermediate Duration Fund, Inc. We did not perform any audit procedures designed to assess whether any additional adjustments to such financial highlights might be necessary in order for such financial highlights to be presented in conformity with generally accepted accounting principles. In our opinion, the adjustments to the financial highlights for the year ended April 30, 2005 for BlackRock MuniHoldings Fund, Inc. and BlackRock MuniHoldings Insured Fund, Inc., for each of the two years in the period ended July 31, 2005 for BlackRock MuniHoldings Fund II, Inc., and for the year ended May 31, 2005 for BlackRock Muni Intermediate Duration Fund, Inc. described in Note 7 are appropriate and have been properly applied, in all material respects. However, we were not engaged to audit, review, or apply any procedures to such financial highlights other than with respect to the adjustments described in Note 7 and, accordingly, we do not express an opinion or any other form of assurance on such financial highlights.

Deloitte & Touche LLP  
Princeton, New Jersey

June 26, 2009

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**Important Tax Information**

All of the net investment income distributions paid by BlackRock Apex Municipal Fund, Inc., BlackRock MuniAssets Fund, Inc., BlackRock MuniEnhanced Fund, Inc. and BlackRock MuniHoldings Insured Fund, Inc. during the taxable year ended April 30, 2009 qualify as tax-exempt interest dividends for federal income tax purposes.

The following table summarizes the taxable per share distributions paid by the following Funds during the taxable year ended April 30, 2009.

| <b>BlackRock MuniHoldings Fund, Inc.</b> | <b>Payable Date</b> | <b>Ordinary Income</b> | <b>Long-Term Capital Gains</b> |
|--|---------------------|------------------------|--------------------------------|
| Common Shareholders                      | 12/31/2008          | \$ 0.001458            | \$ 0.015930                    |
| Preferred Shareholders:                  |                     |                        |                                |
| Series A                                 | 12/10/2008          | \$ 0.88                | \$ 12.12                       |
|  | 12/17/2008          | \$ 0.91                | \$ 7.52                        |
|  | 12/24/2008          | \$ 0.06                | \$ 0.52                        |
| Series B                                 | 12/12/2008          | \$ 0.83                | \$ 9.15                        |
|  | 12/19/2008          | \$ 0.71                | \$ 7.72                        |
|  | 12/26/2008          | \$ 0.30                | \$ 3.17                        |
| Series C                                 | 12/09/2008          | \$ 1.17                | \$ 16.14                       |
|  | 12/16/2008          | \$ 0.93                | \$ 6.73                        |

| <b>BlackRock MuniHoldings Fund II, Inc.</b> | <b>Payable Date</b> | <b>Ordinary Income</b> |
|---|---------------------|------------------------|
| Common Shareholders                         | 12/31/2008          | \$ 0.019911            |
| Preferred Shareholders:                     |                     |                        |
| Series A                                    | 12/03/2008          | \$ 11.68               |
|   | 12/10/2008          | \$ 13.00               |
|   | 12/17/2008          | \$ 6.89                |
| Series B                                    | 12/01/2008          | \$ 11.57               |
|   | 12/08/2008          | \$ 10.65               |
|   | 12/15/2008          | \$ 8.70                |

| <b>BlackRock Muni Intermediate Duration Fund, Inc.</b> | <b>Payable Date</b> | <b>Ordinary Income</b> |
|--|---------------------|------------------------|
| Common Shareholders                                    | 12/31/2008          | \$ 0.003013            |
| Preferred Shareholders:                                |                     |                        |
| Series TH7   | 12/19/2008          | \$ 4.84                |

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|             |            |    |      |
|-------------|------------|----|------|
| Series TH28 | 12/19/2008 | \$ | 5.15 |
| Series W7   | 12/18/2008 | \$ | 4.90 |
| Series F7   | 12/15/2008 | \$ | 4.81 |
| Series T7   | 12/10/2008 | \$ | 4.91 |
| Series M7   | 12/09/2008 | \$ | 4.84 |

| <b>BlackRock MuniVest Fund II, Inc.</b> | <b>Payable Date</b> | <b>Ordinary<br/>Income</b> |
|---|---------------------|----------------------------|
| Common Shareholders                     | 12/31/2008          | \$ 0.004573                |
| Preferred Shareholders:                 |                     |                            |
| Series A                                | 12/18/2008          | \$ 6.13                    |
| Series B                                | 12/26/2008          | \$ 6.01                    |
| Series C                                | 12/18/2008          | \$ 5.67                    |
| Series D                                | 12/23/2008          | \$ 6.40                    |

All of the other net investment income distributions paid by the Funds qualify as tax-exempt interest dividends for federal income tax purposes.

### Automatic Dividend Reinvestment Plans

**How the Plan Works** The Funds offer a Dividend Reinvestment Plan (the Plan) under which income and capital gains dividends paid by each Fund are automatically reinvested in additional Common Shares of each Fund. The Plan is administered on behalf of the shareholders by BNY Mellon Shareowner Services for BlackRock MuniYield Fund, Inc. and BlackRock MuniYield Quality Fund II, Inc. and Computershare Trust Company, N.A. for BlackRock MuniYield Quality Fund, Inc. (individually, the Plan Agent or together, the Plan Agents). Under the Plan, whenever the Funds declare a dividend, participants in the Plan will receive the equivalent in shares of Common Shares of the Fund. The Plan Agents will acquire the shares for the participant's account either (i) through receipt of additional unissued but authorized shares of the Fund (newly issued shares) or (ii) by purchase of outstanding Common Shares on the open market on the New York Stock Exchange or elsewhere. If, on the dividend payment date, a Fund's net asset value per share is equal to or less than the market price per share plus estimated brokerage commissions (a condition often referred to as a market premium), the Plan Agents will invest the dividend amount in newly issued shares. If a Fund's net asset value per share is greater than the market price per share (a condition often referred to as a market discount), the Plan Agents will invest the dividend amount by purchasing on the open market additional shares. If the Plan Agents are unable to invest the full dividend amount in open market purchases, or if the market discount shifts to a market premium during the purchase period, the Plan Agents will invest any uninvested portion in newly issued shares. The shares acquired are credited to each shareholder's account. The amount credited is determined by dividing the dollar amount of the dividend by either (i) when the shares are newly issued, the net asset value per share on the date the shares are issued or (ii) when shares are purchased in the open market, the average purchase price per share.

**Participation in the Plan** Participation in the Plan is automatic, that is, a shareholder is automatically enrolled in the Plan when he or she purchases Common Shares of a Fund unless the shareholder specifically elects not to participate in the Plan. Shareholders who elect not to participate will receive all dividend distributions in cash. Shareholders who do not wish to participate in the Plan, must advise their Plan Agent in writing (at the address set forth below) that they elect not to participate in the Plan. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by writing to the Plan Agent.

**Benefits of the Plan** The Plan provides an easy, convenient way for shareholders to make additional, regular investments in a Fund. The Plan promotes a long-term strategy of investing at a lower cost. All shares acquired pursuant to the Plan receive voting rights. In addition, if the market price plus commissions of a Fund's shares is above the net asset value, participants in the Plan will receive shares of the Fund for less than they could otherwise purchase them and with a cash value greater than the value of any cash distribution they would have received. However, there may not be enough shares available in the market to make distributions in shares at prices below the net asset value. Also, since the Funds do not redeem shares, the price on resale may be more or less than the net asset value.

**Plan Fees** There are no enrollment fees or brokerage fees for participating in the Plan. The Plan Agents' service fees for handling the reinvestment of distributions are paid for by each Fund. However, brokerage commissions may be incurred when a Fund purchase shares on the open market and shareholders will pay a pro rata share of any such commissions.

**Tax Implications** The automatic reinvestment of dividends and distributions will not relieve participants of any federal, state or local income tax that may be payable (or required to be withheld) on such dividends. Therefore, income and capital gains may still be realized even though shareholders do not receive cash. The value of shares acquired pursuant to the Plan will generally be excluded from gross income to the extent that the cash amount reinvested would be excluded from gross income. If, when a Fund's shares are trading at a market premium, a Fund issues shares pursuant to the Plan that have a greater fair market value than the amount of cash reinvested, it is possible that all or a portion of the discount from the market value (which may not exceed 5% of the fair market value of a Fund's shares) could be viewed as a taxable distribution. If the discount is viewed as a taxable distribution, it is also possible that the taxable character of this discount would be allocable to all the shareholders, including shareholders who do not participate in the Plan. Thus, shareholders who do not participate in the Plan might be required to report as ordinary income a portion of their distributions equal to their allocable share of the discount.

**Contact Information** All correspondence concerning the Plan, including any questions about the Plan, should be directed to the Plan Agent at the following addresses: Shareholders of BlackRock Apex Municipal Fund, Inc., BlackRock MuniAssets Fund, Inc., BlackRock MuniHoldings Fund, Inc., BlackRock MuniHoldings Fund II, Inc., BlackRock MuniHoldings Insured Fund, Inc., and BlackRock MuniVest Fund II, Inc. should contact BNY Mellon Shareowner Services, P.O. Box 358035, Pittsburgh, PA 15252-8035, Telephone: (866) 216-0242 and shareholders of BlackRock MuniEnhanced Fund, Inc. and BlackRock Muni Intermediate Duration Fund, Inc. should contact Computershare Trust Company, N.A., P.O. Box 43078, Providence, RI 02940-3078, Telephone: (800) 699-1BFM or overnight correspondence should be directed to the Plan Agent at 250 Royall Street, Canton, MA 02021.





## Officers and Directors

| Name, Address and Year of Birth   | Position(s) Held with Funds  | Length of Time Served as a Director <sup>2</sup> | Principal Occupation(s) During Past Five Years  | Number of BlackRock-Advised Funds and Portfolios Overseen | Public Directorships   |
|---|--|--|---|---|--|
| <b>Non-Interested Directors<sup>1</sup></b>   |  |  |   |   |  |
| <b>Richard E. Cavanagh</b><br>40 East 52nd Street<br>New York, NY 10022<br>1946       | Chairman of the Board and Director                                 | Since 2007                                       | Trustee, Aircraft Finance Trust since 1999; Director, The Guardian Life Insurance Company of America since 1998; Trustee, Educational Testing Service since 1997; Senior Advisor since 2008 and Director since 1996, The Fremont Group; Adjunct Lecturer, Harvard University since 2007; Formerly President and Chief Executive Officer of The Conference Board, Inc. (global business research organization) from 1995 to 2007.  | 106 Funds<br>103 Portfolios                               | Arch Chemical (chemical and allied products)   |
| <b>Karen P. Robards</b><br>40 East 52nd Street<br>New York, NY 10022<br>1950          | Vice Chair of the Board, Chair of the Audit Committee and Director | Since 2007                                       | Partner of Robards & Company, LLC (financial advisory firm) since 1987; Co-founder and Director of the Cooke Center for Learning and Development, (a not-for-profit organization) since 1987; Formerly Director of Enable Medical Corp. from 1996 to 2005; Formerly an investment banker at Morgan Stanley from 1976 to 1987.   | 106 Funds<br>103 Portfolios                               | AtriCure, Inc. (medical devices); Care Investment Trust, Inc. (health care real estate investment trust) |
| <b>G. Nicholas Beckwith, III</b><br>40 East 52nd Street<br>New York, NY 10022<br>1945 | Director   | Since 2007                                       | Chairman and Chief Executive Officer, Arch Street Management, LLC (Beckwith Family Foundation) and various Beckwith property companies since 2005; Chairman of the Board of Directors, University of Pittsburgh Medical Center since 2002; Board of Directors, Shady Side Hospital Foundation since 1977; Board of Directors, Beckwith Institute for Innovation In Patient Care since 1991; Member, Advisory Council on Biology and Medicine, Brown University since 2002; Trustee, Claude Worthington Benedum Foundation (charitable foundation) since 1989; Board of Trustees, Chatham University since 1981; Board of Trustees, University of Pittsburgh since 2002; Emeritus Trustee, Shady Side Academy since 1977; Formerly Chairman and Manager, Penn West Industrial Trucks LLC (sales, rental and servicing of material handling equipment) from 2005 to 2007; Formerly Chairman, President and Chief Executive Officer, Beckwith Machinery Company (sales, rental and servicing of construction and equipment) from 1985 to 2005; Formerly Member of the Board of Directors, National Retail Properties (REIT) from 2006 to 2007. | 106 Funds<br>103 Portfolios                               | None   |
| <b>Kent Dixon</b><br>40 East 52nd Street<br>New York, NY 10022<br>1937                | Director and Member of the Audit Committee                         | Since 2007                                       | Consultant/Investor since 1988.   | 106 Funds<br>103 Portfolios                               | None   |
| <b>Frank J. Fabozzi</b><br>40 East 52nd Street<br>New York, NY 10022<br>1948          | Director and Member of the Audit Committee                         | Since 2007                                       | Consultant/Editor of The Journal of Portfolio Management since 2006; Professor in the Practice of Finance and Becton Fellow, Yale University, School of Management, since 2006; Formerly Adjunct Professor  | 106 Funds<br>103 Portfolios                               | None   |

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of Finance and Becton Fellow, Yale University from 1994 to 2006.

|   |   |            |   |                             |                                       |
|---|---|------------|---|-----------------------------|---------------------------------------|
| <b>Kathleen F. Feldstein</b><br>40 East 52nd Street<br>New York, NY 10022<br>1941 | Director  | Since 2007 | President of Economics Studies, Inc. (private economic consulting firm) since 1987; Chair, Board of Trustees, McLean Hospital from 2000 to 2008 and Trustee Emeritus thereof since 2008; Member of the Board of Partners Community Healthcare, Inc. since 2005; Member of the Corporation of Partners HealthCare since 1995; Trustee, Museum of Fine Arts, Boston since 1992; Member of the Visiting Committee to the Harvard University Art Museum since 2003. | 106 Funds<br>103 Portfolios | The McClatchy Company<br>(publishing) |
| <b>James T. Flynn</b><br>40 East 52nd Street<br>New York, NY 10022<br>1939        | Director and<br>Member of<br>the Audit<br>Committee | Since 2007 | Formerly Chief Financial Officer of JPMorgan & Co., Inc. from 1990 to 1995.   | 106 Funds<br>103 Portfolios | None                                  |
| <b>Jerrold B. Harris</b><br>40 East 52nd Street<br>New York, NY 10022<br>1942     | Director  | Since 2007 | Trustee, Ursinus College since 2000; Director, Troemner LLC (scientific equipment) since 2000.  | 106 Funds<br>103 Portfolios | BlackRock Kelso<br>Capital Corp.      |

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## Officers and Directors (continued)

| Name, Address and Year of Birth   | Position(s) Held with Funds                | Length of Time Served as a Director <sup>2</sup> | Principal Occupation(s) During Past Five Years  | Number of BlackRock-Advised Funds and Portfolios Overseen | Public Directorships  |
|---|--|--|---|---|---|
| <b>Non-Interested Directors<sup>1</sup> (concluded)</b>   |  |  |   |   |   |
| <b>R. Glenn Hubbard</b><br>40 East 52nd Street<br>New York, NY 10022<br>1958  | Director                                   | Since 2007                                       | Dean of Columbia Business School since 2004; Columbia faculty member since 1988; Formerly Co-Director of Columbia Business School's Entrepreneurship Program from 1997 to 2004; Visiting Professor at the John F. Kennedy School of Government at Harvard University and the Harvard Business School since 1985 and at the University of Chicago since 1994; Formerly Chairman of the U.S. Council of Economic Advisers under the President of the United States from 2001 to 2003. | 106 Funds<br>103 Portfolios                               | ADP (data and information services); KKR Financial Corporation (finance); Metropolitan Life Insurance Company (insurance) |
| <b>W. Carl Kester</b><br>40 East 52nd Street<br>New York, NY 10022<br>1951  | Director and Member of the Audit Committee | Since 2007                                       | George Fisher Baker Jr. Professor of Business Administration, Harvard Business School; Deputy Dean for Academic Affairs since 2006; Unit Head, Finance, Harvard Business School from 2005 to 2006; Senior Associate Dean and Chairman of the MBA Program of Harvard Business School from 1999 to 2005; Member of the faculty of Harvard Business School since 1981; Independent Consultant since 1978.  | 106 Funds<br>103 Portfolios                               | None  |
| <p><sup>1</sup> Directors serve until their resignation, removal or death, or until December 31 of the year in which they turn 72.</p> <p><sup>2</sup> Following the combination of Merrill Lynch Investment Managers, L.P. ( MLIM ) and BlackRock, Inc. ( BlackRock ) in September 2006, the various legacy MLIM and legacy BlackRock Fund boards were realigned and consolidated into three new Fund boards in 2007. As a result, although the chart shows directors as joining the Funds' board in 2007, each director first became a member of the board of directors of other legacy MLIM or legacy BlackRock Funds as follows: G. Nicholas Beckwith, III, 1999; Richard E. Cavanagh, 1994; Kent Dixon, 1988; Frank J. Fabozzi, 1988; Kathleen F. Feldstein, 2005; James T. Flynn, 1996; Jerrold B. Harris, 1999; R. Glenn Hubbard, 2004; W. Carl Kester, 1998 and Karen P. Robards, 1998.</p> |  |  |   |   |   |
| <b>Interested Directors<sup>3</sup></b>   |  |  |   |   |   |
| <b>Richard S. Davis</b><br>40 East 52nd Street<br>New York, NY 10022<br>1945  | Director                                   | Since 2007                                       | Managing Director, BlackRock, Inc. since 2005; Formerly Chief Executive Officer, State Street Research & Management Company from 2000 to 2005; Formerly Chairman of the Board of Trustees, State Street Research Mutual Funds from 2000 to 2005; Formerly Chairman, SSR Realty from 2000 to 2004.   | 175 Funds<br>285 Portfolios                               | None  |
| <b>Henry Gabbay</b><br>40 East 52nd Street<br>New York, NY 10022<br>1947  | Director                                   | Since 2007                                       | Formerly Consultant, BlackRock, Inc. from 2007 to 2008; Formerly Managing Director, BlackRock, Inc. from 1989 to 2007; Formerly Chief Administrative Officer, BlackRock Advisors, LLC from 1998 to 2007; Formerly President of BlackRock Funds and  | 175 Funds<br>285 Portfolios.                              | None  |

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BlackRock Bond Allocation Target Shares from 2005 to 2007; Formerly Treasurer of certain closed-end Funds in the BlackRock fund complex from 1989 to 2006.

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<sup>3</sup> Mr. Davis is an interested person, as defined in the Investment Company Act of 1940, of the Funds based on his position with BlackRock, Inc. and its affiliates. Mr. Gabbay is an interested person of the Funds based on his former positions with BlackRock, Inc. and its affiliates as well as his ownership of BlackRock, Inc. and PNC securities. Directors serve until their resignation, removal or death, or until December 31 of the year in which they turn 72.

Effective January 1, 2009, Robert S. Salomon, Jr. retired as Director of the Funds. The Board wishes Mr. Salomon well in his retirement.

Officers and Directors (concluded)

| Name, Address and Year of Birth   | Position(s) Held with Funds           | Length of Time Served | Principal Occupation(s) During Past Five Years   |
|---|---------------------------------------|-----------------------|--|
| <b>Funds Officers<sup>1</sup></b>   |                                       |                       |  |
| <b>Donald C. Burke</b><br>40 East 52nd Street<br>New York, NY 10022<br>1960   | President and Chief Executive Officer | Since 2007            | Managing Director of BlackRock, Inc. since 2006; Formerly Managing Director of Merrill Lynch Investment Managers, L.P. ( MLIM ) and Fund Asset Management, L.P. ( FAM ) in 2006, First Vice President thereof from 1997 to 2005, Treasurer thereof from 1999 to 2006 and Vice President thereof from 1990 to 1997. |
| <b>Anne F. Ackerley</b><br>40 East 52nd Street<br>New York, NY 10022<br>1962  | Vice President                        | Since 2007            | Managing Director of BlackRock, Inc. since 2000; Chief Operating Officer of BlackRock's U.S. Retail Group since 2006; Formerly Head of BlackRock's Mutual Fund Group from 2000 to 2006.  |
| <b>Neal J. Andrews</b><br>40 East 52nd Street<br>New York, NY 10022<br>1966   | Chief Financial Officer               | Since 2007            | Managing Director of BlackRock, Inc. since 2006; Formerly Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. (formerly PFPC Inc.) from 1992 to 2006.   |
| <b>Jay M. Fife</b><br>40 East 52nd Street<br>New York, NY 10022<br>1970       | Treasurer                             | Since 2007            | Managing Director of BlackRock, Inc. since 2007 and Director in 2006; Formerly Assistant Treasurer of the MLIM/FAM-advised Funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006.  |
| <b>Brian P. Kindelan</b><br>40 East 52nd Street<br>New York, NY 10022<br>1959 | Chief Compliance Officer              | Since 2007            | Chief Compliance Officer of the BlackRock-advised Funds since 2007; Managing Director and Senior Counsel of BlackRock, Inc. since 2005; Formerly Director and Senior Counsel of BlackRock Advisors, Inc. from 2001 to 2004.  |
| <b>Howard B. Surloff</b><br>40 East 52nd Street<br>New York, NY 10022<br>1965 | Secretary                             | Since 2007            | Managing Director of BlackRock, Inc. and General Counsel of U.S. Funds at BlackRock, Inc. since 2006; Formerly General Counsel (U.S.) of Goldman Sachs Asset Management, L.P. from 1993 to 2006.   |

<sup>1</sup> Officers of the Funds serve at the pleasure of the Board of Directors.

**Custodians**

State Street Bank and Trust Company<sup>2</sup>  
Boston, MA 02101

The Bank of New York Mellon<sup>3</sup>  
New York, NY 10286

**Transfer Agent**

**Common Shares:**

Computershare Trust Companies, N.A.<sup>2</sup>  
Providence, RI 02940

**Auction Agent**

**Preferred Shares:**

BNY Mellon Shareowner Services<sup>2</sup>  
Jersey City, NJ 07310

**Transfer Agent**

**Common Shares and Preferred Shares:**

BNY Mellon Shareowner Services<sup>3</sup>  
Jersey City, NJ 07310

**Accounting Agent**

State Street Bank and Trust Company  
Princeton, NJ 08540

**Independent Registered Public**

**Accounting Firm**

Deloitte & Touche LLP  
Princeton, NJ 08540

**Legal Counsel**

Skadden, Arps, Slate, Meagher & Flom LLP  
New York, NY 10036

**Funds Address**

BlackRock Closed-End Funds  
c/o BlackRock Advisors, LLC  
100 Bellevue Parkway  
Wilmington, DE 19809

<sup>2</sup> For BlackRock MuniEnhanced Fund, Inc. and BlackRock Muni Intermediate Duration Fund, Inc.

<sup>3</sup> For BlackRock Apex Municipal Fund, Inc., BlackRock MuniAssets Fund, Inc., BlackRock MuniHoldings Fund, Inc., BlackRock MuniHoldings Fund II, Inc., BlackRock MuniHoldings Insured Fund, Inc. and BlackRock MuniVest Fund II, Inc.

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## Additional Information

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### Dividend Policy

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The Funds' dividend policy is to distribute all or a portion of their net investment income to their shareholders on a monthly basis. In order to provide shareholders with a more stable level of dividend distributions, the Funds 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 dividends paid by the Funds for any particular month may be more or less than the amount of net investment income earned by the Funds during such month. The Funds' 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.

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### Fund Certification

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The Funds are listed for trading on the New York Stock Exchange ( NYSE ) and have filed with the NYSE their annual chief executive officer certification regarding compliance with the NYSE's listing standards. Each Fund filed with the Securities and Exchange Commission ( SEC ) the certification of their chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

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### Board Approvals

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On September 12, 2008, the Board of MuniHoldings Insured voted unanimously to change certain investment guidelines. Under normal market conditions, MuniHoldings Insured is required to invest at least 80% of its total assets in municipal bonds either (i) insured under an insurance policy purchased by the Fund or (ii) insured under an insurance policy obtained by the issuer of the municipal bond or any other party. Historically, MuniHoldings Insured has had an additional non-fundamental investment policy limiting its purchase of insured municipal bonds to those bonds insured by insurance providers with claims-paying abilities rated AAA or Aaa at the time of investment.

Following the onset of the credit and liquidity crises currently troubling the financial markets, the applicable rating agencies lowered the claims-paying ability rating of most of the municipal bond insurance providers below the highest rating category. As a result, the Advisor recommended, and the Board approved, an amended policy with respect to the purchase of insured municipal bonds that such bonds must be insured by insurance providers or other entities with claims-paying abilities rated at least investment grade. This investment grade restriction is measured at the time of investment, and MuniHoldings Insured will not be required to dispose of municipal bonds it holds in the event of subsequent downgrades. The approved changes do not alter MuniHoldings Insured's investment objective.

The Advisor and the Board believe the amended policies will allow the Advisor to better manage MuniHoldings Insured's portfolio in the best interests of shareholders and to better meet its investment objective.

Effective September 13, 2008, following approval by the Funds' Board and the applicable rating agencies, the Board amended the terms of the Funds' Articles Supplementary, as applicable, in order to allow the Funds that have issued Preferred Shares to enter into TOB transactions, the proceeds of which were used to redeem a portion of the Funds' Preferred Shares. Accordingly, the definition of Inverse Floaters was amended to incorporate the Funds' permissible ratio of floating rate instruments into inverse floating rate instruments. Additionally, conforming changes and certain formula modifications concerning inverse floaters were made to the definitions of Moody's Discount Factor and S&P Discount Factor, as applicable, to integrate the Funds' investments in TOBs into applicable calculations.



**Section 19 Notices**

The amounts and sources of distributions reported are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources for tax reporting purposes will depend upon each Fund's investment experience during the year and may be subject to changes based on the tax regulations. Each Fund will send you a Form 1099-DIV each calendar year that will tell you how to report these distributions for federal income tax purposes.

|  | Total Fiscal Year-to-Date<br>Cumulative Distributions by Character |                                     |                         |                              | Percentage of Fiscal Year-to-Date<br>Cumulative Distributions by Character |                                     |                         |                              |
|--|--|-------------------------------------|-------------------------|------------------------------|--|-------------------------------------|-------------------------|------------------------------|
|  | Net<br>Investment<br>Income  | Net<br>Realized<br>Capital<br>Gains | Return<br>of<br>Capital | Total Per<br>Common<br>Share | Net<br>Investment<br>Income  | Net<br>Realized<br>Capital<br>Gains | Return<br>of<br>Capital | Total Per<br>Common<br>Share |
| BlackRock MuniHoldings Fund, Inc.                  | \$ 0.85346   | \$ 0.01593                          |                         | \$ 0.86939                   | 98%  | 2%                                  | 0%                      | 100%                         |
| BlackRock MuniHoldings Fund II, Inc.               | \$ 0.58691   |                                     |                         | \$ 0.58691                   | 100%   | 0%                                  | 0%                      | 100%                         |
| BlackRock Muni Intermediate<br>Duration Fund, Inc. | \$ 0.64101   |                                     |                         | \$ 0.64101                   | 100%   | 0%                                  | 0%                      | 100%                         |
| BlackRock MuniVest Fund II, Inc.                   | \$ 0.43057   |                                     |                         | \$ 0.43057                   | 100%   | 0%                                  | 0%                      | 100%                         |

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Additional Information (continued)

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**General Information**

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

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

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

**Electronic Delivery**

Electronic copies of most financial reports are available on the Funds' websites or shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports by enrolling in the Funds' electronic delivery program.

**Shareholders Who Hold Accounts with Investment Advisors, Banks or Brokerages:**

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

**Householding**

The Funds will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and it is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be househanded 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 contact the Funds at (800) 441-7762.

**Availability of Quarterly Schedule of Investments**

The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the Commission's website at <http://www.sec.gov> and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. The Funds' Forms N-Q may also be obtained upon request and without charge by calling (800) 441-7762.

**Availability of Proxy Voting Policies and Procedures**

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling toll-free (800) 441-7762; (2) at [www.blackrock.com](http://www.blackrock.com); and (3) on the Securities and Exchange Commission's website at <http://www.sec.gov>.

**Availability of Proxy Voting Record**

Information about how the Funds voted proxies relating to securities held in the Funds' portfolios during the most recent 12-month period ended June 30 is available upon request and without charge (1) at [www.blackrock.com](http://www.blackrock.com) or by calling (800) 441-7762 and (2) on the Securities and Exchange Commission's website at <http://www.sec.gov>.



Additional Information (concluded)

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### **BlackRock Privacy Principles**

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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.

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This report is transmitted to shareholders only. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. Certain of the Funds 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 the short-term dividend rates of the Preferred Shares, currently set at the maximum reset rate as a result of failed auctions, may affect the yield to Common Shareholders. Statements and other information herein are as dated and are subject to change.

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Item 2 – Code of Ethics – The registrant (or the “Fund”) has adopted a code of ethics, as of the end of the period covered by this report, applicable to the registrant’s principal executive officer, principal financial officer and principal accounting officer, or persons performing similar functions. During the period covered by this report, there have been no amendments to or waivers granted under the code of ethics. A copy of the code of ethics is available without charge at [www.blackrock.com](http://www.blackrock.com).

Item 3 – Audit Committee Financial Expert – The registrant’s board of directors or trustees, as applicable (the “board of directors”) has determined that (i) the registrant has the following audit committee financial experts serving on its audit committee and (ii) each audit committee financial expert is independent:

Kent Dixon

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

Robert S. Salomon, Jr. (retired effective December 31, 2008)

The registrant’s board of directors has determined that W. Carl Kester and Karen P. Robards qualify as financial experts pursuant to Item 3(c)(4) of Form N-CSR.

Prof. Kester has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Prof. Kester has been involved in providing valuation and other financial consulting services to corporate clients since 1978. Prof. Kester’s financial consulting services present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrant’s financial statements.

Ms. Robards has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Ms. Robards has been President of Robards & Company, a financial advisory firm, since 1987. Ms. Robards was formerly an investment banker for more than 10 years where she was responsible for evaluating and assessing the performance of companies based on their financial results. Ms. Robards has over 30 years of experience analyzing financial statements. She also is a member of the audit committee of one publicly held company and a non-profit organization.

Under applicable securities laws, a person determined to be an audit committee financial expert will not be deemed an “expert” for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and board of directors in the absence of such designation or identification.

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Item 4 – Principal Accountant Fees and Services

| <u>Entity Name</u>                      | <u>(a) Audit Fees</u> |                    | <u>(b) Audit-Related Fees<sup>1</sup></u> |                    | <u>(c) Tax Fees<sup>2</sup></u> |                    | <u>(d) All Other Fees<sup>3</sup></u> |                    |
|---|-----------------------|--------------------|---|--------------------|---------------------------------|--------------------|---------------------------------------|--------------------|
|   | <u>Current Fiscal</u> | <u>Previous</u>    | <u>Current</u>                            | <u>Previous</u>    | <u>Current</u>                  | <u>Previous</u>    | <u>Current</u>                        | <u>Previous</u>    |
|   | <u>Year End</u>       | <u>Fiscal Year</u> | <u>Fiscal Year</u>                        | <u>Fiscal Year</u> | <u>Fiscal Year</u>              | <u>Fiscal Year</u> | <u>Fiscal Year</u>                    | <u>Fiscal Year</u> |
| BlackRock<br>MuniEnhanced Fund,<br>Inc. | \$23,200              | \$33,300           | \$3,500                                   | \$3,500            | \$6,100                         | \$6,100            | \$0                                   | \$1,028            |

1 The nature of the services include assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.

2 The nature of the services include tax compliance, tax advice and tax planning.

3 The nature of the services include a review of compliance procedures and attestation thereto.

(e)(1) Audit Committee Pre-Approval Policies and Procedures:

The registrant’s audit committee (the “Committee”) has adopted policies and procedures with regard to the pre-approval of services. Audit, audit-related and tax compliance services provided to the registrant on an annual basis require specific pre-approval by the Committee. The Committee also must approve other non-audit services provided to the registrant and those non-audit services provided to the registrant’s affiliated service providers that relate directly to the operations and the financial reporting of the registrant. Certain of these non-audit services that the Committee believes are a) consistent with the SEC’s auditor independence rules and b) routine and recurring services that will not impair the independence of the independent accountants may be approved by the Committee without consideration on a specific case-by-case basis (“general pre-approval”). The term of any general pre-approval is 12 months from the date of the pre-approval, unless the Committee provides for a different period. Tax or other non-audit services provided to the registrant which have a direct impact on the operation or financial reporting of the registrant will only be deemed pre-approved provided that any individual project does not exceed \$10,000 attributable to the registrant or \$50,000 for all of the registrants the Committee oversees. For this purpose, multiple projects will be aggregated to determine if they exceed the previously mentioned cost levels.

Any proposed services exceeding the pre-approved cost levels will require specific pre-approval by the Committee, as will any other services not subject to general pre-approval (e.g., unanticipated but permissible services). The Committee is informed of each service approved subject to general pre-approval at the next regularly scheduled in-person board meeting. At this meeting, an analysis of such services is presented to the Committee for ratification. The Committee may delegate to one or more of its members the authority to approve the provision of and fees for any specific engagement of permitted non-audit services, including services exceeding pre-approved cost levels.

(e)(2) None of the services described in each of Items 4(b) through (d) were approved by the audit committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not Applicable

(g) Affiliates' Aggregate Non-Audit Fees:

| <u>Entity Name</u>                | <u>Current Fiscal Year<br/>End</u> | <u>Previous Fiscal Year End</u> |
|-----------------------------------|------------------------------------|---------------------------------|
| BlackRock MuniEnhanced Fund, Inc. | \$417,100                          | \$415,628                       |

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(h) The registrant's audit committee has considered and determined that the provision of non-audit services that were rendered to the registrant's investment adviser (not including any non-affiliated sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by the registrant's investment adviser), and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

Regulation S-X Rule 2-01(c)(7)(ii) – \$407,500, 0%

Item 5 – Audit Committee of Listed Registrants – The following individuals are members of the registrant's separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(58)(A)):

Kent Dixon

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

Robert S. Salomon, Jr. (retired effective December 31, 2008)

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 – The board of directors has delegated the voting of proxies for the Fund securities to the Fund's investment adviser ("Investment Adviser") pursuant to the Investment Adviser's proxy voting guidelines. Under these guidelines, the Investment Adviser will vote proxies related to Fund securities in the best interests of the Fund and its stockholders. From time to time, a vote may present a conflict between the interests of the Fund's stockholders, on the one hand, and those of the Investment Adviser, or any affiliated person of the Fund or the Investment Adviser, on the other. In such event, provided that the Investment Adviser's Equity Investment Policy Oversight Committee, or a sub-committee thereof (the "Oversight Committee") is aware of the real or potential conflict or material non-routine matter and if the Oversight Committee does not reasonably believe it is able to follow its general voting guidelines (or if the particular proxy matter is not addressed in the guidelines) and vote impartially, the Oversight Committee may retain an independent fiduciary to advise the Oversight Committee on how to vote or to cast votes on behalf of the Investment Adviser's clients. If the Investment Adviser determines not to retain an independent fiduciary, or does not desire to follow the advice of such independent fiduciary, the Oversight Committee shall determine how to vote the proxy after consulting with the Investment Adviser's Portfolio

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Management Group and/or the Investment Adviser's Legal and Compliance Department and concluding that the vote cast is in its client's best interest notwithstanding the conflict. A copy of the Fund's Proxy Voting Policy and Procedures are attached as Exhibit 99.PROXYPOL. Information on how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, (i) at [www.blackrock.com](http://www.blackrock.com) and (ii) on the SEC's website at <http://www.sec.gov>.

### Item 8 – Portfolio Managers of Closed-End Management Investment Companies – as of April 30, 2009.

- (a)(1) The registrant (or "Fund") is managed by a team of investment professionals comprised of Theodore R. Jaeckel, Jr., CFA, Managing Director at BlackRock, Walter O'Connor, Managing Director at BlackRock and Michael A. Kalinoski, Director at BlackRock. Each is a member of BlackRock's municipal tax-exempt management group. Each is jointly responsible for the day-to-day management of the registrant's portfolio, which includes setting the registrant's overall investment strategy, overseeing the management of the registrant and/or selection of its investments. Messrs. Jaeckel, O'Connor and Kalinoski have been members of the registrant's portfolio management team since 2006, 2006 and 2000, respectively.

| <b>Portfolio Manager</b> | <b>Biography</b>  |
|--------------------------|---|
| Theodore R. Jaeckel, Jr. | Managing Director at BlackRock, Inc. since 2006; Managing Director of Merrill Lynch Investment Managers, L.P. ("MLIM") from 2005 to 2006; Director of MLIM from 1997 to 2005. |
| Walter O'Connor          | Managing Director of BlackRock, Inc. since 2006; Managing Director of MLIM from 2003 to 2006; Director of MLIM from 1998 to 2003.   |
| Michael A. Kalinoski     | Director of BlackRock, Inc. since 2006; Director of MLIM from 1999 to 2006.   |

- (a)(2) As of April 30, 2009:

| (i) Name of<br><br>Portfolio Manager | (ii) Number of Other Accounts Managed<br>and Assets by Account Type<br>Other |              |          | (iii) Number of Other Accounts and<br>Assets for Which Advisory Fee is<br>Performance-Based<br>Other |              |          |
|--------------------------------------|--|--------------|----------|--|--------------|----------|
|                                      | Registered   | Other Pooled |          | Registered   | Other Pooled |          |
|                                      | Investment   | Investment   | Other    | Investment   | Investment   | Other    |
|                                      | Companies  | Vehicles     | Accounts | Companies  | Vehicles     | Accounts |
| Theodore R. Jaeckel, Jr.             | 76   | 0            | 0        | 0  | 0            | 0        |
|                                      | \$17.16 Billion  | \$0          | \$0      | \$0  | \$0          | \$0      |
| Walter O'Connor                      | 76   | 0            | 0        | 0  | 0            | 0        |
|                                      | \$17.16 Billion  | \$0          | \$0      | \$0  | \$0          | \$0      |
| Michael A. Kalinoski                 | 6  | 0            | 0        | 0  | 0            | 0        |
|                                      | \$2.63 Billion   | \$0          | \$0      | \$0  | \$0          | \$0      |

- (iv) Potential Material Conflicts of Interest

BlackRock and its affiliates (collectively, herein "BlackRock") has built a professional working environment, firm-wide compliance culture and compliance procedures and systems designed to

protect against potential incentives that may favor one account over another. BlackRock has adopted policies and procedures that address the allocation of investment opportunities, execution of portfolio transactions, personal trading by employees and other potential conflicts of interest that are designed to ensure that all client accounts are treated equitably over time. Nevertheless, BlackRock furnishes investment management and advisory services to numerous clients in addition to the Fund, and BlackRock may, consistent with applicable law, make investment recommendations to other clients or accounts (including accounts which are hedge funds or have performance or higher fees paid to BlackRock, or in which portfolio managers have a personal interest in the receipt of such fees), which may be the same as or different from those made to the Fund. In addition, BlackRock, its affiliates and significant shareholders and any officer, director, stockholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, or any of its affiliates or significant shareholders, or any officer, director, stockholder, employee or any member of their families may take different actions than those recommended to the Fund by BlackRock with respect to the same securities. Moreover, BlackRock may refrain from rendering any advice or services concerning securities of companies of which any of BlackRock's (or its affiliates' or significant shareholders') officers, directors or employees are directors or officers, or companies as to which BlackRock or any of its affiliates or significant shareholders or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Each portfolio manager also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for a fund. In this connection, it should be noted that a portfolio manager may currently manage certain accounts that are subject to performance fees. In addition, a portfolio manager may assist in managing certain hedge funds and may be entitled to receive a portion of any incentive fees earned on such funds and a portion of such incentive fees may be voluntarily or involuntarily deferred. Additional portfolio managers may in the future manage other such accounts or funds and may be entitled to receive incentive fees.

As a fiduciary, BlackRock owes a duty of loyalty to its clients and must treat each client fairly. When BlackRock purchases or sells securities for more than one account, the trades must be allocated in a manner consistent with its fiduciary duties. BlackRock attempts to allocate investments in a fair and equitable manner among client accounts, with no account receiving preferential treatment. To this end, BlackRock has adopted a policy that is intended to ensure that investment opportunities are allocated fairly and equitably among client accounts over time. This policy also seeks to achieve reasonable efficiency in client transactions and provide BlackRock with sufficient flexibility to allocate investments in a manner that is consistent with the particular investment discipline and client base.

(a)(3) As of April 30, 2009:

#### **Portfolio Manager Compensation Overview**

BlackRock's financial arrangements with its portfolio managers, its competitive compensation and its career path emphasis at all levels reflect the value senior management places on key resources. Compensation may include a variety of components and may vary from year to year based on a number of factors. The principal components of compensation include a base salary, a performance-based discretionary bonus, participation in various benefits programs and one or more of the incentive compensation programs established by BlackRock such as its Long-Term Retention and Incentive Plan.

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**Base compensation.** Generally, portfolio managers receive base compensation based on their seniority and/or their position with the firm. Senior portfolio managers who perform additional management functions within the portfolio management group or within BlackRock may receive additional compensation for serving in these other capacities.

### **Discretionary Incentive Compensation**

Discretionary incentive compensation is a function of several components: the performance of BlackRock, Inc., the performance of the portfolio manager's group within BlackRock, the investment performance, including risk-adjusted returns, of the firm's assets under management or supervision by that portfolio manager relative to predetermined benchmarks, and the individual's seniority, role within the portfolio management team, teamwork and contribution to the overall performance of these portfolios and BlackRock. In most cases, including for the portfolio managers of the Fund, these benchmarks are the same as the benchmark or benchmarks against which the performance of the Fund or other accounts managed by the portfolio managers are measured. BlackRock's Chief Investment Officers determine the benchmarks against which the performance of funds and other accounts managed by each portfolio manager is compared and the period of time over which performance is evaluated. With respect to the portfolio managers, such benchmarks for the Fund include a combination of market-based indices (e.g., Barclays Capital Municipal Bond Index), certain customized indices and certain fund industry peer groups.

BlackRock's Chief Investment Officers make a subjective determination with respect to the portfolio managers' compensation based on the performance of the funds and other accounts managed by each portfolio manager relative to the various benchmarks noted above. Performance is measured on both a pre-tax and after-tax basis over various time periods including 1, 3, 5 and 10-year periods, as applicable.

### **Distribution of Discretionary Incentive Compensation**

Discretionary incentive compensation is distributed to portfolio managers in a combination of cash and BlackRock, Inc. restricted stock units which vest ratably over a number of years. The BlackRock, Inc. restricted stock units, if properly vested, will be settled in BlackRock, Inc. common stock. Typically, the cash bonus, when combined with base salary, represents more than 60% of total compensation for the portfolio managers. Paying a portion of annual bonuses in stock puts compensation earned by a portfolio manager for a given year "at risk" based on BlackRock's ability to sustain and improve its performance over future periods.

*Long-Term Retention and Incentive Plan ("LTIP")* –The LTIP is a long-term incentive plan that seeks to reward certain key employees. Beginning in 2006, awards are granted under the LTIP in the form of BlackRock, Inc. restricted stock units that, if properly vested and subject to the attainment of certain performance goals, will be settled in BlackRock, Inc. common stock. Messrs. Jaeckel and O'Connor have each received awards under the LTIP.

*Deferred Compensation Program* –A portion of the compensation paid to eligible BlackRock employees may be voluntarily deferred into an account that tracks the performance of certain of the firm's investment products. Each participant in the deferred compensation program is permitted to allocate his deferred amounts among the various investment options. Messrs. Jaeckel, O'Connor and Kalinoski have each participated in the deferred compensation program.

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**Other compensation benefits.** In addition to base compensation and discretionary incentive compensation, portfolio managers may be eligible to receive or participate in one or more of the following:

*Incentive Savings Plans* –BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock employees are eligible to participate, including a 401(k) plan, the BlackRock Retirement Savings Plan (RSP), and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution components of the RSP include a company match equal to 50% of the first 6% of eligible pay contributed to the plan capped at \$4,000 per year, and a company retirement contribution equal to 3-5% of eligible compensation. The RSP offers a range of investment options, including registered investment companies managed by the firm. BlackRock contributions follow the investment direction set by participants for their own contributions or, absent employee investment direction, are invested into a balanced portfolio. The ESPP allows for investment in BlackRock common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares or a dollar value of \$25,000. Messrs. Jaeckel, O’Connor and Kalinoski are eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities* – April 30, 2009.

| <b>Portfolio Manager</b> | <b>Dollar Range of Equity Securities<br/>Beneficially Owned</b> |
|--------------------------|---|
| Theodore R. Jaeckel, Jr. | None  |
| Walter O’Connor          | None  |
| Michael A. Kalinoski     | None  |

Item 9 – Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers – Not Applicable due to no such purchases during the period covered by this report.

Item 10 – Submission of Matters to a Vote of Security Holders – The registrant’s Nominating and Governance Committee will consider nominees to the board of directors recommended by shareholders when a vacancy becomes available. Shareholders who wish to recommend a nominee should send nominations that include biographical information and set forth the qualifications of the proposed nominee to the registrant’s Secretary. There have been no material changes to these procedures.

Item 11 – Controls and Procedures

11(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 13(a)-15(b) under the Securities Exchange Act of 1934, as amended.

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11(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

12(a)(1) – Code of Ethics – See Item 2

12(a)(2) – Certifications – Attached hereto

12(a)(3) – Not Applicable

12(b) – Certifications – Attached hereto

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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 MuniEnhanced Fund, Inc.

By: /s/ Donald C. Burke  
Donald C. Burke  
Chief Executive Officer of  
BlackRock MuniEnhanced Fund, Inc.

Date: June 19, 2009

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/ Donald C. Burke  
Donald C. Burke  
Chief Executive Officer (principal executive officer) of  
BlackRock MuniEnhanced Fund, Inc.

Date: June 19, 2009

By: /s/ Neal J. Andrews  
Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock MuniEnhanced Fund, Inc.

Date: June 19, 2009

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