BLACKROCK MUNIHOLDINGS NEW JERSEY QUALITY FUND, INC.
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FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT

INVESTMENT COMPANIES

Investment Company Act file number: 811-08621

Name of Fund: BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

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Date of fiscal year end: 07/31/2014

Date of reporting period: 07/31/2014

Item 1 Report to Stockholders

JULY 31, 2014

ANNUAL REPORT

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

BlackRock MuniYield Investment Quality Fund (MFT)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

Not FDIC Insured May Lose Value No Bank Guarantee

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Shareholder Letter

Dear Shareholder,

The latter part of 2013 was a strong period for equities and other risk assets such as high yield bonds, despite the mixed tone of economic and financial news and uncertainty as to when and by how much the U.S. Federal Reserve would begin to gradually reduce (or taper) its asset purchase programs. Stock markets rallied in September when the Fed defied investors expectations with its decision to delay tapering. The momentum was disrupted temporarily, however, when the U.S. debt ceiling debate led to a partial government shutdown, roiling financial markets globally until a compromise was struck in mid-October. The remainder of 2013 was generally positive for developed market stocks, while fixed income and emerging market investments struggled as Fed tapering became increasingly imminent. When the central bank ultimately announced its tapering plans in mid-December, equity investors reacted positively, as this action signaled the Fed s perception of real improvement in the economy.

Most asset classes continued to move higher in 2014 despite the pull back in Fed stimulus. The year got off to a rocky start, however. A number of emerging economies showed signs of financial stress while facing the broader headwind of diminishing global liquidity. These risks, combined with disappointing U.S. economic data, caused equities to decline in January while bond markets found renewed strength from investors seeking relatively safer assets.

Although these headwinds persisted, equities were back on the rise in February as investors were encouraged by a one-year extension of the U.S. debt ceiling and market-friendly comments from the new Fed Chairwoman, Janet Yellen. While it was clear that U.S. economic data had softened, investors were assuaged by increasing evidence that the trend was temporary and weather-related, and continued to take on risk given expectations that growth would pick up later in the year.

In the months that followed, interest rates trended lower and bond prices climbed higher in the modest growth environment. Financial markets exhibited a remarkably low level of volatility despite rising geopolitical risks and mixed global economic news. Tensions in Russia and Ukraine and signs of decelerating growth in China caused some turbulence, but markets were resilient as investors focused on signs of improvement in the U.S. recovery, stronger corporate earnings and increased merger-and-acquisition activity. Importantly, investors were comforted by comments from the Fed offering reassurance that no changes to short-term interest rates were on the horizon.

In the low-rate environment, investors looked to equities as a source of yield, pushing major indices to record highs. As stock prices moved higher, investors soon became wary of stretched valuations and a new theme emerged in the markets. Stocks that had experienced significant price appreciation in 2013, particularly growth and momentum names, broadly declined as investors fled to stocks with cheaper valuations. This rotation resulted in the strongest performers of 2013 struggling most in 2014, and vice versa. Especially hard hit were U.S. small cap and European stocks where earnings growth had not kept pace with recent market gains. In contrast, emerging market stocks benefited from the trend. As a number of developing countries took steps to stabilize their finances, investors looked past political risks hardly batting an eye at a military coup in Thailand and poured back into these attractively priced investments.

Asset prices tend to be more vulnerable to bad news when investors believe valuations are stretched. Consequently, markets came under pressure in July as geopolitical tensions intensified with the tragic downing of a Malaysian civilian airliner over Ukraine, the continued fragmentation of Iraq and a ground war between Israel and Hamas in Gaza. As the period came to a close, financial troubles in Argentina and Portugal as well as new U.S. and European sanctions on Russia were additional headwinds for the markets.

Despite a host of challenges, most asset classes generated solid returns for the six- and 12-month periods ended July 31, 2014, with equities generally outperforming fixed income. Emerging market equities delivered impressive gains. Developed markets also performed well, although small cap stocks lagged due to relatively higher valuations. Most fixed income assets produced positive returns even as the Fed reduced its open-market purchases. Tax-exempt municipal bonds benefited from a favorable supply-and-demand environment. Short-term interest rates remained near zero, keeping yields on money market securities close to historic lows.

At BlackRock, we believe investors need to think globally, extend their scope across a broad array of asset classes and be prepared to move freely as market conditions change over time. We encourage you to talk with your financial advisor and visit blackrock.com for further insight about investing in today s world.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Asset prices pushed higher over the period despite modest global growth, geopolitical risks and a shift toward tighter U.S. monetary policy.

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of July 31, 2014

	6-month	12-month
U.S. large cap equities (S&P 500® Index)	9.44%	16.94%
U.S. small cap equities (Russell 2000® Index)	(0.30)	8.56
International equities (MSCI Europe, Australasia, Far East Index)	7.03	15.07
Emerging market equities (MSCI Emerging Markets Index)	15.70	15.32
3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index)	0.02	0.05
U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index)	2.71	3.50
U.S. investment-grade bonds (Barclays U.S. Aggregate Bond Index)	2.16	3.97
Tax-exempt municipal bonds (S&P Municipal Bond Index)	4.11	7.38
U.S. high yield bonds (Barclays U.S. Corporate High Yield 2% Issuer Capped Index)	3.33	8.18

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

Municipal Market Overview

For the Reporting Period Ended July 31, 2014

Municipal Market Conditions

The latter part of 2013 was a generally negative period for municipal bond performance. Heightened uncertainty as to when the U.S. Federal Reserve would begin to reduce its bond-buying stimulus program (and by how much) caused interest rates to be volatile and generally move higher. (Bond prices fall as rates rise.) Municipal bond mutual funds saw strong outflows through year end when the Fed finally announced its plan to begin the gradual reduction of stimulus in January of 2014. Relieved of anxiety around policy changes, investors again sought the relative safety of municipal bonds in the New Year. Surprisingly, interest rates trended lower in the first half of 2014 even as the Fed pulled back on its open-market bond purchases. Softer U.S. economic data amid one of the harshest winters on record, coupled with reassurance from the Fed that short-term rates would remain low for a considerable amount of time, resulted in stronger demand for fixed income investments, with municipal bonds being one of the stronger performing sectors. Still, for the 12-month period ended July 31, 2014, municipal bond funds saw net outflows of approximately $35 billion (based on data from the Investment Company Institute).

High levels of interest rate volatility in the latter half of 2013, particularly on the long-end of the curve, resulted in a curtailment of tax-exempt issuance during the period. However, from a historical perspective, total new issuance for the 12 months ended July 31 remained relatively strong at $303 billion (but meaningfully lower than the $364 billion issued in the prior 12-month period). A noteworthy portion of new supply during this period was attributable to refinancing activity (roughly 40%) as issuers took advantage of lower interest rates to reduce their borrowing costs.

S&P Municipal Bond Index
Total Returns as of July 31, 2014
6 months: 4.11%
12 months: 7.38%

A Closer Look at Yields

From July 31, 2013 to July 31, 2014, muni yields on AAA-rated 30-year municipal bonds decreased by 90 basis points (bps) from 4.20% to 3.30%, while 10-year rates decreased 41 bps from 2.67% to 2.26% on and 5-year rates fell 5 bps from 1.27% to 1.22% (as measured by Thomson Municipal Market Data). Overall, the municipal yield curve remained relatively steep over the 12-month period even as the spread between 2- and 30-year maturities flattened by 78 bps and the spread between 2- and 10-year maturities flattened by 29 bps.

During the same time period, U.S. Treasury rates fell by 32 bps on 30-year and 2 bps on 10-year bonds, while moving up 37 bps in 5-years. Accordingly, tax-exempt municipal bonds outperformed Treasuries across the yield curve as investors sought to reduce interest rate risk later in the period. On the short and intermediate parts of the curve, the outperformance of municipal bonds versus Treasuries was driven largely by a supply/demand imbalance within the municipal market and a rotation from long-duration assets into short- and intermediate-duration investments, which are less sensitive to interest rate movements. Additionally, municipal bonds benefited from the increased appeal of tax-exempt investing in the new higher tax rate environment. The asset class is known for its lower relative volatility and preservation of principal with an emphasis on income as tax rates rise. The municipal market continues to be an attractive avenue for investors seeking yield in the low-rate environment. However, opportunities have not been as broad-based as in 2011 and 2012, warranting a more tactical approach going forward.

Financial Conditions of Municipal Issuers Continue to Improve

Following an extended period of nation-wide austerity and de-leveraging as states sought to balance their budgets, 16 consecutive quarters of positive revenue growth coupled with the elimination of more than 750,000 jobs in recent years have put state and local governments in a better financial position. Many local municipalities, however, continue to face increased health care and pension costs passed down from the state level. BlackRock maintains the view that municipal bond defaults will be minimal and remain in the periphery, and that the overall market is fundamentally sound. We continue to recognize that careful credit research, appropriate structure and security selection remain imperative amid uncertainty in a modestly improving economic environment.

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

The Benefits and Risks of Leveraging

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

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

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

However, in order to benefit Common Shareholders, the return on assets purchased with leverage proceeds must exceed the ongoing costs associated with the leverage. If interest and other costs of leverage exceed the Fund s return on assets purchased with leverage proceeds, income to shareholders will be lower than if the Fund had not used leverage. Furthermore, the value of the Trust 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 value of the Fund s obligations under its leverage arrangement generally does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Fund s NAVs positively or negatively. Changes in the future direction of interest rates are very difficult to predict accurately, and there is no assurance that a Fund s intended leveraging strategy will be successful.

Leverage also will generally cause greater changes in the Funds NAVs, market prices and dividend rates than comparable portfolios without leverage. In a declining market, leverage is likely to cause a greater decline in the net asset value and market price of a Fund s Common Shares than if the Fund were not leveraged. In addition, the Fund may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause the Fund to incur losses. The use of leverage may limit the Trust s ability to invest in certain types of securities or use certain types of hedging strategies. The Fund will incur expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares.

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

Under the Investment Company Act of 1940 (the 1940 Act), each Fund is permitted to issue debt up to 33 1/3% of its total managed assets or equity securities (e.g., Preferred Shares) up to 50% of its total managed assets. A Fund may voluntarily elect to limit its leverage to less than the maximum amount permitted under the 1940 Act. In addition, a Fund may also be subject to certain asset coverage, leverage or portfolio composition requirements imposed by the Preferred Shares governing instruments or by agencies rating the Preferred Shares, which may be more stringent than those imposed by the 1940 Act.

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

Derivative Financial Instruments

The Funds may invest in various derivative financial instruments, including financial futures contracts, as specified in Note 4 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such derivative financial instruments are used to obtain exposure to a security, index and/or market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Derivative financial instruments involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative financial instrument. The Funds ability to use a derivative financial instrument successfully depends on the investment advisor s ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial instruments may result in losses greater than if they had not been used, may require a Fund to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Fund can realize on an investment, may result in lower dividends paid to shareholders and/or may cause a Fund to hold an investment that it might otherwise sell. The Funds investments in these instruments are discussed in detail in the Notes to Financial Statements.

Fund Summary as of July 31, 2014

BlackRock MuniHoldings California Quality Fund, Inc.

Fund Overview

BlackRock MuniHoldings California Quality Fund, Inc. s (MUC) (the Fund) investment objective is to provide shareholders with current income exempt from federal and California income taxes. The Fund seeks to achieve its investment objective by investing primarily in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and California income taxes. Under normal market conditions, the Fund invests at least 80% of its assets in investment grade municipal obligations with remaining maturities of one year or more at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the 12-month period ended July 31, 2014, the Fund returned 12.25% based on market price and 15.94% based on NAV. For the same period, the closed-end Lipper California Municipal Debt Funds category posted an average return of 15.36% based on market price and 15.42% based on NAV. 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. The following discussion relates to performance based on NAV.

Tax-exempt rates declined during the period, supporting generally positive performance for municipal bonds. (Bond prices rise when rates fall.) Municipal bonds with longer durations (and greater sensitivity to interest rate movements) tended to provide the strongest returns. In this environment, the Fund s exposure to the long end of the yield curve had a positive impact on performance. Security selection also helped performance, particularly with respect to the Fund s holdings of high quality school district issues, which performed well amid the improvement in the State of California s finances. In addition the Fund s holdings in the health care, transportation and utilities sectors contributed to returns. The use of leverage, which was achieved through the use of tender option bonds contributed to performance as well.

The Fund s cash reserves were generally maintained at a minimal level. However, to the extent reserves were held, the cash holdings added little in the form of additional yield and provided no price appreciation in a generally positive period for the municipal market.

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 (NYSE)	MUC
Initial Offering Date	February 27, 1998
Yield on Closing Market Price as of July 31, 2014 ($14.04)[1]	6.11%
Tax Equivalent Yield[2]	12.45%
Current Monthly Distribution per Common Share[3]	$0.0715
Current Annualized Distribution per Common Share[3]	$0.8580
Economic Leverage as of July 31, 2014[4]	35%

1 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.

2 Tax equivalent yield assumes the maximum marginal federal and state tax rate of 50.93%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The distribution rate is not constant and is subject to change.

[4] Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Market Price and Net Asset Value Per Share Summary

	7/31/14	7/31/13	Change	High	Low
Market Price	$14.04	$13.31	5.48%	$14.64	$12.63
Net Asset Value	$15.82	$14.52	8.95%	$15.91	$13.94

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

Overview of the Fund s Long-Term Investments

Sector Allocation	7/31/14	7/31/13
County/City/Special District/School District	37%	36%
Utilities	25	24
Transportation	14	11
Health	12	10
Education	6	13
State	6	6

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

Credit Quality Allocation[1]	7/31/14	7/31/13
AAA/Aaa	15%	12%
AA/Aa	76	75
A	9	13

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

Call/Maturity Schedule[2]	
Calendar Year Ended December 31,	
2014	2%
2015	8
2016	12
2017	14
2018	13

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

Fund Summary as of July 31, 2014

BlackRock MuniHoldings New Jersey Quality Fund, Inc.

Fund Overview

BlackRock MuniHoldings New Jersey Quality Fund, Inc. s (MUJ) (the Fund) investment objective is to provide shareholders with current income exempt from federal income tax and New Jersey personal income taxes. The Fund seeks to achieve its investment objective by investing primarily in long-term, investment grade municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and New Jersey personal income taxes. Under normal market conditions, the Fund invests at least 80% of its assets in municipal obligations with remaining maturities of one year or more at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the 12-month period ended July 31, 2014, the Fund returned 13.24% based on market price and 15.79% based on NAV. For the same period, the closed-end Lipper New Jersey Municipal Debt Funds category posted an average return of 12.38% based on market price and 13.86% based on NAV. 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. The following discussion relates to performance based on NAV.

Positive contributors to performance included the Fund s exposure to the long-end of the municipal yield curve, as the curve flattened over the period. (Long-rates fell much more than short and intermediate rates.) The Fund s duration exposure and corresponding interest rate sensitivity also added to returns as municipal rates declined. (Bond prices rise as rates fall.) The income generated from the Fund s holdings of New Jersey state tax-exempt municipal bonds contributed to performance as well.

The Fund s modest exposure to Puerto Rico government-related credits in the earlier part of the period detracted from results as credit spreads on these bonds widened materially due to investors lack of confidence and a weak local economy. The Fund sold its exposure to these securities early in the period.

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 NYSE	MUJ
Initial Offering Date	March 11, 1998
Yield on Closing Market Price as of July 31, 2014 ($14.11)[1]	6.29%
Tax Equivalent Yield[2]	12.21%
Current Monthly Distribution per Common Share[3]	$0.074
Current Annualized Distribution per Common Share[3]	$0.888
Economic Leverage as of July 31, 2014[4]	38%

1 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.

2 Tax equivalent yield assumes the maximum marginal federal and state tax rate of 48.48%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The distribution rate is not constant and is subject to change.

[4] Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Market Price and Net Asset Value Per Share Summary

	7/31/14	7/31/13	Change	High	Low
Market Price	$ 14.11	$ 13.30	6.09%	$ 14.55	$ 12.52
Net Asset Value	$ 15.74	$ 14.51	8.48%	$ 15.85	$ 13.87

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

Overview of the Fund s Long-Term Investments

Sector Allocation	7/31/14	7/31/13
Transportation	23%	21%
State	22	27
Education	18	15
County/City/Special District/School District	14	13
Health	12	11
Housing	6	7
Utilities	3	5
Corporate	2	1

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

Credit Quality Allocation[1]	7/31/14	7/31/13
AAA/Aaa	9%	9%
AA/Aa	51	46
A	33	38
BBB/Baa	7	7
N/R[2]		

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

[2] The investment advisor evaluates the credit quality of unrated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment advisor has deemed certain of these unrated securities as investment grade quality. As of July 31, 2014, the market value of unrated securities deemed by the investment advisor to be investment grade was $10,039, representing less than 1%, of the Fund s long-term investments.

Call/Maturity Schedule[3]

Calendar Year Ended December 31,	
2014	3%
2015	7
2016	3
2017	7
2018	9

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

Fund Summary as of July 31, 2014

BlackRock MuniYield Investment Quality Fund

Fund Overview

BlackRock MuniYield Investment Quality Fund s (MFT) (the Fund) investment objective is 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. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the 12-month period ended July 31, 2014, the Fund returned 16.10% based on market price and 16.40% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 14.52% based on market price and 14.95% based on NAV. 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. The following discussion relates to performance based on NAV.

Tax-exempt rates declined during the period, supporting generally positive performance for municipal bonds. (Bond prices rise when rates fall.) The municipal yield curve flattened, meaning that longer-dated yields declined more than shorter-maturity yields. In this environment, the Fund s duration exposure (sensitivity to interest rate movements) had a positive impact on performance. The Fund s longer-dated holdings in the health care, education and transportation sectors experienced strong market appreciation, aiding performance. The Fund also benefited from its holdings in the State of California, as the continued improvement in the State s economy was a catalyst for market appreciation during the period.

The Fund s modest exposure to Puerto Rico government-related credits in the earlier part of the period detracted from results, as credit spreads on these bonds widened materially due to investors lack of confidence and the weak local economy. The Fund sold its exposure to these securities early in the period.

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 NYSE	MFT
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2014 ($13.26)[1]	6.43%
Tax Equivalent Yield[2]	11.36%
Current Monthly Distribution per Common Share[3]	$0.071
Current Annualized Distribution per Common Share[3]	$0.852
Economic Leverage as of July 31, 2014[4]	38%

[1] 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.

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

[3] The distribution rate is not constant and is subject to change.

[4] Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

BlackRock MuniYield Investment Quality Fund

Market Price and Net Asset Value Per Share Summary

	7/31/14	7/31/13	Change	High	Low
Market Price	$ 13.26	$ 12.20	8.69%	$ 13.78	$ 11.80
Net Asset Value	$ 14.83	$ 13.61	8.96%	$ 14.92	$ 13.01

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

Overview of the Fund s Long-Term Investments

Sector Allocation	7/31/14	7/31/13
Transportation	36%	27%
Utilities	21	23
County/City/Special District/School District	18	20
Health	11	11
State	9	10
Education	2	6
Housing	2	1
Tobacco	1	2

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

Credit Quality Allocation[1]	7/31/14	7/31/13
AAA/Aaa	6%	9%
AA/Aa	62	64
A	27	27
BBB/Baa	5	

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

Call/Maturity Schedule[2]

Calendar Year Ended December 31,	
2014	
2015	
2016	2%

2017	2
2018	11

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

Fund Summary as of July 31, 2014

BlackRock MuniYield Michigan Quality Fund, Inc.

Fund Overview

BlackRock MuniYield Michigan Quality Fund, Inc. s (MIY) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal and Michigan income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and Michigan income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the 12-month period ended July 31, 2014, the Fund returned 14.74% based on market price and 15.24% based on NAV. For the same period, the closed-end Lipper Other States Municipal Debt Funds category posted an average return of 12.67% based on market price and 12.42% based on NAV. 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. The following discussion relates to performance based on NAV.

Positive contributors to performance included the Fund s exposure to the long-end of the municipal yield curve, as the curve flattened over the period. (Long-rates fell much more than short and intermediate rates.) The Fund s duration exposure and corresponding interest rate sensitivity also added to returns as municipal rates declined. (Bond prices rise as rates fall.) The income generated from the Fund s holdings of Michigan state tax-exempt municipal bonds contributed to performance as well.

The Fund s modest exposure to Puerto Rico government-related credits in the earlier part of the period detracted from results as credit spreads on these bonds widened materially due to investors lack of confidence and a weak local economy. The Fund sold its exposure to these securities early in the period.

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 NYSE	MIY
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2014 ($13.47)[1]	6.41%
Tax Equivalent Yield[2]	11.83%
Current Monthly Distribution per Common Share[3]	$0.072
Current Annualized Distribution per Common Share[3]	$0.864
Economic Leverage as of July 31, 2014[4]	38%

[1] 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.

[2] Tax equivalent yield assumes the maximum marginal federal and state tax rate of 45.81%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The distribution rate is not constant and is subject to change.

[4] Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Market Price and Net Asset Value Per Share Summary

	7/31/14	7/31/13	Change	High	Low
Market Price	$13.47	$12.57	7.16%	$14.12	$11.94
Net Asset Value	$15.24	$14.16	7.63%	$15.30	$13.36

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

Overview of the Fund s Long-Term Investments

Sector Allocation	7/31/14	7/31/13
Education	21%	17%
County/City/Special District/School District	19	25
Health	18	14
Utilities	13	12
State	11	13
Transportation	9	10
Housing	6	6
Corporate	3	3

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

Credit Quality Allocation[1]	7/31/14	7/31/13
AAA/Aaa	3%	1%
AA/Aa	73	70
A	24	29

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

Call/Maturity Schedule[2]

Calendar Year Ended December 31,	
2014	2%
2015	7
2016	6
2017	8
2018	13

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

Fund Summary as of July 31, 2014

BlackRock MuniYield New Jersey Quality Fund, Inc.

Fund Overview

BlackRock MuniYield New Jersey Quality Fund, Inc. s (MJI) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal income taxes and New Jersey personal income tax as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and New Jersey personal income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the 12-month period ended July 31, 2014, the Fund returned 13.85% based on market price and 16.64% based on NAV. For the same period, the closed-end Lipper New Jersey Municipal Debt Funds category posted an average return of 12.38% based on market price and 13.86% based on NAV. 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. The following discussion relates to performance based on NAV.

Positive contributors to performance included the Fund s exposure to the long-end of the municipal yield curve, as the curve flattened over the period. (Long-rates fell much more than short and intermediate rates.) The Fund s duration exposure and corresponding interest rate sensitivity also added to returns as municipal rates declined. (Bond prices rise as rates fall.) The income generated from the Fund s holdings of New Jersey state tax-exempt municipal bonds contributed to performance as well.

The Fund s modest exposure to Puerto Rico government-related credits in the earlier part of the period detracted from results as credit spreads on these bonds widened materially due to investors lack of confidence and a weak local economy. The Fund sold its exposure to these securities early in the period.

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 NYSE	MJI
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2014 ($14.15)[1]	6.28%
Tax Equivalent Yield[2]	12.19%
Current Monthly Distribution per Common Share[3]	$0.074
Current Annualized Distribution per Common Share[3]	$0.888
Economic Leverage as of July 31, 2014[4]	37%

1 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.

2 Tax equivalent yield assumes the maximum marginal federal and state tax rate of 48.48%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The distribution rate is not constant and is subject to change.

[4] Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Market Price and Net Asset Value Per Share Summary

	7/31/14	7/31/13	Change	High	Low
Market Price	$14.15	$13.27	6.63%	$14.54	$12.48
Net Asset Value	$15.61	$14.29	9.24%	$15.70	$13.58

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

Overview of the Fund s Long-Term Investments

Sector Allocation	7/31/14	7/31/13
Transportation	24%	20%
Education	22	17
State	17	24
County/City/Special District/School District	12	11
Health	11	10
Housing	6	7
Utilities	4	8
Corporate	4	3

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

Credit Quality Allocation[1]	7/31/14	7/31/13
AAA/Aaa	6%	6%
AA/Aa	51	45
A	36	42
BBB/Baa	7	7

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

Call/Maturity Schedule[2]

Calendar Year Ended December 31,	
2014	6%
2015	3
2016	3
2017	8
2018	8

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

Fund Summary as of July 31, 2014

BlackRock MuniYield Pennsylvania Quality Fund

Fund Overview

BlackRock MuniYield Pennsylvania Quality Fund s (MPA) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal and Pennsylvania income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and Pennsylvania income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the 12-month period ended July 31, 2014, the Fund returned 13.45% based on market price and 15.39% based on NAV. For the same period, the closed-end Lipper Pennsylvania Municipal Debt Funds category posted an average return of 16.01% based on market price and 13.04% based on NAV. 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. The following discussion relates to performance based on NAV.

The Fund s duration exposure (sensitivity to interest rate movements) contributed positively to performance as interest rates declined during the period. (Bond prices rise when rates fall.) The Fund s exposure to long-maturity bonds benefited performance given that the yield curve flattened with rates falling more significantly in the 20- to 30-year maturity range. The income generated from coupon payments on the Fund s portfolio of Pennsylvania tax-exempt bonds also contributed to performance.

The Fund s modest exposure to Puerto Rico government-related credits detracted from results. Credit spreads on these bonds widened materially due to investors lack of confidence and the weak local economy. The Fund sold its exposure to these securities early in the period.

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 NYSE	MPA
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2014 ($13.89)[1]	6.39%
Tax Equivalent Yield[2]	11.65%
Current Monthly Distribution per Common Share[3]	$0.074
Current Annualized Distribution per Common Share[3]	$0.888
Economic Leverage as of July 31, 2014[4]	36%

1 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.

2 Tax equivalent yield assumes the maximum marginal federal and state tax rate of 45.14%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

[3] The distribution rate is not constant and is subject to change.

[4] Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Market Price and Net Asset Value Per Share Summary

	7/31/14	7/31/13	Change	High	Low
Market Price	$ 13.89	$ 13.07	6.27%	$ 14.37	$ 12.30
Net Asset Value	$ 15.77	$ 14.59	8.09%	$ 15.85	$ 13.94

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

Overview of the Fund s Long-Term Investments

Sector Allocation	7/31/14	7/31/13
County/City/Special District/School District	25%	22%
Health	17	16
State	16	17
Transportation	11	13
Education	10	11
Corporate	8	7
Utilities	7	7
Housing	6	7

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

Credit Quality Allocation[1]	7/31/14	7/31/13
AAA/Aaa	1%	1%
AA/Aa	74	73
A	19	22
BBB/Baa	6	4
N/R[2]		

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

[2] The investment advisor evaluates the credit quality of unrated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment advisor has deemed certain of these unrated securities as investment grade quality. As of July 31, 2014 and July 31, 2013, the market value of unrated securities deemed by the investment advisor to be investment grade was $539,850, representing less than 1%, and $525,235, representing less than 1%, respectively, of the Fund s long-term investments.

Call/Maturity Schedule[3]

Calendar Year Ended December 31,	
2014	7%
2015	10
2016	11
2017	6
2018	12

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

Schedule of Investments July 31, 2014

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
California 120.4%		
Corporate 0.4%		
City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34	$ 2,435	$ 2,806,192
County/City/Special District/School District 37.9%		
Centinela Valley Union High School District, GO, Election of 2010, Series A, 5.75%, 8/01/41	9,100	10,803,611
City of Garden Grove California, COP, Series A, Financing Project (AMBAC), 5.50%, 3/01/26	4,040	4,055,958
County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35	3,500	4,074,980
County of Los Angeles California Sanitation Districts Financing Authority, Refunding RB (BHAC), 5.00%, 10/01/34	7,915	8,230,729
County of Orange California Sanitation District, COP, Series A, 5.00%, 2/01/35	2,500	2,820,050
County of San Joaquin California Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36	2,440	2,930,562
County of Ventura California Community College District, GO, Election of 2002, Series C, 5.50%, 8/01/33	5,050	5,813,207
Culver City Redevelopment Finance Authority California, Refunding, Tax Allocation Bonds, Series A (AGM), 5.60%, 11/01/25	3,750	3,765,113
Foothill-De Anza Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/40	30,000	33,046,200
Garden Grove Unified School District, GO, Election of 2010, Series C, 5.25%, 8/01/40	5,500	6,242,170
Grossmont Healthcare District, GO, Election of 2006, Series B, 6.13%, 7/15/40	2,000	2,348,900
Kern Community College District, GO, Safety Repair & Improvements, Series C:		
5.25%, 11/01/32	5,715	6,631,457
5.75%, 11/01/34	12,085	14,622,850
Los Alamitos Unified School District, GO, Refunding, School Facilities Improvement, Series E, 5.25%, 8/01/39	3,700	4,190,102
Los Angeles Community College District, GO, Series E (AGM), 5.00%, 8/01/31	11,215	11,953,396
Los Angeles Community Redevelopment Agency California, RB, Bunker Hill Project, Series A (AGM), 5.00%, 12/01/27	7,000	7,102,830
Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35	11,000	12,123,650
Oxnard Union High School District, GO, Refunding, Election of 2004, Series A (AGM), 5.00%, 8/01/35	10,000	10,873,100
Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33	5,000	5,634,400
Riverside Community College District, GO, Election of 2004, Series C (AGM), 5.00%, 8/01/32	8,750	9,623,512
California (continued)		
County/City/Special District/School District (concluded)		
San Diego Regional Building Authority, RB, County Operations Center & Annex, Series A, 5.50%, 2/01/29	$ 900	$ 1,049,382
San Francisco California Bay Area Rapid Transit District, Refunding RB, Series A (NPFGC), 5.00%, 7/01/30	23,100	23,828,805
San Jose California Financing Authority, LRB, Convention Center Expansion & Renovation Project, Series A:		
5.75%, 5/01/36	2,560	2,738,867
5.75%, 5/01/42	4,500	5,290,380
San Jose California Financing Authority, Refunding LRB, Convention Center Expansion & Renovation Project, Series A, 5.00%, 6/01/39	20,000	21,770,000
Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/38	5,635	6,556,604
West Contra Costa California Unified School District, GO:		
Election of 2005, Series A (AGM), 5.00%, 8/01/35	5,000	5,066,200
Election of 2010, Series A (AGM), 5.25%, 8/01/41	5,390	5,883,724
Election of 2010, Series B, 5.50%, 8/01/39	3,195	3,610,957
Election of 2012, Series A, 5.50%, 8/01/39	2,500	2,827,500
		245,509,196
Education 3.3%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38	2,300	2,594,630
California Municipal Finance Authority, RB, Emerson College, 6.00%, 1/01/42	2,750	3,154,965
Gavilan Joint Community College District, GO, Election of 2004, Series D:		
5.50%, 8/01/31	2,170	2,504,310

5.75%, 8/01/35	8,400	9,779,616
University of California, RB, Series L, 5.00%, 5/15/36	3,030	3,258,038
		21,291,559
Health 18.4%		
ABAG Finance Authority for Nonprofit Corps., Refunding RB, Sharp Healthcare:		
Series A, 6.00%, 8/01/30	2,305	2,784,855
Series B, 6.25%, 8/01/39	6,305	7,284,734
California Health Facilities Financing Authority, RB:		
Children s Hospital, Series A, 5.25%, 11/01/41	8,620	9,314,341
Kaiser Permanente, Series A, 5.25%, 4/01/39	7,275	7,520,822
Providence Health Services, Series B, 5.50%, 10/01/39	4,130	4,761,518
Sutter Health, Series A, 5.25%, 11/15/46	7,500	7,944,300
Sutter Health, Series B, 6.00%, 8/15/42	9,655	11,556,070

Portfolio Abbreviations

AGC	Assured Guaranty Corp.	**EDA**	Economic Development Authority	**IDA**	Industrial Development Authority
AGM	Assured Guaranty Municipal Corp.	**EDC**	Economic Development Corp.	**IDB**	Industrial Development Board
AMBAC	American Municipal Bond Assurance Corp.	**ERB**	Education Revenue Bonds	**ISD**	Independent School District
AMT	Alternative Minimum Tax (subject to)	**GAB**	Grant Anticipation Bonds	**LRB**	Lease Revenue Bonds
ARB	Airport Revenue Bonds	**GARB**	General Airport Revenue Bonds	**M/F**	Multi-Family
BARB	Building Aid Revenue Bonds	**GO**	General Obligation Bonds	**NPFGC**	National Public Finance Guarantee Corp.
BHAC	Berkshire Hathaway Assurance Corp.	**HDA**	Housing Development Authority	**Q-SBLF**	Qualified School Bond Loan Fund
CAB	Capital Appreciation Bonds	**HFA**	Housing Finance Agency	**RB**	Revenue Bonds
COP	Certificates of Participation	**HUD**	Department of Housing and Urban Development	**S/F**	Single-Family

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
California (continued)		
Health (concluded)		
California Health Facilities Financing Authority, Refunding RB:		
Catholic Healthcare West, Series A, 6.00%, 7/01/34	$ 3,700	$ 4,178,521
Saint Joseph s Health System, Series A, 5.00%, 7/01/37	10,000	10,837,100
Series A, 5.00%, 10/01/38	10,970	12,129,529
Stanford Hospital, Series A-3, 5.50%, 11/15/40	3,065	3,494,253
California Statewide Communities Development Authority, RB, Kaiser Permanente:		
Series A, 5.00%, 4/01/42	12,500	13,532,125
Series B, 5.25%, 3/01/45	12,505	12,887,528
California Statewide Communities Development Authority, Refunding RB:		
Kaiser Permanente, Series C, 5.25%, 8/01/31	2,500	2,618,825
Trinity Health Credit Group Composite Issue, 5.00%, 12/01/41	6,235	6,684,918
Washington Township Health Care District, GO, Series B, 5.50%, 8/01/38	1,625	1,901,721
		119,431,160
State 9.4%		
California State Public Works Board, LRB:		
Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34	3,670	4,367,997
Various Capital Projects, Series I, 5.50%, 11/01/33	2,015	2,381,831
California State Public Works Board, RB, California State Prisons, Series C, 5.75%, 10/01/31	1,205	1,406,211
State of California, GO, Various Purposes:		
6.00%, 3/01/33	5,000	5,998,850
6.00%, 4/01/38	28,095	33,063,601
University of California, RB, Limited Project, Series D (NPFGC), 5.00%, 5/15/41	13,000	14,000,090
		61,218,580
Transportation 20.5%		
City & County of San Francisco California Airports Commission, ARB, Series E, 6.00%, 5/01/39	9,650	11,438,821
City & County of San Francisco California Airports Commission, Refunding ARB, AMT:		
2nd Series 34E (AGM), 5.75%, 5/01/24	5,000	5,679,750
Series A, 5.00%, 5/01/29	6,435	7,130,945
City of Los Angeles California Department of Airports, ARB, Los Angeles International Airport, Senior Series D, 5.25%, 5/15/29	2,590	2,979,536
City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Series A:		
Senior, 5.00%, 5/15/40	3,750	4,106,925
5.25%, 5/15/39	5,835	6,626,926
City of San Jose California, Refunding ARB, Series A-1, AMT:		
5.25%, 3/01/23	3,785	4,343,931
6.25%, 3/01/34	1,400	1,619,380
County of Los Angeles Metropolitan Transportation Authority, Refunding RB, Series A (AMBAC), 5.00%, 7/01/35	9,000	9,314,190
County of Orange California, ARB, Series B, 5.75%, 7/01/34	6,345	7,125,245
County of Sacramento California, ARB:		
Senior Series A (AGC), 5.50%, 7/01/41	8,190	9,279,516
Senior Series B, 5.75%, 7/01/39	2,650	3,023,094
Senior Series B, AMT (AGM), 5.75%, 7/01/28	13,275	15,133,234
Senior Series B, AMT (AGM), 5.25%, 7/01/33	19,530	20,718,791
California (concluded)		
Transportation (concluded)		
County of San Bernardino California Transportation Authority, RB, Series A, 5.25%, 3/01/40	4,545	5,239,703
Los Angeles Harbor Department, RB, Series B, 5.25%, 8/01/34	5,530	6,327,315
San Francisco Bay Area Rapid Transit District, Refunding RB, Series A (NPFGC), 5.00%, 7/01/34	2,500	2,577,950
County of San Mateo California Transportation Authority, Refunding RB, Series A (NPFGC), 5.00%, 6/01/32	10,000	10,296,700
		132,961,952

Utilities 30.5%		
Anaheim Public Financing Authority, RB, Electric System Distribution Facilities, Series A, 5.38%, 10/01/36	2,200	2,521,970
City of Los Angeles California Department of Water & Power, Refunding RB, Series A, 5.25%, 7/01/39	16,000	17,771,040
City of Los Angeles California Wastewater System, Refunding RB, Sub-Series A, 5.00%, 6/01/28	2,000	2,305,260
City of Napa California Water Revenue, RB (AMBAC), 5.00%, 5/01/35	9,100	9,905,896
City of San Francisco California Public Utilities Commission Water, RB, Series B, 5.00%, 11/01/30	10,000	11,418,200
County of Sacramento California Sanitation Districts Financing Authority, RB:		
5.00%, 6/01/16 (a)	3,490	3,790,768
5.00%, 12/01/36	1,010	1,066,126
Dublin-San Ramon Services District, Refunding RB, 6.00%, 8/01/41	4,000	4,840,440
East Bay Municipal Utility District, Refunding RB:		
Series A (NPFGC), 5.00%, 6/01/32	10,000	11,052,400
Series A (NPFGC), 5.00%, 6/01/37	6,670	7,332,731
Sub-Series A (AGM), 5.00%, 6/01/37	11,190	12,301,839
Sub-Series A (AMBAC), 5.00%, 6/01/33	5,000	5,480,700
East Bay Municipal Utility District Water System Revenue, RB, Series A (NPFGC):		
5.00%, 6/01/15 (a)	8,830	9,185,761
5.00%, 6/01/35	3,240	3,340,796
Eastern Municipal Water District, COP, Series H, 5.00%, 7/01/33	2,505	2,801,291
El Dorado Irrigation District/El Dorado County Water Agency, Refunding RB, Series A (AGM), 5.25%, 3/01/39	10,000	11,344,400
Imperial Irrigation District, Refunding RB, Electric System, 5.13%, 11/01/38	9,500	10,355,475
Los Angeles Department of Water & Power, RB:		
Series A, 5.38%, 7/01/38	9,375	10,663,406
Sub-Series A-2, (AGM), 5.00%, 7/01/35	7,500	8,036,850
Metropolitan Water District of Southern California, RB, Series A:		
5.00%, 7/01/35	12,870	13,319,292
5.00%, 7/01/37	5,500	6,017,605
Metropolitan Water District of Southern California, Refunding RB, Series C, 5.00%, 7/01/35	2,515	2,856,537
San Diego Public Facilities Financing Authority Sewer, Refunding RB, Senior Series A:		
5.25%, 5/15/34	1,060	1,209,555
5.25%, 5/15/39	10,000	11,337,800
San Diego Public Facilities Financing Authority Water, Refunding RB, Series B, 5.50%, 8/01/39	8,000	9,292,960
San Juan Water District, Refunding RB, San Juan & Citrus Heights, 5.25%, 2/01/33	7,325	8,246,412
		197,795,510
Total Municipal Bonds 120.4%		781,014,149

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

Municipal Bonds Transferred to Tender Option Bond Trusts (b)	Par (000)	Value
California 29.1%		
County/City/Special District/School District 18.0%		
County of Alameda California Joint Powers Authority, Refunding LRB (AGM), 5.00%, 12/01/34	$ 13,180	$ 14,556,255
Desert Community College District California, GO, Series C (AGM), 5.00%, 8/01/37	16,530	18,180,190
Foothill-De Anza Community College District, GO, Series C, 5.00%, 8/01/40	10,000	11,015,400
Los Angeles Community College District California, GO:		
Election of 2001, Series A (NPFGC), 5.00%, 8/01/32	6,647	7,348,137
Election of 2001, Series E-1, 5.00%, 8/01/33	11,770	13,219,358
Election of 2003, Series F-1, 5.00%, 8/01/33	10,000	11,231,400
Los Angeles Community College District California, GO, Refunding, Election of 2008, Series A, 6.00%, 8/01/33	9,596	11,458,954
Poway Unified School District, GO, Election of 2002, Improvement District 02, Series 1-B (AGM), 5.00%, 8/01/30	10,000	10,935,400
San Bernardino Community College District California, GO, Election of 2002, Series C (AGM), 5.00%, 8/01/31	17,770	18,958,280
		116,903,374
Education 4.9%		
Riverside Community College District, GO, Election of 2004, Series C (NPFGC), 5.00%, 8/01/32	8,910	9,799,485
University of California, RB:		
Limited Project, Series D (AGM), 5.00%, 5/15/41	8,000	8,615,440
Series O, 5.75%, 5/15/34	11,190	13,100,543
		31,515,468

Municipal Bonds Transferred to Tender Option Bond Trusts (b)	Par (000)	Value
California (concluded)		
Utilities 6.2%		
County of San Diego California Water Authority, COP, Refunding, Series A (AGM), 5.00%, 5/01/33	16,740	18,549,762
East Bay Municipal Utility District, Refunding RB, Sub-Series A (AMBAC), 5.00%, 6/01/37	14,510	15,993,212
Rancho Water District Financing Authority, Refunding RB, Series A (AGM), 5.00%, 8/01/34	5,008	5,610,799
		40,153,773
Total Municipal Bonds Transferred to Tender Option Bond Trusts 29.1%		188,572,615
Total Long-Term Investments (Cost $900,566,455) 149.5%		969,586,764

Short-Term Securities	Shares	
BIF California Municipal Money Fund, 0.00% (c)(d)	2,207,320	2,207,320
Total Short-Term Securities (Cost $2,207,320) 0.3%		2,207,320
Total Investments (Cost $902,773,775) 149.8%		971,794,084
Other Assets Less Liabilities 2.9%		19,344,027
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (13.6)%		(88,301,430)
VMTP Shares, at Liquidation Value (39.1)%		(254,000,000)
Net Assets Applicable to Common Shares 100.0%		$ 648,836,681

Notes to Schedule of Investments

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

(b) Represent bonds transferred to a TOB. In exchange for which the Fund received cash and residual interest certificates. These bonds serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

(c) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2014, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2013	Net Activity	Shares Held at July 31, 2014	Income
BIF California Municipal Money Fund	501,963	1,705,357	2,207,320	$ 206

(d) Represents the current yield as of report date.

Financial futures contracts outstanding as of July 31, 2014 were as follows:

Contracts Sold	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
(411)	10-Year U.S. Treasury Note	Chicago Board of Trade	September 2014	$ 51,214,453	$ 98,963

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

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

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

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

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

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund s policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments, please refer to Note 2 of the Notes to Financial Statements.

The following tables summarize the Fund s investments and derivative financial instruments categorized in the disclosure hierarchy as of July 31, 2014:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Municipal Bonds[1]		$ 969,586,764		$ 969,586,764
Short-Term Securities	$ 2,207,320			2,207,320
Total	$ 2,207,320	$ 969,586,764		$ 971,794,084

[1] See above Schedule of Investments for values in each sector.

	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments[2]				
Assets:				
Interest rate contracts	$ 98,963			$ 98,963

[2] Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of July 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for financial futures contracts	$ 562,000			$ 562,000
Liabilities:				
TOB trust certificates		$ (88,271,444)		(88,271,444)
VMTP Shares		(254,000,000)		(254,000,000)
Total	$ 562,000	$ (342,271,444)		$ (341,709,444)

There were no transfers between levels during the year ended July 31, 2014.

See Notes to Financial Statements.

Schedule of Investments July 31, 2014

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
New Jersey 138.8%		
Corporate 2.9%		
County of Salem New Jersey Pollution Control Financing Authority, Refunding RB, Atlantic City Electric, AMT, Series A, 5.00%, 12/01/23	$ 4,190	$ 4,635,942
New Jersey EDA, Refunding RB, New Jersey American Water Co., Inc. Project, AMT:		
Series A, 5.70%, 10/01/39	2,500	2,739,450
Series B, 5.60%, 11/01/34	2,150	2,363,022
		9,738,414
County/City/Special District/School District 18.2%		
Borough of Hopatcong New Jersey, GO, Refunding, Sewer (AMBAC), 4.50%, 8/01/33	2,690	2,758,272
City of Perth Amboy New Jersey, GO, Refunding, CAB (AGM):		
5.00%, 7/01/32	4,605	4,813,008
5.00%, 7/01/33	1,395	1,455,250
5.00%, 7/01/37	1,470	1,518,628
County of Essex New Jersey Improvement Authority, Refunding RB, Project Consolidation (NPFGC):		
5.50%, 10/01/27	250	315,768
5.50%, 10/01/28	4,840	6,145,832
County of Hudson New Jersey Improvement Authority, RB:		
County Secured, County Services Building Project (AGM), 5.00%, 4/01/27	750	811,860
Harrison Parking Facility Project, Series C (AGC), 5.25%, 1/01/39	2,000	2,140,320
Harrison Parking Facility Project, Series C (AGC), 5.38%, 1/01/44	3,600	3,857,148
County of Middlesex New Jersey Improvement Authority, RB, Senior Citizens Housing Project, AMT (AMBAC), 5.50%, 9/01/30	500	501,805
County of Monmouth New Jersey Improvement Authority, RB, Governmental Loan (AMBAC):		
5.35%, 12/01/17	5	5,019
5.38%, 12/01/18	5	5,019
County of Union New Jersey, GO, Refunding:		
4.00%, 3/01/29	2,590	2,740,453
4.00%, 3/01/30	2,590	2,727,788
4.00%, 3/01/31	2,925	3,068,179
County of Union New Jersey Utilities Authority, Refunding RB, Series A:		
Resources Recovery Facility, Covanta Union, Inc., AMT, 5.25%, 12/01/31	450	486,013
Solid Waste System, County Deficiency Agreement, 5.00%, 6/15/41	5,415	5,893,307
Edgewater Borough Board of Education, GO, Refunding, (AGM):		
4.25%, 3/01/34	1,235	1,309,878
4.25%, 3/01/35	1,300	1,371,981
4.30%, 3/01/36	1,370	1,442,733
Morristown Parking Authority, RB, (NPFGC):		
5.00%, 8/01/30	1,830	1,912,844
5.00%, 8/01/33	3,000	3,120,150
New Jersey Sports & Exposition Authority, Refunding RB, (NPFGC):		
5.50%, 3/01/21	5,890	6,809,606
5.50%, 3/01/22	3,150	3,672,081
New Jersey State Transit Corp., COP, Federal Transit Administration Grants, Subordinate, Series A (AGM) (NPFGC), 5.00%, 9/15/15 (a)	2,000	2,090,080
		60,973,022
New Jersey (continued)		
Education 28.2%		
New Jersey Educational Facilities Authority, RB:		
Higher Education Capital Improvement Fund, 5.00%, 9/01/33	4,310	4,739,750
Montclair State University, Series A (AMBAC), 5.00%, 7/01/16 (a)	1,200	1,306,500
Montclair State University, Series A (AMBAC), 5.00%, 7/01/22	2,880	3,113,539
Richard Stockton College, Series F (NPFGC), 5.00%, 7/01/31	2,625	2,780,479
New Jersey Educational Facilities Authority, Refunding RB:		
College of New Jersey, Series D (AGM), 5.00%, 7/01/35	9,740	10,730,948
Montclair State University, Series A, 5.00%, 7/01/39	11,055	12,287,080

Montclair State University, Series J (NPFGC), 4.25%, 7/01/30	3,775	3,840,987
Montclaire State University, Series A, 5.00%, 7/01/44	2,520	2,794,201
New Jersey Institute of Technology, Series H, 5.00%, 7/01/31	3,000	3,288,450
Ramapo College, Series B, 5.00%, 7/01/37	345	372,331
Ramapo College, Series I (AMBAC), 4.25%, 7/01/31	1,250	1,271,238
Seton Hall University, Series D, 5.00%, 7/01/38	360	391,410
Seton Hall University, Series D, 5.00%, 7/01/43	430	467,010
Stevens Institute of Technology, Series A, 5.00%, 7/01/27	2,800	2,900,464
Stevens Institute of Technology, Series A, 5.00%, 7/01/34	900	920,286
William Paterson University, Series C (AGC), 5.00%, 7/01/28	250	277,670
William Paterson University, Series C (AGC), 4.75%, 7/01/34	4,000	4,244,600
New Jersey Higher Education Student Assistance Authority, RB, Senior Student Loan, Series 1A, AMT:		
4.00%, 12/01/28	790	788,191
4.50%, 12/01/28	3,380	3,527,841
4.00%, 12/01/29	4,140	4,073,222
4.00%, 12/01/29	710	707,487
4.50%, 12/01/29	4,150	4,325,504
4.63%, 12/01/30	4,080	4,245,770
4.00%, 12/01/31	1,335	1,289,076
4.25%, 12/01/32	1,460	1,445,692
4.13%, 12/01/35	710	677,539
4.50%, 12/01/36	1,280	1,284,774
New Jersey Higher Education Student Assistance Authority, Refunding RB, Series 1, AMT, 5.38%, 12/01/24	1,500	1,684,470
New Jersey Institute of Technology, RB, Series A, 5.00%, 7/01/42	5,045	5,433,969
Rutgers - The State University of New Jersey, Refunding RB, Series L:		
5.00%, 5/01/30	1,100	1,263,592
5.00%, 5/01/43	7,150	7,934,927
		94,408,997
Health 19.1%		
New Jersey Health Care Facilities Financing Authority, RB:		
Greystone Park Psychiatric Hospital (AMBAC), 5.00%, 9/15/15 (a)	10,775	11,358,143
Meridian Health System Obligated Group, Series I (AGC), 5.00%, 7/01/38	720	755,424

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
New Jersey (continued)		
Health (concluded)		
Meridian Health System Obligated Group, Series II (AGC), 5.00%, 7/01/38	$ 6,050	$ 6,347,660
Meridian Health System Obligated Group, Series V (AGC), 5.00%, 7/01/38	3,800	3,986,960
Robert Wood Johnson University Hospital, Series A, 5.50%, 7/01/43	4,885	5,424,011
Virtua Health, Series A (AGC), 5.50%, 7/01/38	3,035	3,271,366
New Jersey Health Care Facilities Financing Authority, Refunding RB:		
5.00%, 7/01/28	2,130	2,415,441
5.00%, 7/01/29	510	574,831
5.50%, 7/01/31	2,880	3,212,323
AHS Hospital Corp., 6.00%, 7/01/41	3,080	3,565,685
Catholic Health East Issue, 5.00%, 11/15/33	1,375	1,465,668
Hackensack University Medical (AGC), 5.13%, 1/01/27	1,500	1,597,710
Hackensack University Medical (AGM), 4.63%, 1/01/30	5,480	5,743,040
Kennedy Health System, 5.00%, 7/01/42	360	377,978
Meridian Health System Obligated Group, 5.00%, 7/01/25	700	784,378
Meridian Health System Obligated Group, 5.00%, 7/01/26	1,590	1,764,089
St. Barnabas Health Care System, Series A, 5.00%, 7/01/24	1,820	2,030,155
St. Barnabas Health Care System, Series A, 5.63%, 7/01/32	4,010	4,390,068
St. Barnabas Health Care System, Series A, 5.63%, 7/01/37	3,560	3,866,089
St. Luke s Warren Hospital Obligated Group, 5.00%, 8/15/34	740	789,869
St. Luke s Warren Hospital Obligated Group, 4.00%, 8/15/37	440	415,888
		64,136,776
Housing 9.0%		
New Jersey Housing & Mortgage Finance Agency, RB:		
Capital Fund Program, Series A (AGM), 5.00%, 5/01/27	4,800	5,180,784
Capital Fund Program, Series A (AGM) (HUD), 4.70%, 11/01/25	6,120	6,272,021
M/F Housing, Series A, 4.55%, 11/01/43	3,575	3,603,350
M/F Housing, Series A, AMT (NPFGC), 4.85%, 11/01/39	935	918,890
S/F Housing, Series AA, 6.50%, 10/01/38	930	957,826
S/F Housing, Series B, 4.50%, 10/01/30	6,735	7,114,584
New Jersey Housing & Mortgage Finance Agency, Refunding RB, AMT:		
M/F Housing, Series 2, 4.60%, 11/01/38	2,400	2,438,736
M/F Housing, Series 2, 4.75%, 11/01/46	3,015	3,058,898
S/F Housing, Series T, 4.70%, 10/01/37	615	620,486
		30,165,575
State 29.6%		
Garden State Preservation Trust, RB (AGM):		
CAB, Series B, 0.00%, 11/01/23 (b)	9,000	7,025,760
CAB, Series B, 0.00%, 11/01/25 (b)	10,000	7,210,400
Election of 2005, Series A, 5.80%, 11/01/15 (a)	1,960	2,095,828
Election of 2005, Series A, 5.80%, 11/01/15 (a)	2,730	2,919,189
Garden State Preservation Trust, Refunding RB, Series C (AGM):		
5.25%, 11/01/20	5,000	6,056,750
5.25%, 11/01/21	7,705	9,440,166
New Jersey (continued)		
State (concluded)		
New Jersey EDA, LRB, Rutgers - The State University of New Jersey, College Avenue Redevelopment Project, 5.00%, 6/15/33	2,185	2,477,593
New Jersey EDA, RB:		
Liberty State Park Project, Series C, 5.00%, 3/01/22	2,670	2,740,301
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/24	1,785	2,118,849
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/25	4,000	4,764,760
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/26	7,500	8,939,475
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33	11,105	11,223,046
School Facilities Construction (AGC), 6.00%, 12/15/18 (a)	2,775	3,375,121

School Facilities Construction (AGC), 6.00%, 12/15/34	25	28,968
School Facilities Construction, Series L (AGM), 5.00%, 3/01/15 (a)	9,000	9,254,430
School Facilities Construction, Series O, 5.25%, 3/01/15 (a)	1,420	1,461,947
School Facilities Construction, Series U, 5.00%, 9/01/37	2,475	2,696,388
School Facilities Construction, Series Y, 5.00%, 9/01/33	3,000	3,287,880
New Jersey EDA, Refunding RB:		
Cigarette Tax, 5.00%, 6/15/26	895	984,885
Cigarette Tax, 5.00%, 6/15/28	1,520	1,654,900
Cigarette Tax, 5.00%, 6/15/29	2,000	2,163,300
School Facilities Construction, Series N-1 (NPFGC), 5.50%, 9/01/27	1,000	1,219,070
School Facilities Construction, Series NN, 5.00%, 3/01/29	4,500	4,923,270
State of New Jersey, COP, Equipment Lease Purchase, Series A, 5.25%, 6/15/27	1,080	1,208,099
		99,270,375
Transportation 27.6%		
Delaware River Port Authority, RB:		
5.00%, 1/01/29	1,250	1,414,275
5.00%, 1/01/37	4,465	4,881,986
Series D (AGM), 5.00%, 1/01/40	3,700	3,930,288
Delaware River Port Authority, Refunding RB, Port District Project:		
5.00%, 1/01/26	1,745	1,887,392
5.00%, 1/01/27	1,300	1,396,408
New Jersey EDA, RB, Private Activity Bond, The Goethals Bridge Replacement Project (AMT):		
5.13%, 1/01/34	1,630	1,745,159
5.38%, 1/01/43	5,495	5,829,371
New Jersey State Turnpike Authority, RB, Growth & Income Securities, Series B (AMBAC), 5.15%, 1/01/35 (c)	7,615	7,832,637
New Jersey State Turnpike Authority, Refunding RB:		
Series A (AGM), 5.25%, 1/01/26	4,900	5,969,621
Series A (AGM), 5.25%, 1/01/29	2,000	2,423,960
Series A (AGM), 5.25%, 1/01/30	4,000	4,855,160
Series A (BHAC), 5.25%, 1/01/29	500	616,315
Series C (NPFGC), 6.50%, 1/01/16 (d)	255	277,295
Series C (NPFGC), 6.50%, 1/01/16 (d)	1,535	1,593,453
Series C (NPFGC), 6.50%, 1/01/16 (d)	305	331,666
Series C (NPFGC), 6.50%, 1/01/16	605	656,310
New Jersey Transportation Trust Fund Authority, RB:		
CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/36 (b)	7,210	2,311,454

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
New Jersey (concluded)		
Transportation (concluded)		
CAB, Transportation System, Series A, 0.00%, 12/15/35 (b)	$ 6,000	$ 2,049,360
CAB, Transportation System, Series C (AGM), 0.00%, 12/15/32 (b)	4,050	1,709,545
CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/35 (b)	1,400	473,228
Transportation Program, Series AA, 5.00%, 6/15/33	4,300	4,623,833
Transportation System, Series A, 6.00%, 6/15/35	4,365	5,225,080
Transportation System, Series A (NPFGC), 5.75%, 6/15/24	1,205	1,449,507
Transportation System, Series A (AGC), 5.63%, 12/15/28	2,000	2,339,040
Transportation System, Series AA, 5.25%, 6/15/33	4,050	4,495,054
Transportation System, Series B, 5.50%, 6/15/31	1,425	1,625,697
Transportation System, Series B, 5.25%, 6/15/36	1,775	1,930,419
Port Authority of New York & New Jersey, ARB, Special Project, JFK International Air Terminal LLC Project:		
Series 6, AMT (NPFGC), 5.75%, 12/01/25	3,000	3,007,860
Series 6, AMT (NPFGC), 6.25%, 12/01/15	1,500	1,561,125
Series 8, 6.00%, 12/01/42	2,500	2,868,200
Port Authority of New York & New Jersey, Refunding ARB, AMT:		
178th Series, 5.00%, 12/01/33	2,850	3,154,266
Consolidated, 152nd Series, 5.75%, 11/01/30	5,175	5,857,272
South Jersey Transportation Authority, Refunding RB, Transportation System, Series A:		
5.00%, 11/01/28	1,025	1,103,074
5.00%, 11/01/29	1,025	1,096,361
		92,521,671
Utilities 4.2%		
County of Essex New Jersey Utilities Authority, Refunding RB, (AGC), 4.13%, 4/01/22	1,330	1,436,812
North Hudson Sewerage Authority, Refunding RB, Series A (NPFGC), 5.13%, 8/01/20 (d)	4,335	5,196,495
Rahway Valley Sewerage Authority, RB, CAB, Series A (NPFGC) (b):		
0.00%, 9/01/28	6,600	3,783,582
0.00%, 9/01/29	6,900	3,741,042
		14,157,931
Total Municipal Bonds in New Jersey		465,372,761
Guam 1.0%		
State 1.0%		
Territory of Guam, RB, Business Privilege Tax Bonds:		
Series A, 5.25%, 1/01/36	305	325,417
Series A, 5.13%, 1/01/42	2,500	2,634,575
Series B-1, 5.00%, 1/01/37	395	414,177
Total Municipal Bonds in Guam		3,374,169
Puerto Rico 0.5%		
Health 0.5%		
Puerto Rico Industrial Tourist Educational Medical & Environmental Control Facilities Financing Authority, RB, Hospital De La Concepcion, Series A, 6.50%, 11/15/20	1,750	1,758,960
Total Municipal Bonds 140.3%		470,505,890

Municipal Bonds Transferred to Tender Option Bond Trusts (e)	Par (000)	Value
New Jersey 19.2%		
County/City/Special District/School District 4.0%		
County of Union New Jersey Utilities Authority, Refunding LRB, Resource Recovery Facility, Covanta Union, Inc., Series A, AMT, 5.25%, 12/01/31	12,370	13,359,971
Education 0.3%		
Rutgers - The State University of New Jersey, RB, Series F, 5.00%, 5/01/39	990	1,099,151
State 5.0%		
Garden State Preservation Trust, RB, Election of 2005, Series A (AGM), 5.75%, 11/01/28	9,160	11,715,274

New Jersey EDA, Refunding RB, 5.00%, 3/01/29 (f)	4,780	5,229,901
		16,945,175
Transportation 9.9%		
New Jersey State Turnpike Authority, RB, Series A, 5.00%, 1/01/38 (f)	5,200	5,645,224
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (f)	1,900	2,066,802
Port Authority of New York & New Jersey, ARB, Consolidated, 163rd Series, AMT, 5.00%, 7/15/39	11,456	12,902,963
Port Authority of New York & New Jersey, RB, Consolidated, 169th Series, AMT, 5.00%, 10/15/41	5,500	5,927,460
Port Authority of New York & New Jersey, Refunding RB, Consolidated, 152nd Series, AMT, 5.25%, 11/01/35	5,998	6,548,290
		33,090,739
Total Municipal Bonds Transferred to Tender Option Bond Trusts 19.2%		64,495,036
Total Long-Term Investments (Cost $498,648,550) 159.5%		535,000,926
Short-Term Securities	**Shares**	**Value**
BIF New Jersey Municipal Money Fund, 0.00% (g)(h)	4,710,150	4,710,150
Total Short-Term Securities (Cost $4,710,150) 1.4%		4,710,150
Total Investments (Cost $503,358,700) 160.9%		539,711,076
Other Assets Less Liabilities 0.9%		3,119,362
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (10.3)%		(34,705,693)
VRDP Shares, at Liquidation Value (51.5)%		(172,700,000)
Net Assets Applicable to Common Shares 100.0%		$ 335,424,745

See Notes to Financial Statements.

Notes to Schedule of Investments

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

(b) Zero-coupon bond.

(c) 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 is as of report date.

(d) Security is collateralized by municipal or U.S. Treasury obligations.

(e) Represent bonds transferred to a TOB. In exchange for which the Fund received cash and residual interest certificates. These bonds serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

(f) All or a portion of security is subject to a recourse agreement, which may require the Fund to pay the liquidity provider in the event there is a shortfall between the TOB trust certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire from June 15, 2019 to September 1, 2020 is $8,818,272.

(g) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2014, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2013	Net Activity	Shares Held at July 31, 2014	Income
BIF New Jersey Municipal Money Fund	7,170,770	(2,460,620)	4,710,150	$ 2

(h) Represents the current yield as of report date.

Financial futures contracts outstanding as of July 31, 2014 were as follows:

Contracts Sold	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
(205)	10-Year U.S. Treasury Note	Chicago Board of Trade	September 2014	$ 25,544,922	$ 87,799

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

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

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

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

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

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund s policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments, please refer to Note 2 of the Notes to Financial Statements.

The following tables summarize the Fund s investments and derivative financial instruments categorized in the disclosure hierarchy as of July 31, 2014:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Municipal Bonds[1]		$ 535,000,926		$ 535,000,926
Short-Term Securities	$ 4,710,150			4,710,150
Total	$ 4,710,150	$ 535,000,926		$ 539,711,076

[1] See above Schedule of Investments for values in each sector.

	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments[2]				
Assets:				
Interest rate contracts	$ 87,799			$ 87,799

[2] Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of July 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for financial futures contracts	$ 280,000			$ 280,000
Liabilities:				
TOB trust certificates		$ (34,699,311)		(34,699,311)
VRDP Shares		(172,700,000)		(172,700,000)
Total	$ 280,000	$ (207,399,311)		$ (207,119,311)

There were no transfers between levels during the year ended July 31, 2014.

See Notes to Financial Statements.

Schedule of Investments July 31, 2014

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 4.4%		
City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC):		
6.13%, 6/01/34	$ 1,500	$ 1,747,545
6.00%, 6/01/39	2,985	3,460,719
City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A, 5.38%, 12/01/35	350	382,515
		5,590,779
California 19.9%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38	1,960	2,211,076
California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42	1,150	1,376,435
City & County of San Francisco California Airports Commission, Refunding ARB, 2nd Series A, AMT:		
5.50%, 5/01/28	720	831,794
5.25%, 5/01/33	560	619,931
City of San Jose California, Refunding ARB, Series A-1, AMT:		
5.50%, 3/01/30	1,600	1,775,728
6.25%, 3/01/34	1,250	1,445,875
County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 7/01/41	1,400	1,586,242
Kern Community College District, GO, Safety, Repair & Improvement, Election of 2002, Series C, 5.50%, 11/01/33	970	1,144,804
Los Angeles Community College District California, GO, Election of 2001, Series A (NPFGC), 5.00%, 8/01/32	2,780	3,073,040
Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/34	1,000	1,129,840
San Diego Public Facilities Financing Authority Water, Refunding RB, Series B (AGC), 5.38%, 8/01/34	1,020	1,172,031
State of California, GO, Various Purposes (AGC), 5.50%, 11/01/39	3,450	3,954,287
State of California Public Works Board, RB:		
Department of Corrections & Rehabilitation, Series F, 5.25%, 9/01/33	490	560,315
Various Capital Projects, Series I, 5.50%, 11/01/31	1,000	1,181,180
Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/40	370	430,965
University of California, Refunding RB, The Regents of Medical Center, Series J, 5.25%, 5/15/38	2,235	2,532,210
		25,025,753
Colorado 2.1%		
City & County of Denver Colorado Airport System, ARB, Series A, AMT:		
5.50%, 11/15/28	500	572,715
5.50%, 11/15/30	225	254,124
5.50%, 11/15/31	270	302,484
Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/26	1,300	1,479,907
		2,609,230
Florida 11.4%		
City of Jacksonville Florida, Refunding RB, Series A, 5.25%, 10/01/33	270	303,161
County of Hillsborough Florida Aviation Authority, Refunding ARB, Tampa International Airport, Series A, AMT, 5.50%, 10/01/29	1,170	1,312,096
County of Lee Florida, Refunding ARB, Series A, AMT, 5.38%, 10/01/32	1,000	1,089,050
County of Manatee Florida Housing Finance Authority, RB, S/F Housing, Series A, AMT (Ginnie Mae, Fannie Mae & Freddie Mac), 5.90%, 9/01/40	120	122,381
Florida (concluded)		
County of Miami-Dade Florida, RB, Seaport:		
Series A, 6.00%, 10/01/38	1,840	2,109,321
Series A, 5.50%, 10/01/42	2,125	2,355,435
Series B, AMT, 6.00%, 10/01/26	590	710,690
Series B, AMT, 6.00%, 10/01/27	775	925,606
Series B, AMT, 6.25%, 10/01/38	310	362,288
Series B, AMT, 6.00%, 10/01/42	410	468,327
County of Miami-Dade Florida, Refunding RB:		

Seaport, Series D, AMT, 6.00%, 10/01/26	735	885,352
Water & Sewer System, Series B, 5.25%, 10/01/29	500	574,000
County of Miami-Dade Florida Aviation, Refunding ARB, Series A, AMT, 5.00%, 10/01/31	2,165	2,328,501
Reedy Creek Improvement District, GO, Series A, 5.25%, 6/01/32	710	796,222
		14,342,430
Hawaii 1.0%		
State of Hawaii, Department of Transportation, COP, AMT:		
5.25%, 8/01/25	250	287,433
5.25%, 8/01/26	810	924,226
		1,211,659
Illinois 23.1%		
City of Chicago Illinois, GARB, O Hare International Airport, 3rd Lien:		
Series A, 5.75%, 1/01/39	770	866,420
Series C, 6.50%, 1/01/41	3,680	4,402,752
City of Chicago Illinois, GO, Refunding, Series A:		
5.25%, 1/01/29	1,000	1,058,590
5.25%, 1/01/33	570	593,609
City of Chicago Illinois, Refunding RB, Series A:		
Sales Tax, 5.25%, 1/01/38	525	562,217
Waterworks, 2nd Lien (AMBAC), 5.00%, 11/01/36	1,165	1,201,406
City of Chicago Illinois Transit Authority, RB:		
Federal Transit Administration, Section 5309, Series A (AGC), 6.00%, 6/01/26	1,400	1,558,732
Sales Tax Receipts, 5.25%, 12/01/36	1,000	1,087,990
Sales Tax Receipts, 5.00%, 12/01/44	1,235	1,320,277
City of Chicago Illinois Transit Authority, Refunding RB, Federal Transit Administration, Section 5309 (AGM), 5.00%, 6/01/28	3,000	3,185,010
City of Chicago Illinois Wastewater Transmission, RB, 2nd Lien, 5.00%, 1/01/42	1,375	1,434,634
City of Chicago Illinois, Midway Airport, Refunding ARB, 2nd Lien, Series A, AMT, 5.00%, 1/01/41	385	401,132
County of Cook Illinois Community College District No. 508, GO, City College of Chicago:		
5.50%, 12/01/38	1,500	1,676,220
5.25%, 12/01/43	2,700	2,916,891
Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41	1,555	1,763,495
Railsplitter Tobacco Settlement Authority, RB:		
5.50%, 6/01/23	940	1,093,502
6.00%, 6/01/28	270	314,258
State of Illinois, GO:		
5.25%, 2/01/31	585	615,841
5.25%, 2/01/32	1,000	1,047,220
5.50%, 7/01/33	1,500	1,602,300
5.50%, 7/01/38	280	296,570
		28,999,066
Indiana 4.1%		
Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges East End Crossing Project, Series A, AMT, 5.00%, 7/01/40	375	388,492

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Indiana (concluded)		
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC), 5.50%, 1/01/38	$ 4,310	$ 4,789,703
		5,178,195
Louisiana 2.1%		
City of New Orleans Louisiana Aviation Board, Refunding GARB, Restructuring (AGC):		
Series A-1, 6.00%, 1/01/23	375	430,399
Series A-2, 6.00%, 1/01/23	160	183,637
Lake Charles Harbor & Terminal District, RB, Series B, AMT, 5.50%, 1/01/29	1,000	1,131,790
Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.50%, 5/15/29	805	880,573
		2,626,399
Massachusetts 2.3%		
Massachusetts Educational Financing Authority, RB, Education Loan, Issue I, AMT, 5.00%, 1/01/26	880	960,608
Massachusetts HFA, Refunding RB, Series C, AMT, 5.35%, 12/01/42	1,910	1,962,773
		2,923,381
Michigan 5.3%		
City of Detroit Michigan, Refunding RB, Sewage Disposal System, Senior Lien (AGM):		
Series B, 7.50%, 7/01/33	660	722,291
Series C-1, 7.00%, 7/01/27	2,285	2,479,842
City of Detroit Michigan Water Supply System, RB, 2nd Lien, Series B (AGM), 6.25%, 7/01/36	1,800	1,839,510
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a)	1,265	1,631,584
		6,673,227
Minnesota 2.8%		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38	3,000	3,529,980
Mississippi 1.5%		
Mississippi Development Bank, RB, Special Obligation, Jackson Water & Sewer System Project (AGM), 6.88%, 12/01/40	1,190	1,547,095
Mississippi State University Educational Building Corp., Refunding RB, Mississippi State University Improvement Project, 5.25%, 8/01/38	260	294,653
		1,841,748
Nevada 4.3%		
County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A (AGM), 5.25%, 7/01/39	2,375	2,566,211
County of Clark Nevada, GO, Limited Tax, 5.00%, 6/01/38	1,000	1,081,780
County of Clark Nevada Water Reclamation District, GO, Series A, 5.25%, 7/01/34	1,500	1,715,100
		5,363,091
New Jersey 6.4%		
New Jersey EDA, RB:		
Private Activity Bond, The Goethals Bridge Replacement Project, AMT, 5.38%, 1/01/43	1,000	1,060,850
School Facilities Construction (AGC), 6.00%, 12/15/18 (a)	980	1,191,935
School Facilities Construction (AGC), 6.00%, 12/15/34	20	23,174
The Goethals Bridge Replacement Project, AMT (AGM), 5.00%, 1/01/31	530	574,043
New Jersey (concluded)		
New Jersey EDA, Refunding RB, School Facilities Construction, Series RR, 5.00%, 6/15/33	500	540,430
New Jersey Health Care Facilities Financing Authority, RB, Virtua Health, Series A (AGC), 5.50%, 7/01/38	1,400	1,509,032
New Jersey Transportation Trust Fund Authority, RB, Transportation System:		
Series A, 5.50%, 6/15/41	1,195	1,323,654
Series AA, 5.50%, 6/15/39	1,600	1,768,880

		7,991,998
New York 5.5%		
City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution, Series FF-2, 5.50%, 6/15/40	1,545	1,767,434
City of New York New York Transitional Finance Authority Building Aid, BARB, Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/29	2,000	2,316,600
Port Authority of New York & New Jersey, Refunding ARB, Consolidated, 166th Series, 5.25%, 7/15/36	2,500	2,807,575
		6,891,609
Ohio 1.9%		
State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1:		
5.25%, 2/15/30	585	662,302
5.25%, 2/15/31	1,500	1,688,745
		2,351,047
Pennsylvania 2.1%		
Pennsylvania Turnpike Commission, RB:		
Series A, 5.00%, 12/01/44	440	481,994
Sub-Series A, 6.00%, 12/01/41	2,000	2,179,500
		2,661,494
South Carolina 4.9%		
County of Charleston South Carolina, RB, Special Source, 5.25%, 12/01/38	1,470	1,690,941
County of Charleston South Carolina Airport District, ARB, Series A, AMT:		
5.50%, 7/01/26	1,810	2,092,704
6.00%, 7/01/38	1,155	1,305,496
5.50%, 7/01/41	1,000	1,095,820
		6,184,961
Texas 19.1%		
Austin Community College District Public Facility Corp., RB, Educational Facilities Project, Round Rock Campus, 5.25%, 8/01/33	2,250	2,520,045
City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 3/01/37	930	1,057,122
City of Frisco Texas ISD, GO, School Building (AGC), 5.50%, 8/15/41	1,210	1,427,643
City of Houston Texas Utility System, Refunding RB, Combined 1st Lien, Series A (AGC):		
6.00%, 11/15/35	2,700	3,169,962
6.00%, 11/15/36	2,055	2,417,831
5.38%, 11/15/38	1,000	1,130,210
Dallas-Fort Worth International Airport, ARB, Joint Improvement, Series H, AMT, 5.00%, 11/01/37	980	1,026,011
Dallas-Fort Worth International Airport, Refunding RB, Joint Revenue, Series E, 5.50%, 11/01/27	2,500	2,866,825
Lower Colorado River Authority, Refunding RB, 5.50%, 5/15/33	730	824,272
North Texas Tollway Authority, RB, Special Projects, Series A, 5.50%, 9/01/41	2,750	3,129,280

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Texas (concluded)		
North Texas Tollway Authority, Refunding RB, 1st Tier:		
(AGM), 6.00%, 1/01/43	$ 1,000	$ 1,124,800
Series K-1 (AGC), 5.75%, 1/01/38	1,400	1,594,768
Red River Education Financing Corp., RB, Texas Christian University Project, 5.25%, 3/15/38	420	476,288
Tarrant County Cultural Education Facilities Finance Corp., Refunding RB (AGC):		
6.50%, 1/01/19 (a)	265	323,191
6.50%, 7/01/37	835	936,661
		24,024,909
Virginia 1.3%		
City of Lexington Virginia IDA, RB, Washington & Lee University, 5.00%, 1/01/43	380	418,505
Virginia Public School Authority, RB, Fluvanna County School Financing, 6.50%, 12/01/18 (a)	1,000	1,233,120
		1,651,625
Washington 1.5%		
City of Seattle Washington Municipal Light & Power, Refunding RB, Series A, 5.25%, 2/01/36	1,000	1,114,480
State of Washington, GO, Various Purposes, Series B, 5.25%, 2/01/36	725	827,631
		1,942,111
Total Municipal Bonds 127.0%		159,614,692
Municipal Bonds Transferred to Tender Option Bond Trusts (b)		
Alabama 1.2%		
City of Mobile Alabama Board of Water & Sewer Commissioners, RB (NPFGC), 5.00%, 1/01/31	1,500	1,567,245
District of Columbia 0.7%		
District of Columbia Water & Sewer Authority, Refunding RB, Senior Lien, Series A, 6.00%, 10/01/35 (c)	760	873,914
Florida 2.4%		
County of Hillsborough Florida Aviation Authority, ARB, Tampa International Airport, Series A, AMT (AGC), 5.50%, 10/01/38	2,499	2,782,302
County of Lee Florida Housing Finance Authority, RB, S/F Housing, Multi-County Program, Series A-2, AMT (Ginnie Mae), 6.00%, 9/01/40	240	248,218
		3,030,520
Kentucky 0.9%		
Kentucky State Property & Building Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/27	1,002	1,140,772
Nevada 7.5%		
County of Clark Nevada Water Reclamation District, GO:		
Limited Tax, 6.00%, 7/01/38	2,010	2,333,248
Series B, 5.50%, 7/01/29	1,994	2,337,151
Las Vegas Valley Water District, GO, Refunding, Series C, 5.00%, 6/01/28	4,200	4,737,474
		9,407,873
New Jersey 2.2%		
New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29	1,610	1,717,855
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (c)	1,000	1,087,791
		2,805,646
New York 12.6%		
City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution:		
Series BB, 5.25%, 6/15/44	2,999	3,330,900

Series FF-2, 5.50%, 6/15/40	1,095	1,252,475
City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-3, 5.25%, 1/15/39	1,000	1,119,297
Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (c)	1,000	1,137,537
New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43	3,000	3,305,640
New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (c)	1,770	1,984,241
New York State Dormitory Authority, ERB, Personal Income Tax, Series B, 5.25%, 3/15/38	3,250	3,679,618
		15,809,708
Texas 2.4%		
City of San Antonio Texas Public Service Board, Refunding RB, Series A, 5.25%, 2/01/31 (c)	2,609	2,959,373
Utah 0.9%		
City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41	1,004	1,068,160
Total Municipal Bonds Transferred to Tender Option Bond Trusts 30.8%		38,663,211
Total Long-Term Investments (Cost $180,889,379) 157.8%		198,277,903
Short-Term Securities	**Shares**	
FFI Institutional Tax-Exempt Fund, 0.03% (d)(e)	2,565,273	2,565,273
Total Short-Term Securities (Cost $2,565,273) 2.0%		2,565,273
Total Investments (Cost $183,454,652) 159.8%		200,843,176
Other Assets Less Liabilities 1.3%		1,592,727
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (16.1)%		(20,288,965)
VMTP Shares, at Liquidation Value (45.0)%		(56,500,000)
Net Assets Applicable to Common Shares 100.0%		$ 125,646,938

See Notes to Financial Statements.

Notes to Schedule of Investments

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

(b) Represent bonds transferred to a TOB. In exchange for which the Fund received cash and residual interest certificates. These bonds serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

(c) All or a portion of security is subject to a recourse agreement, which may require the Fund to pay the liquidity provider in the event there is a shortfall between the TOB trust certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire from October 16, 2016 to November 15, 2019 is $4,647,054.

(d) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2014, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2013	Net Activity	Shares Held at July 31, 2014	Income
FFI Institutional Tax-Exempt Fund	8,162,312	(5,597,039)	2,565,273	$ 683

(e) Represents the current yield as of report date.

Financial futures contracts outstanding as of July 31, 2014 were as follows:

Contracts Sold	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
(79)	10-Year U.S. Treasury Note	Chicago Board of Trade	September 2014	$ 9,844,141	$ 33,835

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

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

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

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

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund s policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments, please refer to Note 2 of the Notes to Financial Statements.

The following tables summarize the Fund s investments and derivative financial instruments categorized in the disclosure hierarchy as of July 31, 2014:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments[1]		$ 198,277,903		$ 198,277,903
Short-Term Securities	$ 2,565,273			2,565,273
Total	$ 2,565,273	$ 198,277,903		$ 200,843,176

[1] See above Schedule of Investments for values in each state or political subdivision.

	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments[2]				
Assets:				
Interest rate contracts	$ 33,835			$ 33,835

[2] Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Investment Quality Fund (MFT)

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of July 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for financial futures contracts	$ 108,000			$ 108,000
Liabilities:				
TOB trust certificates		$ (20,283,757)		(20,283,757)
VMTP Shares		(56,500,000)		(56,500,000)
Total	$108,000	$ (76,783,757)		$ (76,675,757)

There were no transfers between levels during the year ended July 31, 2014.

See Notes to Financial Statements.

Schedule of Investments July 31, 2014

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Michigan 136.9%		
Corporate 4.9%		
County of Monroe EDC Michigan, Refunding RB, Detroit Edison Co. Project, Series AA (NPFGC), 6.95%, 9/01/22	$ 10,695	$ 13,648,103
County/City/Special District/School District 25.1%		
Anchor Bay School District, GO, Refunding (Q-SBLF):		
4.38%, 5/01/27	960	1,031,290
4.50%, 5/01/29	900	961,461
Bay City School District Michigan, GO, School Building & Site (AGM) (Q-SBLF), 5.00%, 5/01/36	2,800	2,946,160
Birmingham City School District Michigan, GO, School Building & Site (AGM), 5.00%, 11/01/14 (a)	1,000	1,012,150
Charter Township of Canton Michigan, GO, Capital Improvement (AGM):		
5.00%, 4/01/25	1,840	2,026,171
5.00%, 4/01/26	2,000	2,204,020
5.00%, 4/01/27	500	545,475
Chippewa Valley Schools, GO, Refunding, Unlimited Tax (Q-SBLF), 5.00%, 5/01/32	1,970	2,180,002
City of Oak Park Michigan, GO, Street Improvement (NPFGC), 5.00%, 5/01/30	500	525,305
Columbia Michigan School District, GO, Unlimited Tax, School Building & Site (Q-SBLF), 5.00%, 5/01/38	3,215	3,495,026
Comstock Park Public Schools, GO, School Building & Site, Series B (Q-SBLF):		
5.50%, 5/01/36	750	826,643
5.50%, 5/01/41	1,355	1,480,812
County of Genesee Michigan, GO, Refunding, Series A (NPFGC), 5.00%, 5/01/19	600	617,010
Dearborn Brownfield Redevelopment Authority, GO, Limited Tax, Redevelopment, Series A (AGC), 5.50%, 5/01/39	3,300	3,548,919
Dearborn School District, GO, Series A (Q-SBLF):		
5.00%, 5/01/32	930	1,032,384
5.00%, 5/01/33	990	1,094,069
5.00%, 5/01/34	745	820,856
Flint EDC, RB, Michigan Department of Human Services Office Building Project, 5.25%, 10/01/41	3,070	3,207,597
Fraser Public School District Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/25	2,000	2,066,300
Goodrich Area School District Michigan, GO, School Building & Site (Q-SBLF):		
5.50%, 5/01/32	600	668,118
5.50%, 5/01/36	1,200	1,322,628
5.50%, 5/01/41	1,575	1,721,239
Harper Creek Community School District Michigan, GO, Refunding (AGM), 5.00%, 5/01/22	1,125	1,162,294
Hudsonville Public Schools, GO, School Building & Site (Q-SBLF), 5.25%, 5/01/41	4,100	4,420,415
L Anse Creuse Public Schools Michigan, GO, School Building & Site (AGM):		
5.00%, 5/01/24	1,000	1,033,150
5.00%, 5/01/25	1,525	1,575,554
5.00%, 5/01/26	1,600	1,653,040
5.00%, 5/01/35	3,000	3,077,070
Lincoln Consolidated School District Michigan, GO, Refunding (NPFGC), 4.63%, 5/01/28	3,650	3,846,333
Livonia Public Schools School District Michigan, GO, Series I (AGM), 5.00%, 5/01/43	3,090	3,280,869
Montrose Community Schools, GO, (NPFGC), 6.20%, 5/01/17	625	675,494
Parchment School District, County of Kalamazoo, State of Michigan, GO, School Building & Site (NPFGC), 5.00%, 5/01/25	900	989,856

Municipal Bonds	Par (000)	Value
Michigan (continued)		
County/City/Special District/School District (concluded)		
Romulus Community Schools, GO, Unlimited Tax, Refunding (AGM):		
4.25%, 5/01/26	$ 1,200	$ 1,285,716
4.25%, 5/01/27	1,200	1,275,168
4.50%, 5/01/29	1,025	1,094,567
Thornapple Kellogg School District Michigan, GO, Refunding, School Building & Site (NPFGC), 5.00%, 5/01/32	2,500	2,698,975
Troy School District, GO (Q-SBLF), 5.00%, 5/01/28	1,240	1,416,365
Van Dyke Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/28	1,250	1,384,975
Walled Lake Consolidated School District, GO (Q-SBLF):		

5.00%, 5/01/37	1,770	1,929,919
5.00%, 5/01/40	1,630	1,766,708
		69,900,103
Education 19.6%		
Grand Valley State University, RB, (NPFGC), 5.50%, 2/01/18	1,445	1,544,315
Michigan Higher Education Facilities Authority, RB, Limited Obligation, Hillsdale College Project, 5.00%, 3/01/35	1,720	1,721,170
Michigan State University, Refunding RB, General:		
Series A, 5.00%, 8/15/41	4,980	5,530,041
Series C, 5.00%, 2/15/40	4,700	5,052,124
Michigan Technological University, Refunding RB, Series A, 5.00%, 10/01/34	1,650	1,784,953
Oakland University, RB, General, Series A:		
5.00%, 3/01/38	8,485	9,089,641
5.00%, 3/01/43	13,865	14,780,506
University of Michigan, RB, Series A, 5.00%, 4/01/39	2,125	2,404,905
Wayne State University, RB, Series A:		
5.00%, 11/15/40	2,000	2,150,560
4.00%, 11/15/44	620	620,546
Western Michigan University, Refunding RB, General, University and College Improvements:		
5.25%, 11/15/40	2,100	2,286,585
5.25%, 11/15/43	5,255	5,730,840
(AGM), 5.25%, 11/15/33	620	687,214
(AGM), 5.00%, 11/15/39	1,085	1,173,677
		54,557,077
Health 28.4%		
Kalamazoo Hospital Finance Authority, RB, Bronson Methodist Hospital (AGM), 5.25%, 5/15/36	4,750	5,051,292
Kent Hospital Finance Authority Michigan, Refunding RB, Spectrum Health, Series A, 5.00%, 11/15/29	4,500	4,964,220
Michigan Finance Authority, RB, Sparrow Obligated Group, 5.00%, 11/15/36	1,550	1,630,399
Michigan Finance Authority, Refunding RB:		
Hospital, Oakwood Obligated Group, 5.00%, 8/15/31	1,745	1,892,784
Trinity Health Credit Group, 5.00%, 12/01/31	3,100	3,385,758
Trinity Health Credit Group, 5.00%, 12/01/35	4,100	4,414,839
Trinity Health Credit Group, 5.00%, 12/01/39	3,350	3,576,293
Michigan State Hospital Finance Authority, RB:		
Ascension Health Senior Credit Group, 5.00%, 11/15/25	3,700	4,186,365
McLaren Health Care, Series C, 5.00%, 8/01/35	1,000	1,011,760
MidMichigan Obligated Group, Series A, 5.00%, 4/15/26	620	633,435
MidMichigan Obligated Group, Series A, 5.00%, 4/15/36	3,550	3,589,654

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Michigan (continued)		
Health (concluded)		
Michigan State Hospital Finance Authority, Refunding RB:		
Henry Ford Health System, Series A, 5.25%, 11/15/46	$ 2,500	$ 2,533,000
Hospital, Oakwood Obligated Group, 5.00%, 11/01/32	4,000	4,290,120
Hospital, Oakwood Obligated Group, Series A, 5.00%, 7/15/21	600	657,330
Hospital, Oakwood Obligated Group, Series A, 5.00%, 7/15/25	3,260	3,422,087
Hospital, Oakwood Obligated Group, Series A, 5.00%, 7/15/37	630	642,102
Hospital, Sparrow Obligated Group, 5.00%, 11/15/31	3,100	3,176,198
McLaren Health Care, Series A, 5.00%, 6/01/35	1,390	1,488,398
McLaren Health Care, Series A, 5.75%, 5/15/38	4,500	5,058,675
Trinity Health Credit Group, Series A, 6.25%, 12/01/28	930	1,084,789
Trinity Health Credit Group, Series C, 4.00%, 12/01/32	4,460	4,501,924
Trinity Health Credit, Series A, 6.50%, 12/01/33	1,000	1,173,180
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital:		
Series D, 5.00%, 9/01/39	11,000	11,750,640
Series V, 8.25%, 9/01/18 (a)	1,000	1,289,790
Series W, 6.00%, 8/01/39	925	1,029,784
State of Michigan Hospital Finance Authority, Refunding RB, Henry Ford Health, 5.75%, 11/15/39	1,965	2,117,622
Sturgis Building Authority, RB, Sturgis Hospital Project (NPFGC), 4.75%, 10/01/14 (a)	475	478,662
		79,031,100
Housing 10.2%		
Michigan State HDA, RB:		
Deaconess Tower, AMT (Ginnie Mae), 5.25%, 2/20/48	1,000	1,014,440
Series A, 4.75%, 12/01/25	4,235	4,501,974
Series A, 4.45%, 10/01/34	620	636,573
Series A, 4.63%, 10/01/39	2,165	2,213,778
Series A, 4.75%, 10/01/44	3,100	3,177,314
Williams Pavilion, AMT (Ginnie Mae), 4.75%, 4/20/37	3,615	3,639,510
Michigan State HDA, Refunding RB:		
Rental Housing, Series D, 4.50%, 10/01/48	7,790	7,913,627
Series A, 6.05%, 10/01/41	4,825	5,261,421
		28,358,637
State 14.4%		
Michigan State Building Authority, Refunding RB:		
5.00%, 10/15/31	1,000	1,060,930
Facilities Program, Series I, 6.25%, 10/15/38	3,900	4,540,809
Facilities Program, Series I (AGC), 5.25%, 10/15/24	4,000	4,640,080
Facilities Program, Series I (AGC), 5.25%, 10/15/25	2,000	2,311,460
Facilities Program, Series I (AGC), 5.25%, 10/15/26	600	690,882
Facilities Program, Series I-A, 5.50%, 10/15/45	1,250	1,391,938
Facilities Program, Series II (AGM), 5.00%, 10/15/26	4,500	5,124,105
Michigan State Finance Authority, RB, Local Government Loan Program, Series F:		
5.00%, 4/01/31	1,000	1,063,650
5.25%, 10/01/41	6,085	6,441,764

Municipal Bonds	Par (000)	Value
Michigan (continued)		
State (concluded)		
Michigan Strategic Fund, Refunding RB, Cadillac Place Office Building Project, 5.25%, 10/15/31	$ 4,350	$ 4,709,875
State of Michigan, COP, (AMBAC), 0.00%, 6/01/22 (b)(c)	3,000	2,513,040
State of Michigan Trunk Line Fund, RB:		
5.00%, 11/15/33	1,850	2,065,081
5.00%, 11/15/36	3,125	3,441,187
		39,994,801
Transportation 14.1%		

State of Michigan, RB, GAB (AGM), 5.25%, 9/15/27	5,250	5,906,197
Wayne County Airport Authority, RB, Detroit Metropolitan Wayne County Airport, AMT (NPFGC):		
5.25%, 12/01/25	6,270	6,611,652
5.25%, 12/01/26	6,300	6,643,287
5.00%, 12/01/34	4,435	4,595,902
Wayne County Airport Authority, Refunding RB, AMT (AGC):		
5.75%, 12/01/25	4,000	4,587,280
5.75%, 12/01/26	1,000	1,146,820
5.38%, 12/01/32	8,700	9,732,516
		39,223,654
Utilities 20.2%		
City of Detroit Michigan Sewage Disposal System, Refunding RB, Senior Lien, Series A, 5.25%, 7/01/39	1,645	1,611,343
City of Detroit Michigan Water Supply System, RB:		
2nd Lien, Series B (AGM), 7.00%, 7/01/36	3,000	3,226,080
Senior Lien, Series A (NPFGC), 5.00%, 7/01/34	6,000	5,910,480
City of Detroit Michigan Water Supply System, Refunding RB, 2nd Lien, Series C (AGM), 5.00%, 7/01/29	10,470	10,477,120
City of Grand Rapids Michigan Sanitary Sewer System, RB:		
5.00%, 1/01/37	930	1,032,347
4.00%, 1/01/42	1,700	1,714,484
City of Holland Michigan Electric Utility System, RB, Series A:		
5.00%, 7/01/33	1,860	2,088,296
4.13%, 7/01/39	1,450	1,479,275
5.00%, 7/01/39	7,575	8,394,994
City of Lansing Michigan, RB, Board of Water & Light Utilities System, Series A:		
5.00%, 7/01/27	1,970	2,232,168
5.00%, 7/01/31	4,230	4,712,854
5.00%, 7/01/37	2,065	2,271,066
5.50%, 7/01/41	3,000	3,483,540
City of Port Huron Michigan, RB, Water Supply System:		
5.25%, 10/01/31	310	333,520
5.63%, 10/01/40	1,000	1,084,120
County of Genesee Michigan, GO, Water Supply System (NPFGC), 5.13%, 9/03/14 (a)	1,000	1,004,440
Michigan Municipal Bond Authority, RB, State Clean Water Revolving Fund:		
5.00%, 10/01/27	1,250	1,353,713
5.00%, 10/01/29	2,000	2,277,120
Pooled Project, 5.00%, 10/01/27	1,240	1,435,275
		56,122,235
Total Municipal Bonds in Michigan		380,835,710
Guam 3.5%		
State 3.5%		
Territory of Guam, RB:		
Business Privilege Tax Bonds, Series A, 5.25%, 1/01/36	500	533,470

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Guam (concluded)		
State (concluded)		
Territory of Guam RB (concluded):		
Business Privilege Tax Bonds, Series A, 5.13%, 1/01/42	$ 4,850	$ 5,111,076
Business Privilege Tax Bonds, Series B-1, 5.00%, 1/01/32	1,695	1,781,699
Business Privilege Tax Bonds, Series B-1, 5.00%, 1/01/37	665	697,286
Limited Obligation Bonds, Section 30, Series A, 5.63%, 12/01/29	1,400	1,532,118
Total Municipal Bonds in Guam		9,655,649
Total Municipal Bonds 140.4%		390,491,359
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
Michigan 17.2%		
County/City/Special District/School District 4.4%		
Lakewood Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/37	6,770	7,309,418
Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31	4,650	5,070,453
		12,379,871
Education 12.7%		
Michigan State University, Refunding RB, General, Series A, 5.00%, 8/15/38	6,220	6,947,740
Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31	7,500	8,249,850
Wayne State University, RB, General, Series A, 5.00%, 11/15/40	6,190	6,655,983
Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35	12,207	13,372,023
		35,225,596

Municipal Bonds Transferred to Tender Option Bond Trusts (d)	Par (000)	Value
Michigan (concluded)		
Health 0.1%		
Michigan Finance Authority, RB, Hospital, Trinity Health Credit Group, 5.00%, 12/01/39	$ 190	$ 202,834
Total Municipal Bonds Transferred to Tender Option Bond Trusts 17.2%		47,808,301
Total Long-Term Investments (Cost $413,056,033) 157.6%		438,299,660

Short-Term Securities	Shares	Value
BIF Michigan Municipal Money Fund, 0.00% (e)(f)	3,889,640	3,889,640
Total Short-Term Securities		
(Cost $3,889,640) 1.4%		3,889,640
Total Investments (Cost $416,945,673) 159.0%		442,189,300
Other Assets Less Liabilities 1.4%		4,046,149
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (8.4)%		(23,492,163)
VRDP Shares, at Liquidation Value (52.0)%		(144,600,000)
Net Assets Applicable to Common Shares 100.0%		$ 278,143,286

Notes to Schedule of Investments

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

(b) Zero-coupon bond.

(c) Security is collateralized by municipal or U.S. Treasury obligations.

(d) Represent bonds transferred to a TOB. In exchange for which the Fund received cash and residual interest certificates. These bonds serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

(e) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2014, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2013	Net Activity	Shares Held at July 31, 2014	Income
BIF Michigan Municipal Money Fund	479,667	3,409,973	3,889,640	$ 2

(f) Represents the current yield as of report date.

Financial futures contracts outstanding as of July 31, 2014 were as follows:

Contracts Sold	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
(140)	10-Year U.S. Treasury Note	Chicago Board of Trade	September 2014	$ 17,445,313	$ 59,960

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

See Notes to Financial Statements.

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

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

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

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

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund s policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments, please refer to Note 2 of the Notes to Financial Statements.

The following tables summarize the Fund s investments and derivative financial instruments categorized in the disclosure hierarchy as of July 31, 2014:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Municipal Bonds[1]		$ 438,299,660		$ 438,299,660
Short-Term Securities	$ 3,889,640			3,889,640
Total	$ 3,889,640	$ 438,299,660		$ 442,189,300

[1] See above Schedule of Investments for values in each sector.

	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments[2]				
Assets:				
Interest rate contracts	$ 59,960			$ 59,960

[2] Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of July 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for financial futures contracts	$ 210,000			$ 210,000
Liabilities:				
TOB trust certificates		$ (23,487,000)		(23,487,000)
VRDP Shares		(144,600,000)		(144,600,000)
Total	$ 210,000	$ (168,087,000)		$ (167,877,000)

There were no transfers between levels during the year ended July 31, 2014.

See Notes to Financial Statements.

Schedule of Investments July 31, 2014

BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
New Jersey 126.7%		
Corporate 6.9%		
County of Salem New Jersey Pollution Control Financing Authority, Refunding RB, Chambers Project, AMT, Series A, 5.00%, 12/01/23	$ 1,710	$ 1,891,995
New Jersey EDA, Refunding RB:		
New Jersey American Water Co., Inc. Project, Series A, AMT, 5.70%, 10/01/39	5,000	5,478,900
New Jersey American Water Co., Inc. Project, Series B, AMT, 5.60%, 11/01/34	1,000	1,099,080
United Water of New Jersey, Inc., Series B (AMBAC), 4.50%, 11/01/25	1,000	1,092,390
		9,562,365
County/City/Special District/School District 15.3%		
Borough of Hopatcong New Jersey, GO, Refunding, Sewer (AMBAC), 4.50%, 8/01/33	750	769,035
City of Perth Amboy New Jersey, GO, CAB, Refunding (AGM), 5.00%, 7/01/35	1,250	1,295,900
County of Essex New Jersey Improvement Authority, Refunding RB, AMT (NPFGC), 4.75%, 11/01/32	1,000	1,026,580
County of Hudson New Jersey, COP, Refunding (NPFGC), 6.25%, 12/01/16	1,000	1,111,250
County of Hudson New Jersey Improvement Authority, RB:		
CAB, Series A-1 (NPFGC), 0.00%, 12/15/32 (a)	1,000	459,310
County Secured, County Services Building Project (AGM), 5.00%, 4/01/27	250	270,620
Harrison Parking Facility Project, Series C (AGC), 5.25%, 1/01/39	1,000	1,070,160
Harrison Parking Facility Project, Series C (AGC), 5.38%, 1/01/44	1,400	1,500,002
County of Monmouth New Jersey Improvement Authority, Refunding RB, Governmental Loan (AMBAC):		
5.20%, 12/01/14	5	5,019
5.25%, 12/01/15	5	5,018
5.00%, 12/01/17	5	5,015
5.00%, 12/01/18	5	5,013
5.00%, 12/01/19	5	5,012
County of Union New Jersey, GO, Refunding:		
4.00%, 3/01/29	1,060	1,121,575
4.00%, 3/01/30	1,060	1,116,392
4.00%, 3/01/31	1,200	1,258,740
County of Union New Jersey Utilities Authority, Refunding RB, Series A:		
Resources Recovery Facility, Covanta Union, Inc., AMT, 5.25%, 12/01/31	200	216,006
Solid Waste System, County Deficiency Agreement, 5.00%, 6/15/41	2,155	2,345,351
Edgewater Borough Board of Education, GO, Refunding (AGM):		
4.25%, 3/01/34	300	318,189
4.25%, 3/01/35	300	316,611
4.30%, 3/01/36	300	315,927
New Jersey Sports & Exposition Authority, Refunding RB (NPFGC):		
5.50%, 3/01/21	1,540	1,780,440
5.50%, 3/01/22	1,050	1,224,027
New Jersey State Transit Corp., COP, Federal Transit Administration Grants, Subordinate, Series A (AGM) (NPFGC), 5.00%, 9/15/15 (b)	1,000	1,045,040
Newark Housing Authority, Refunding RB, Newark Redevelopment Project (NPFGC), 4.38%, 1/01/37	2,720	2,724,869
		21,311,101

Municipal Bonds	Par (000)	Value
New Jersey (continued)		
Education 30.0%		
New Jersey Educational Facilities Authority, RB:		
Higher Education Capital Improvement Fund, 5.00%, 9/01/33	$ 2,060	$ 2,265,403
Montclair State University, Series A (AMBAC), 5.00%, 7/01/16 (b)	1,600	1,742,000
New Jersey Educational Facilities Authority, Refunding RB:		
College of New Jersey, Series D (AGM), 5.00%, 7/01/35	3,805	4,192,121
Montclair State University, Series A, 5.00%, 7/01/39	4,500	5,001,525
Montclaire State University, Series A, 5.00%, 7/01/44	1,020	1,130,986
Montclair State University, Series J (NPFGC), 4.25%, 7/01/30	2,765	2,813,332
New Jersey Institute of Technology, Series H, 5.00%, 7/01/31	1,000	1,096,150

Ramapo College, Series I (AMBAC), 4.25%, 7/01/31	1,250	1,271,238
Rowan University, Series B (AGC), 5.00%, 7/01/26	2,575	2,872,207
Seton Hall University, Series D, 5.00%, 7/01/38	140	152,215
Seton Hall University, Series D, 5.00%, 7/01/43	170	184,632
Stevens Institute of Technology, Series A, 5.00%, 7/01/34	1,500	1,533,810
William Paterson University, Series C (AGC), 4.75%, 7/01/34	1,115	1,183,182
New Jersey Higher Education Student Assistance Authority, RB, Senior Student Loan, Series 1A, AMT:		
4.00%, 12/01/28	710	708,374
4.50%, 12/01/28	1,170	1,221,176
4.00%, 12/01/29	1,575	1,549,595
4.00%, 12/01/29	290	288,973
4.50%, 12/01/29	1,550	1,615,550
4.63%, 12/01/30	1,475	1,534,929
4.00%, 12/01/31	290	280,024
4.25%, 12/01/32	590	584,218
4.13%, 12/01/35	290	276,741
4.50%, 12/01/36	525	526,958
New Jersey Higher Education Student Assistance Authority, Refunding RB, Series 1, AMT, 5.50%, 12/01/26	1,800	2,010,816
New Jersey Institute of Technology, RB, Series A, 5.00%, 7/01/42	1,900	2,046,490
Rutgers - The State University of New Jersey, Refunding RB, Series L:		
5.00%, 5/01/30	465	534,155
5.00%, 5/01/43	2,850	3,162,873
		41,779,673
Health 14.7%		
New Jersey Health Care Facilities Financing Authority, RB:		
Meridian Health System Obligated Group, Series I (AGC), 5.00%, 7/01/38	700	734,440
Meridian Health System Obligated Group, Series II (AGC), 5.00%, 7/01/38	975	1,022,970
Meridian Health System Obligated Group, Series V (AGC), 5.00%, 7/01/38	940	986,248
Robert Wood Johnson University Hospital, Series A, 5.50%, 7/01/43	2,220	2,464,955
Virtua Health, Series A (AGC), 5.50%, 7/01/38	1,000	1,077,880
New Jersey Health Care Facilities Financing Authority, Refunding RB:		
5.00%, 7/01/28	870	986,589
5.00%, 7/01/29	205	231,059

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
New Jersey (continued)		
Health (concluded)		
New Jersey Health Care Facilities Financing Authority, Refunding RB (concluded):		
5.50%, 7/01/31	$ 1,175	$ 1,310,583
AHS Hospital Corp., 6.00%, 7/01/41	1,100	1,273,459
Catholic Health East Issue, 5.00%, 11/15/33	550	586,267
Hackensack University Medical (AGM), 4.63%, 1/01/30	2,315	2,426,120
Kennedy Health System, 5.00%, 7/01/42	140	146,992
Meridian Health System Obligated Group, 5.00%, 7/01/25	300	336,162
Meridian Health System Obligated Group, 5.00%, 7/01/26	2,130	2,363,214
St. Barnabas Health Care System, Series A, 5.00%, 7/01/24	1,820	2,030,155
St. Barnabas Health Care System, Series A, 5.63%, 7/01/32	440	481,703
St. Barnabas Health Care System, Series A, 5.63%, 7/01/37	1,300	1,411,774
St. Luke s Warren Hospital Obligated Group, 5.00%, 8/15/34	300	320,217
St. Luke s Warren Hospital Obligated Group, 4.00%, 8/15/37	180	170,136
		20,360,923
Housing 9.6%		
New Jersey Housing & Mortgage Finance Agency, RB:		
Capital Fund Program, Series A (AGM), 5.00%, 5/01/27	1,970	2,126,280
Capital Fund Program, Series A (AGM) (HUD), 4.70%, 11/01/25	2,475	2,536,479
M/F Housing, Series A, 4.55%, 11/01/43	1,425	1,436,300
M/F Housing, Series A, AMT (NPFGC), 4.90%, 11/01/35	820	820,238
M/F Housing, Series A, AMT (NPFGC), 4.85%, 11/01/39	400	393,108
S/F Housing, Series AA, 6.50%, 10/01/38	325	334,724
S/F Housing, Series B, 4.50%, 10/01/30	2,720	2,873,299
New Jersey Housing & Mortgage Finance Agency, Refunding RB, AMT:		
M/F Housing, Series 2, 4.60%, 11/01/38	1,070	1,087,270
M/F Housing, Series 2, 4.75%, 11/01/46	1,205	1,222,545
S/F Housing, Series T, 4.70%, 10/01/37	445	448,969
		13,279,212
State 19.0%		
Garden State Preservation Trust, RB (AGM):		
CAB, Series B, 0.00%, 11/01/23 (a)	6,725	5,249,804
Election of 2005, Series A, 5.80%, 11/01/15 (b)	2,605	2,785,526
New Jersey EDA, LRB, Rutgers - The State University of New Jersey, College Avenue Redevelopment Project, 5.00%, 6/15/33	880	997,841
New Jersey EDA, RB:		
CAB, Motor Vehicle Surcharge, Series A (NPFGC), 0.00%, 7/01/21 (a)	2,325	1,885,226
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/25	1,000	1,191,190
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33	7,000	7,074,410
School Facilities Construction (AGC), 6.00%, 12/15/18 (b)	1,185	1,441,268
School Facilities Construction (AGC), 6.00%, 12/15/34	15	17,381
School Facilities Construction, Series KK, 5.00%, 3/01/38	380	403,047

Municipal Bonds	Par (000)	Value
New Jersey (continued)		
State (concluded)		
New Jersey EDA, RB (concluded):		
School Facilities Construction, Series U, 5.00%, 9/01/37	$ 1,040	$ 1,133,028
School Facilities Construction, Series U (AMBAC), 5.00%, 9/01/37	365	397,649
New Jersey EDA, Refunding RB:		
Cigarette Tax, 5.00%, 6/15/26	355	390,653
Cigarette Tax, 5.00%, 6/15/28	910	990,762
Cigarette Tax, 5.00%, 6/15/29	1,195	1,292,572
School Facilities Construction, Series NN, 5.00%, 3/01/29	500	547,030
State of New Jersey, COP, Equipment Lease Purchase, Series A, 5.25%, 6/15/27	500	559,305

		26,356,692
Transportation 25.5%		
Delaware River Port Authority, RB:		
5.00%, 1/01/29	750	848,565
5.00%, 1/01/37	2,865	3,132,562
Series D, 5.05%, 1/01/35	1,430	1,538,466
Series D (AGM), 5.00%, 1/01/40	1,500	1,593,360
Delaware River Port Authority, Refunding RB, Port District Project:		
5.00%, 1/01/26	700	757,120
5.00%, 1/01/27	525	563,934
New Jersey EDA, RB, Private Activity Bond, The Goethals Bridge Replacement Project (AMT):		
5.38%, 1/01/43	2,235	2,371,000
5.13%, 1/01/34	660	706,629
New Jersey State Turnpike Authority, RB, Growth & Income Securities, Series B (AMBAC), 5.15%, 1/01/35 (c)	3,005	3,090,883
New Jersey State Turnpike Authority, Refunding RB, Series A (AGM), 5.25%, 1/01/29	2,000	2,423,960
New Jersey Transportation Trust Fund Authority, RB:		
CAB, Transportation System, Series C (AGM), 0.00%, 12/15/32 (a)	4,750	2,005,022
CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/35 (a)	2,760	932,935
Transportation System, Series A, 6.00%, 6/15/35	2,000	2,394,080
Transportation System, Series A (AGC), 5.63%, 12/15/28	780	912,226
Transportation Program, Series AA, 5.00%, 6/15/33	1,700	1,828,027
Transportation System, Series AA, 5.25%, 6/15/33	1,640	1,820,220
Transportation System, Series B, 5.50%, 6/15/31	730	832,813
Transportation System, Series B, 5.25%, 6/15/36	725	788,481
Port Authority of New York & New Jersey, ARB:		
Consolidated, 93rd Series, 6.13%, 6/01/94	1,000	1,166,870
Special Project, JFK International Air Terminal LLC Project, Series 8, 6.00%, 12/01/42	1,500	1,720,920
Port Authority of New York & New Jersey, Refunding RB, AMT:		
5.00%, 12/01/33	1,155	1,278,308
Consolidated, 152nd Series, 5.75%, 11/01/30	2,000	2,263,680
South Jersey Transportation Authority, Refunding RB, Transportation System, Series A:		
5.00%, 11/01/28	200	215,234
5.00%, 11/01/29	200	213,924
		35,399,219

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
New Jersey (concluded)		
Utilities 5.7%		
County of Essex New Jersey Utilities Authority, Refunding RB, (AGC), 4.13%, 4/01/22	$ 670	$ 723,808
North Hudson Sewerage Authority, Refunding RB, Series A (NPFGC), 5.13%, 8/01/20 (d)	1,710	2,049,828
Rahway Valley Sewerage Authority, RB, CAB, Series A (NPFGC) (a):		
0.00%, 9/01/26	4,100	2,614,980
0.00%, 9/01/29	2,750	1,490,995
0.00%, 9/01/33	2,350	1,031,885
		7,911,496
Total Municipal Bonds in New Jersey		175,960,681
Guam 3.3%		
State 3.3%		
Territory of Guam, RB, Business Privilege Tax Bonds:		
Series A, 5.25%, 1/01/36	120	128,033
Series A, 5.13%, 1/01/42	4,100	4,320,703
Series B-1, 5.00%, 1/01/37	155	162,525
Total Municipal Bonds in Guam		4,611,261
Puerto Rico 3.1%		
Health 3.1%		
Puerto Rico Industrial Tourist Educational Medical & Environmental Control Facilities Financing Authority, RB, Hospital De La Concepcion, Series A, 6.13%, 11/15/30	4,220	4,236,796
Total Municipal Bonds 133.1%		184,808,738
Municipal Bonds Transferred to		
Tender Option Bond Trusts (e)		
New Jersey 23.6%		
County/City/Special District/School District 3.8%		
County of Union New Jersey Utilities Authority, Refunding LRB, Resource Recovery Facility, Covanta Union, Inc., Series A, AMT, 5.25%, 12/01/31	4,930	5,324,548
Education 3.2%		
Rutgers - The State University of New Jersey, RB, Series F, 5.00%, 5/01/39	4,003	4,446,565

Municipal Bonds Transferred to	Par (000)	Value
Tender Option Bond Trusts (e)		
New Jersey (concluded)		
State 4.6%		
Garden State Preservation Trust, RB, Election of 2005, Series A (AGM), 5.75%, 11/01/28	$ 3,300	$ 4,220,568
New Jersey EDA, Refunding RB, 5.00%, 3/01/29 (f)	1,918	2,098,518
		6,319,086
Transportation 12.0%		
New Jersey State Turnpike Authority, RB, Series A, 5.00%, 1/01/38 (f)	4,100	4,451,042
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (f)	760	826,721
Port Authority of New York & New Jersey, ARB, Consolidated, 163rd Series, AMT, 5.00%, 7/15/39	4,089	4,604,984
Port Authority of New York & New Jersey, RB, Consolidated, 169th Series, AMT, 5.00%, 10/15/41	4,500	4,849,740
Port Authority of New York & New Jersey, Refunding RB, Consolidated, 152nd Series, AMT, 5.25%, 11/01/35	1,829	1,997,228
		16,729,715
Total Municipal Bonds Transferred to		32,819,914

Tender Option Bond Trusts 23.6%		
Total Long-Term Investments (Cost $203,481,588) 156.7%		217,628,652
Short-Term Securities	**Shares**	
BIF New Jersey Municipal Money Fund, 0.00% (g)(h)	2,535,160	2,535,160
Total Short-Term Securities (Cost $2,535,160) 1.8%		2,535,160
Total Investments (Cost $206,016,748) 158.5%		220,163,812
Other Assets Less Liabilities 0.9%		1,174,285
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (13.0)%		(18,047,428)
VRDP Shares, at Liquidation Value (46.4)%		(64,400,000)
Net Assets Applicable to Common Shares 100.0%		$ 138,890,669

Notes to Schedule of Investments

(a) Zero-coupon bond.

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

(c) 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 is as of report date.

(d) Security is collateralized by municipal or U.S. Treasury obligations.

(e) Represent bonds transferred to a TOB. In exchange for which the Fund received cash and residual interest certificates. These bonds serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

(f) All or a portion of security is subject to a recourse agreement, which may require the Fund to pay the liquidity provider in the event there is a shortfall between the TOB trust certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire from June 15, 2019 to September 1, 2020 is $5,098,359.

See Notes to Financial Statements.

(g) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2014, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2013	Net Activity	Shares Held at July 31, 2014	Income
BIF New Jersey Municipal Money Fund	3,764,692	(1,229,532)	2,535,160	$ 7

(h) Represents the current yield as of report date.

Financial futures contracts outstanding as of July 31, 2014 were as follows:

Contracts Sold	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation
(85)	10-Year U.S. Treasury Note	Chicago Board of Trade	September 2014	$ 10,591,797	$ 36,404

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

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

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

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

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

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund s policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments, please refer to Note 2 of the Notes to Financial Statements.

The following tables summarize the Fund s investments and derivative financial instruments categorized in the disclosure hierarchy as of July 31, 2014:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Municipal Bonds [1]		$ 217,628,652		$ 217,628,652
Short-Term Securities	$ 2,535,160			2,535,160
Total	$ 2,535,160	$ 217,628,652		$ 220,163,812

[1] See above Schedule of Investments for values in each sector.

	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments [2]				
Assets:				
Interest rate contracts	$ 36,404			$ 36,404

[2] Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of July 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for financial futures contracts	$ 158,000			$ 158,000
Liabilities:				
TOB trust certificates		$ (18,044,269)		(18,044,269)
VRDP Shares		(64,400,000)		(64,400,000)
Total	$ 158,000	$ (82,444,269)		$ (82,286,269)

There were no transfers between levels during the year ended July 31, 2014.

See Notes to Financial Statements.

Schedule of Investments July 31, 2014

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Pennsylvania 116.0%		
Corporate 12.8%		
Beaver County IDA, Refunding RB, Series B, 3.50%, 12/01/35 (a)	$ 3,235	$ 3,274,111
County of Beaver Pennsylvania IDA, Refunding RB, First Energy, Nuclear Energy Corp. Project, Mandatory Put Bonds, Series A, 3.38%, 1/01/35 (a)	1,200	1,221,060
County of Delaware Pennsylvania IDA, Refunding RB, Water Facilities, Aqua Pennsylvania, Inc. Project, Series B, AMT (NPFGC), 5.00%, 11/01/36	2,520	2,582,521
County of Northumberland Pennsylvania IDA, Refunding RB, Aqua Pennsylvania, Inc. Project, AMT (NPFGC), 5.05%, 10/01/39	4,500	4,507,920
Pennsylvania Economic Development Financing Authority, RB:		
American Water Co. Project, 6.20%, 4/01/39	1,300	1,490,229
Aqua Pennsylvania, Inc. Project, Series B, 4.50%, 12/01/42	2,630	2,708,743
Waste Management, Inc. Project, Series A, AMT, 5.10%, 10/01/27	1,200	1,246,488
Pennsylvania Economic Development Financing Authority, Refunding RB, Amtrak Project, Series A, AMT, 5.00%, 11/01/41	5,865	6,180,537
		23,211,609
County/City/Special District/School District 38.4%		
Bristol Township School District, GO, 5.00%, 6/01/40	775	838,752
Chambersburg Area School District, GO:		
5.25%, 9/01/15 (b)	640	675,123
5.25%, 3/01/27	1,860	1,948,462
(NPFGC), 5.25%, 3/01/26	2,115	2,219,291
City of Philadelphia Pennsylvania, GO, Refunding, Series A:		
(AGM), 5.25%, 12/15/32	5,000	5,326,600
(AGC), 5.00%, 8/01/24	2,000	2,202,740
City of Pittsburgh Pennsylvania, GO, Series B, 5.00%, 9/01/26	970	1,099,621
Commonwealth of Pennsylvania, GO, 5.00%, 6/15/26	2,420	2,883,091
County of Lycoming Pennsylvania Water & Sewer Authority, RB, (AGM), 5.00%, 11/15/41	400	422,584
County of York Pennsylvania, GO, Refunding, 5.00%, 3/01/36	400	440,896
East Stroudsburg Area School District, GO, Refunding, Series A (AGM), 5.00%, 9/01/25	3,000	3,309,180
East Stroudsburg Area School District, GO, Series A:		
7.75%, 9/01/17 (b)	960	1,167,485
7.75%, 9/01/27	1,040	1,240,938
Erie County Conventional Center Authority, RB, 5.00%, 1/15/36	8,850	8,891,595
Lower Merion School District, GO, Refunding, Series A, 3.25%, 11/15/27	2,035	2,058,016
Marple Newtown School District, GO, (AGM), 5.00%, 6/01/31	3,500	3,934,980
Northeastern School District York County, GO, Series B (NPFGC), 5.00%, 4/01/32	1,585	1,708,709
Philadelphia Redevelopment Authority, RB, Quality Redevelopment Neighborhood, Series B, AMT (NPFGC), 5.00%, 4/15/27	4,645	4,762,100
Philadelphia School District, GO, Series E, 6.00%, 9/01/38	3,300	3,611,256
Philipsburg-Osceola Pennsylvania Area School District, GO (AGM), 5.00%, 4/01/41	755	799,960
Shaler Area School District Pennsylvania, GO, CAB (Syncora), 0.00%, 9/01/30 (c)	6,145	3,260,291
Pennsylvania (continued)		
County/City/Special District/School District (concluded)		
State Public School Building Authority, RB (AGM):		
Community College, Allegheny County Project, 5.00%, 7/15/34	$ 1,880	$ 2,021,489
Corry Area School District, CAB, 0.00%, 12/15/22 (c)	1,640	1,259,897
Corry Area School District, CAB, 0.00%, 12/15/23 (c)	1,980	1,449,499
Corry Area School District, CAB, 0.00%, 12/15/24 (c)	1,980	1,384,990
Corry Area School District, CAB, 0.00%, 12/15/25 (c)	1,770	1,181,387
State Public School Building Authority, Refunding RB:		
Harrisburg School District Project, Series A (AGC), 5.00%, 11/15/33	1,065	1,116,141
School District Philadelphia Project, Series B (AGM), 5.00%, 6/01/26	1,500	1,615,965
Township of Bristol Pennsylvania School District, GO, 5.25%, 6/01/43	5,120	5,648,128
Township of Falls Authority, RB, Water & Sewer Authority, 5.00%, 12/01/37	1,070	1,150,036
		69,629,202
Education 6.9%		

County of Adams Pennsylvania IDA, Refunding RB, Gettysburg College, 5.00%, 8/15/26	100	109,526
Pennsylvania Higher Educational Facilities Authority, RB:		
Drexel University, Series A (NPFGC), 5.00%, 5/01/37	1,500	1,608,225
Shippensburg University Student Services, Student Housing, 5.00%, 10/01/44	1,195	1,204,488
Pennsylvania Higher Educational Facilities Authority, Refunding RB:		
Drexel University, Series A, 5.25%, 5/01/41	2,750	2,968,295
La Salle University, 5.00%, 5/01/37	985	1,033,098
La Salle University, 5.00%, 5/01/42	1,600	1,675,856
State System of Higher Education, Series AL, 5.00%, 6/15/35	280	306,404
Thomas Jefferson University, 4.00%, 3/01/37	375	368,392
Widener University, Series A, 5.25%, 7/15/33	1,360	1,450,998
Widener University, Series A, 5.50%, 7/15/38	340	364,568
Swarthmore Borough Authority, Refunding RB, Swarthmore College Project, 5.00%, 9/15/38	830	927,857
Township of East Hempfield IDA, RB, Student Services, Inc., Student Housing Project at Millersville University of Pennsylvania:		
5.00%, 7/01/35	385	396,146
5.00%, 7/01/45	200	203,446
		12,617,299
Health 16.7%		
County of Allegheny Pennsylvania Hospital Development Authority, RB, Health Center, UPMC Health, Series B (NPFGC), 6.00%, 7/01/26	2,000	2,503,720
County of Berks Pennsylvania Municipal Authority, Refunding RB, Reading Hospital & Medical Center, Series A, 5.00%, 11/01/40	765	819,185
County of Centre Pennsylvania Hospital Authority, RB, Mount Nittany Medical Center Project, 7.00%, 11/15/46	2,020	2,400,810
County of Cumberland Pennsylvania Municipal Authority, Refunding RB, Diakon Lutheran, 6.38%, 1/01/39	500	539,850
County of Lehigh Pennsylvania, RB, Lehigh Valley Health Network, Series A (AGM), 5.00%, 7/01/33	7,995	8,373,483

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Pennsylvania (continued)		
Health (concluded)		
County of Montgomery Pennsylvania Higher Education & Health Authority, Refunding RB, Abington Memorial Hospital Obligated Group, Series A, 5.13%, 6/01/33	$ 490	$ 514,422
County of Montgomery Pennsylvania IDA, RB, Acts Retirement-Life Community:		
Series A, 4.50%, 11/15/36	55	54,538
Series A-1, 6.25%, 11/15/29	235	264,732
County of Montgomery Pennsylvania IDA, Refunding RB, Acts Retirement-Life Communities:		
5.00%, 11/15/27	690	735,809
5.00%, 11/15/28	445	472,056
Lancaster IDA, Refunding RB:		
5.38%, 5/01/28	420	442,579
5.75%, 5/01/35	745	794,476
Pennsylvania Higher Educational Facilities Authority, RB, University of Pennsylvania Health System, Series A, 4.00%, 8/15/39	7,600	7,552,272
Philadelphia Hospitals & Higher Education Facilities Authority, Refunding RB, Presbyterian Medical Center, 6.65%, 12/01/19 (d)	2,390	2,793,097
South Fork Municipal Authority, Refunding RB, Conemaugh Valley Memorial Hospital, Series B (AGC), 5.38%, 7/01/35	1,840	1,985,121
		30,246,150
Housing 7.2%		
Pennsylvania HFA, RB, S/F Mortgage, Series 114-C:		
3.65%, 10/01/37	1,915	1,865,172
3.70%, 10/01/42	3,345	3,171,863
Pennsylvania HFA, Refunding RB, S/F Mortgage:		
Series 092-A, AMT, 4.75%, 4/01/31	595	597,213
Series 096-A, AMT, 4.70%, 10/01/37	2,730	2,771,168
Series 099-A, AMT, 5.15%, 4/01/38	855	901,991
Series 110-B, 4.75%, 10/01/39	655	681,521
Philadelphia Housing Authority, RB, Capital Fund Program, Series A (AGM), 5.50%, 12/01/18	3,000	3,039,390
		13,028,318
State 6.0%		
Commonwealth of Pennsylvania, GO, 1st Series:		
5.00%, 11/15/24	1,000	1,171,980
5.00%, 4/01/26	1,140	1,336,342
5.00%, 6/01/28	2,300	2,651,141
5.00%, 6/15/29	1,000	1,168,830
Pennsylvania Economic Development Financing Authority, Refunding RB, Unemployment Compensation, Series B, 5.00%, 7/01/23	600	625,452
Pennsylvania Turnpike Commission, RB, Oil Franchise Tax, Remarketing, Series C (NPFGC), 5.00%, 12/01/32	3,600	3,985,020
		10,938,765
Transportation 16.7%		
City of Philadelphia Pennsylvania, ARB, Series A:		
5.00%, 6/15/40	2,500	2,642,975
AMT (AGM), 5.00%, 6/15/37	5,595	5,708,579
Delaware River Port Authority, RB:		
5.00%, 1/01/37	1,970	2,153,978
Series D (AGM), 5.00%, 1/01/40	1,560	1,657,094
Pennsylvania Turnpike Commission, RB:		
CAB, Sub-Series A-3, 0.00%, 12/01/42 (c)	4,100	965,386
CAB, Sub-Series A-3 (AGM), 0.00%, 12/01/40 (c)	1,100	318,714
Series A (AMBAC), 5.25%, 12/01/32	350	354,851
Pennsylvania (concluded)		
Transportation (concluded)		
Series A (AMBAC), 5.50%, 12/01/31	$ 7,800	$ 7,914,582

Sub-Series A, 6.00%, 12/01/41	700	762,825
Pennsylvania Turnpike Commission, Refunding RB, Sub-Series B (AGM), 5.25%, 6/01/39	3,500	3,839,955
Southeastern Pennsylvania Transportation Authority, RB, Capital Grant Receipts:		
5.00%, 6/01/28	1,570	1,723,954
5.00%, 6/01/29	2,080	2,274,688
		30,317,581
Utilities 11.3%		
Allegheny County Sanitary Authority, Refunding RB, Series A (NPFGC), 5.00%, 12/01/30	5,000	5,233,800
City of Philadelphia Pennsylvania Gas Works, RB:		
1998 General Ordinance, 4th Series (AGM), 5.00%, 8/01/32	3,300	3,310,197
9th Series, 5.25%, 8/01/40	1,430	1,600,470
City of Philadelphia Pennsylvania Water & Wastewater, RB:		
Series A, 5.25%, 1/01/36	700	748,230
Series C (AGM), 5.00%, 8/01/40	3,000	3,208,140
County of Allegheny Pennsylvania Sanitary Authority, RB, Sewer Improvement, 5.25%, 12/01/41	1,215	1,338,225
County of Bucks Pennsylvania Water & Sewer Authority, RB, Water System (AGM), 5.00%, 12/01/41	150	163,523
County of Delaware Pennsylvania Regional Water Quality Control Authority, RB, Sewer Improvements, 5.00%, 5/01/33	350	390,096
Pennsylvania Economic Development Financing Authority, RB, Philadelphia Biosolids Facility, 6.25%, 1/01/32	1,420	1,549,249
Reading Area Water Authority Pennsylvania, RB (AGM), 5.00%, 12/01/27	2,680	2,930,982
		20,472,912
Total Municipal Bonds in Pennsylvania		210,461,836
Guam 0.5%		
State 0.5%		
Territory of Guam, RB, Limited Obligation Bonds, Section 30, Series A, 5.63%, 12/01/29	805	880,968
Total Municipal Bonds 116.5%		211,342,804
Municipal Bonds Transferred to		
Tender Option Bond Trusts (e)		
Pennsylvania 38.4%		
Education 9.1%		
Pennsylvania Higher Educational Facilities Authority, RB:		
Series AE (NPFGC), 4.75%, 6/15/32	8,845	9,272,116
University of Pennsylvania Health System, Series A, 5.75%, 8/15/41	4,270	4,808,020
University of Pittsburgh, RB, The Commonwealth System of Higher Education, Capital Project, Series B, 5.00%, 9/15/28	2,202	2,509,022
		16,589,158

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

(Percentages shown are based on Net Assets)

Municipal Bonds Transferred to Tender Option Bond Trusts (e)	**Par (000)**	**Value**
Pennsylvania (continued)		
Health 9.9%		
Geisinger Authority Pennsylvania, RB, Health System:		
Series A, 5.13%, 6/01/34	$ 2,500	$ 2,708,000
Series A, 5.25%, 6/01/39	3,128	3,378,434
Series A-1, 5.13%, 6/01/41	6,272	6,759,357
Philadelphia Hospitals & Higher Education Facilities Authority, RB, The Children s Hospital of Philadelphia Project, Series C, 5.00%, 7/01/41	4,680	5,027,443
		17,873,234
Housing 1.7%		
Pennsylvania HFA, Refunding RB, S/F Mortgage, Series 115A, AMT, 4.20%, 10/01/33	3,000	3,011,820
State 17.7%		
Commonwealth of Pennsylvania, GO, Series 1, 5.00%, 3/15/28	5,203	5,938,561
Pennsylvania Turnpike Commission, RB, Oil Franchise Tax, Senior Series C (NPFGC), 5.00%, 12/01/32	10,000	11,069,500
State Public School Building Authority, Refunding RB, School Distric of Philadelphia Project, Series B (AGM), 5.00%, 6/01/26	14,026	15,110,549
		32,118,610
Pennsylvania (concluded)		
State (concluded)		
Total Municipal Bonds Transferred to Tender Option Bond Trusts 38.4%		$ 69,592,822
Total Long-Term Investments (Cost $265,617,397) 154.9%		280,935,626

Short-Term Securities	**Shares**	
BIF Pennsylvania Municipal Money Fund, 0.00% (f)(g)	1,714,474	1,714,474
Total Short-Term Securities (Cost $1,714,474) 0.9%		1,714,474
Total Investments (Cost $267,331,871) 155.8%		282,650,100
Other Assets Less Liabilities 1.1%		2,181,430
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (20.4)%		(37,072,914)
VRDP Shares, at Liquidation Value (36.5)%		(66,300,000)
Net Assets Applicable to Common Shares 100.0%		$ 181,458,616

Notes to Schedule of Investments

(a) Variable rate security. Rate shown is as of report date.

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

(c) Zero-coupon bond.

(d) Security is collateralized by municipal or U.S. Treasury obligations.

(e) Represent bonds transferred to a TOB. In exchange for which the Fund received cash and residual interest certificates. These bonds serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

(f) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2014, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2013	Net Activity	Shares Held at July 31, 2014	Income
BIF Pennsylvania Municipal Money Fund	3,198,164	(1,483,690)	1,714,474	

(g) Represents the current yield as of report date.

Financial futures contracts outstanding as of July 31, 2014 were as follows:

Contracts Sold	Issue	Exchange	Expiration	Notional Value	Unrealized Appreciation (Depreciation)
(92)	10-Year U.S. Treasury Note	Chicago Board of Trade	September 2014	$ 11,464,063	$ 12,698
(25)	U.S. Treasury Long Bond	Chicago Board of Trade	September 2014	3,435,156	(53,941)
Total					$ (41,243)

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

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

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

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

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

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

(Percentages shown are based on Net Assets)

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

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund s policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investment and derivative financial instrument and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund s policy regarding valuation of investments and derivative financial instruments, please refer to Note 2 of the Notes to Financial Statements.

The following tables summarize the Fund s investments and derivative financial instruments categorized in the disclosure hierarchy as of July 31, 2014:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments [1]		$ 280,935,626		$ 280,935,626
Short-Term Securities	$ 1,714,474			1,714,474
Total	$ 1,714,474	$ 280,935,626		$ 282,650,100

[1] See above Schedule of Investments for values in each sector.

	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments [2]				
Assets:				
Interest rate contracts	$ 12,698			$ 12,698
Liabilities:				
Interest rate contracts	(53,941)			(53,941)
Total	$ (41,243)			$ (41,243)

[2] Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation/depreciation on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of July 31, 2014, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash	$ 56,238			$ 56,238
Cash pledged for financial futures contracts	175,000			175,000
Liabilities:				
TOB trust certificates		$ (37,066,212)		(37,066,212)
VRDP Shares		(66,300,000)		(66,300,000)
Total	$ 231,238	$ (103,366,212)	$	$ (103,134,974)

There were no transfers between levels during the year ended July 31, 2014.

See Notes to Financial Statements.

Statements of Assets and Liabilities

July 31, 2014	BlackRock MuniHoldings California Quality Fund, Inc. (MUC)	BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)	BlackRock MuniYield Investment Quality Fund (MFT)	BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)	BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)	BlackRock MuniYield Pennsylvania Quality Fund (MPA)
Assets						
Investments at value unaffiliated[1]	$ 969,586,764	$ 535,000,926	$ 198,277,903	$ 438,299,660	$ 217,628,652	$ 280,935,626
Investments at value affiliated[2]	2,207,320	4,710,150	2,565,273	3,889,640	2,535,160	1,714,474
Cash						56,238
Cash pledged for financial futures contracts	562,000	280,000	108,000	210,000	158,000	175,000
Interest receivable	13,573,992	4,391,626	2,183,798	5,137,891	1,596,070	2,770,257
Investments sold receivable	15,911,035		15,369			
Variation margin receivable on financial futures contracts	19,264	9,608	3,703	6,562	3,984	6,656
Deferred offering costs	72,363	328,428	19,490	256,667	220,881	200,136
Prepaid expenses	34,892	27,319	25,125	27,100	24,841	25,805
Total assets	1,001,967,630	544,748,057	203,198,661	447,827,520	222,167,588	285,884,192
Accrued Liabilities						
Income dividends payable Common Shares	2,931,678	1,576,638	601,596	1,313,921	658,239	851,328
Investments purchased payable	7,041,758					
Investment advisory fees payable	464,120	239,816	85,740	189,037	93,545	120,716
Officer s and Directors fees payable	244,501	4,396	1,652	3,644	1,808	2,426
Interest expense and fees payable	29,986	6,382	5,208	5,163	3,159	6,702
Other accrued expenses payable	147,462	96,769	73,770	85,469	75,899	78,192
Total accrued liabilities	10,859,505	1,924,001	767,966	1,597,234	832,650	1,059,364
Other Liabilities						
TOB trust certificates	88,271,444	34,699,311	20,283,757	23,487,000	18,044,269	37,066,212
VRDP Shares, at liquidation value of $100,000 per share[3,4]		172,700,000		144,600,000	64,400,000	66,300,000
VMTP Shares, at liquidation value of $100,000 per share[3,4]	254,000,000		56,500,000			
Total other liabilities	342,271,444	207,399,311	76,783,757	168,087,000	82,444,269	103,366,212
Total liabilities	353,130,949	209,323,312	77,551,723	169,684,234	83,276,919	104,425,576
Net Assets Applicable to Common Shareholders	$ 648,836,681	$ 335,424,745	$ 125,646,938	$ 278,143,286	$ 138,890,669	$ 181,458,616
Net Assets Applicable to Common Shareholders Consist of						
Paid-in capital[5,6,7]	$ 586,006,297	$ 299,214,869	$ 118,012,879	$ 261,336,487	$ 125,356,076	$ 170,185,735
Undistributed net investment income	7,238,325	4,839,680	1,975,590	2,374,959	2,375,083	1,741,993
Accumulated net realized loss	(13,527,213)	(5,069,979)	(11,763,890)	(10,871,747)	(3,023,958)	(5,746,098)
Net unrealized appreciation/depreciation	69,119,272	36,440,175	17,422,359	25,303,587	14,183,468	15,276,986
Net Assets Applicable to Common Shareholders	$ 648,836,681	$ 335,424,745	$ 125,646,938	$ 278,143,286	$ 138,890,669	$ 181,458,616
Net asset value per Common Share	$ 15.82	$ 15.74	$ 14.83	$ 15.24	$ 15.61	$ 15.77

[1] Investments at cost unaffiliated	$ 900,566,455	$ 498,648,550	$ 180,889,379	$ 413,056,033	$ 203,481,588	$ 265,617,397
[2] Investments at cost affiliated	$ 2,207,320	$ 4,710,150	$ 2,565,273	$ 3,889,640	$ 2,535,160	$ 1,714,474
[3] Preferred Shares outstanding:						
Par value $0.05 per share			565			663
Par value $0.10 per share	2,540	1,727		1,446	644	
[4] Preferred Shares authorized	18,140	9,847	1,000,565	8,046	3,584	1,000,663
[5] Common Shares outstanding	41,002,483	21,305,921	8,473,184	18,248,909	8,895,127	11,504,433
[6] Par value per Common Share	$ 0.10	$ 0.10	$ 0.10	$ 0.10	$ 0.10	$ 0.10
[7] Common Shares authorized	200 million	200 million	unlimited	200 million	200 million	unlimited

See Notes to Financial Statements.

Statements of Operations

Year Ended July 31, 2014	BlackRock MuniHoldings California Quality Fund, Inc. (MUC)	BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)	BlackRock MuniYield Investment Quality Fund (MFT)	BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)	BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)	BlackRock MuniYield Pennsylvania Quality Fund (MPA)
Investment Income						
Interest	$ 43,002,249	$ 23,416,752	$ 9,173,892	$ 19,701,379	$ 9,759,312	$ 12,553,244
Income affiliated	206	2	683	2	7	
Total income	43,002,455	23,416,754	9,174,575	19,701,381	9,759,319	12,553,244
Expenses						
Investment advisory	5,561,196	2,895,790	984,600	2,164,356	1,069,246	1,392,968
Liquidity fees		816,395			304,435	
Accounting services	127,235	78,342	34,517	63,666	36,811	45,347
Professional	107,943	87,761	52,821	66,843	60,973	57,556
Officer and Directors	81,591	30,781	11,069	25,297	12,383	16,355
Custodian	42,695	27,314	13,278	23,869	12,929	16,201
Transfer agent	40,181	31,622	22,761	31,458	23,071	28,829
Printing	15,773	11,421	7,920	10,467	8,134	8,638
Registration	13,720	8,967	8,978	8,962	9,054	8,966
Remarketing fees on Preferred Shares		127,562			47,568	
Miscellaneous	86,523	65,238	59,339	59,374	61,956	59,666
Total expenses excluding interest expense, fees and amortization of offering costs	6,076,857	4,181,193	1,195,283	2,454,292	1,646,560	1,634,526
Interest expense, fees and amortization of offering costs[1]	3,611,786	1,035,187	794,875	1,606,798	427,185	927,307
Total expenses	9,688,643	5,216,380	1,990,158	4,061,090	2,073,745	2,561,833
Less fees waived by Manager	(333,001)	(204,612)	(932)	(106)	(2,408)	(106)
Total expenses after fees waived	9,355,642	5,011,768	1,989,226	4,060,984	2,071,337	2,561,727
Net investment income	33,646,813	18,404,986	7,185,349	15,640,397	7,687,982	9,991,517
Realized and Unrealized Gain (Loss)						
Net realized loss from:						
Investments	(4,185,803)	(3,483,900)	(4,220,643)	(5,935,201)	(1,698,932)	(1,581,394)
Financial futures contracts	(1,028,070)	(515,507)	(173,905)	(311,437)	(215,085)	(702,026)
	(5,213,873)	(3,999,407)	(4,394,548)	(6,246,638)	(1,914,017)	(2,283,420)
Net change in unrealized appreciation/depreciation on:						
Investments	60,215,989	30,793,386	14,754,036	26,719,701	13,935,458	16,150,572
Financial futures contracts	98,963	87,799	33,835	59,960	36,404	(41,243)
	60,314,952	30,881,185	14,787,871	26,779,661	13,971,862	16,109,329
Net realized and unrealized gain	55,101,079	26,881,778	10,393,323	20,533,023	12,057,845	13,825,909
Net Increase in Net Assets Applicable to Common Shareholders Resulting from Operations	$ 88,747,892	$ 45,286,764	$ 17,578,672	$ 36,173,420	$ 19,745,827	$ 23,817,426

[1] Related to TOBs, VRDP Shares and/or VMTP Shares.

See Notes to Financial Statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets Applicable to Common Shareholders:	BlackRock MuniHoldings California Quality Fund, Inc. (MUC) Year Ended July 31, 2014	2013	BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ) Year Ended July 31, 2014	2013
Operations				
Net investment income	$ 33,646,813	$ 35,078,128	$ 18,404,986	$ 18,297,716
Net realized gain (loss)	(5,213,873)	4,123,267	(3,999,407)	640,240
Net change in unrealized appreciation/depreciation	60,314,952	(78,639,908)	30,881,185	(43,197,563)
Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations	88,747,892	(39,438,513)	45,286,764	(24,259,607)
Dividends and Distributions to Common Shareholders From[1]				
Net investment income	(35,180,130)	(38,222,539)	(18,919,661)	(18,910,036)
Net realized gain			(107,719)	
Decrease in net assets resulting from dividends and distributions to Common Shareholders	(35,180,130)	(38,222,539)	(19,027,380)	(18,910,036)
Capital Share Transactions				
Reinvestment of common dividends		1,852,754		497,797
Net Assets Applicable to Common Shareholders				
Total increase (decrease) in net assets applicable to Common Shareholders	53,567,762	(75,808,298)	26,259,384	(42,671,846)
Beginning of year	595,268,919	671,077,217	309,165,361	351,837,207
End of year	$ 648,836,681	$ 595,268,919	$ 335,424,745	$ 309,165,361
Undistributed net investment income, end of year	$ 7,238,325	$ 8,922,327	$ 4,839,680	$ 5,341,924

[1] Dividends and distributions for annual periods determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets Applicable to Common Shareholders:	BlackRock MuniYield Investment Quality Fund (MFT) Year Ended July 31, 2014	2013	BlackRock MuniYield Michigan Quality Fund, Inc. (MIY) Year Ended July 31, 2014	2013
Operations				
Net investment income	$ 7,185,349	$ 7,093,951	$ 15,640,397	$ 16,382,871
Net realized gain (loss)	(4,394,548)	563,514	(6,246,638)	630,209
Net change in unrealized appreciation/depreciation	14,787,871	(18,405,631)	26,779,661	(37,218,376)
Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations	17,578,672	(10,748,166)	36,173,420	(20,205,296)
Dividends to Common Shareholders From[1]				
Net investment income	(7,219,153)	(7,217,546)	(16,371,077)	(16,743,706)
Capital Share Transactions				
Reinvestment of common dividends		93,174		485,894
Net Assets Applicable to Common Shareholders				
Total increase (decrease) in net assets applicable to Common Shareholders	10,359,519	(17,872,538)	19,802,343	(36,463,108)
Beginning of year	115,287,419	133,159,957	258,340,943	294,804,051
End of year	$ 125,646,938	$ 115,287,419	$ 278,143,286	$ 258,340,943
Undistributed net investment income, end of year	$ 1,975,590	$ 1,964,734	$ 2,374,959	$ 3,122,486

[1] Dividends for annual periods determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets Applicable to Common Shareholders:	BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI) Year Ended July 31, 2014	BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI) Year Ended July 31, 2013	BlackRock MuniYield Pennsylvania Quality Fund (MPA) Year Ended July 31, 2014	BlackRock MuniYield Pennsylvania Quality Fund (MPA) Year Ended July 31, 2013
Operations				
Net investment income	$ 7,687,982	$ 7,643,570	$ 9,991,517	$ 10,296,569
Net realized loss	(1,914,017)	(311,747)	(2,283,420)	141,354
Net change in unrealized appreciation/depreciation	13,971,862	(17,628,493)	16,109,329	(22,994,319)
Distributions to VRDP Shareholders from net realized gain		(5,857)		
Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations	19,745,827	(10,302,527)	23,817,426	(12,556,396)
Dividends and Distributions to Common Shareholders From[1]				
Net investment income	(7,898,872)	(7,777,215)	(10,215,936)	(10,214,489)
Net realized gain	(38,170)	(254,189)		
Decrease in net assets resulting from dividends and distributions to Common Shareholders	(7,937,042)	(8,031,404)	(10,215,936)	(10,214,489)
Capital Share Transactions				
Reinvestment of common dividends		473,838		65,526
Net Assets Applicable to Common Shareholders				
Total increase (decrease) in net assets applicable to Common Shareholders	11,808,785	(17,860,093)	13,601,490	(22,705,359)
Beginning of year	127,081,884	144,941,977	167,857,126	190,562,485
End of year	$ 138,890,669	$ 127,081,884	$ 181,458,616	$ 167,857,126
Undistributed net investment income, end of year	$ 2,375,083	$ 2,577,866	$ 1,741,993	$ 2,030,860

[1] Dividends and distributions for annual periods determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

Statements of Cash Flows

Year Ended July 31, 2014	BlackRock MuniHoldings California Quality Fund, Inc. (MUC)	BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)	BlackRock MuniYield Investment Quality Fund (MFT)	BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)	BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)	BlackRock MuniYield Pennsylvania Quality Fund (MPA)
Cash Provided by Operating Activities						
Net increase in net assets resulting from operations	$ 88,747,892	$ 45,286,764	$ 17,578,672	$ 36,173,420	$ 19,745,827	$ 23,817,426
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:						
(Increase) decrease in interest receivable	713,493	382,322	69,267	(381,497)	242,149	377,705
Increase in variation margin receivable on financial futures contracts	(19,264)	(9,608)	(3,703)	(6,562)	(3,984)	(6,656)
(Increase) decrease in prepaid expenses	30,450	(21,719)	(22,929)	(22,371)	(22,604)	(22,719)
Increase in cash pledged for financial futures contracts	(562,000)	(280,000)	(108,000)	(210,000)	(158,000)	(175,000)
Increase (decrease) in investment advisory fees payable	(24,683)	14,669	(2,490)	560	2,867	(2,711)
Decrease in interest expense and fees payable	(54,562)	(7,797)	(7,154)	(4,578)	(4,092)	(11,909)
Increase (decrease) in other accrued expenses payable	(21,581)	(139,583)	11,709	(24,973)	(32,359)	7,147
Increase (decrease) in Officer s and Directors fees payable	48,447	243	(343)	61	(187)	(183)
Net realized loss on investments	4,185,803	3,483,900	4,220,643	5,935,201	1,698,932	1,581,394
Net unrealized gain on investments	(60,215,989)	(30,793,386)	(14,754,036)	(26,719,701)	(13,935,458)	(16,150,572)
Amortization of premium and accretion of discount on investments	5,030,074	(226,909)	635,505	1,035,659	(407,456)	385,407
Proceeds from sales of long-term investments	332,365,869	84,625,364	70,450,844	83,303,472	38,486,565	58,717,883
Purchases of long-term investments	(249,389,378)	(82,216,323)	(66,568,867)	(67,826,440)	(36,406,441)	(43,785,766)
Net proceeds from sales (purchases) of short-term securities	(1,705,357)	2,460,620	7,901,962	(3,409,973)	1,229,532	1,483,690
Net cash provided by operating activities	119,129,214	22,558,557	19,401,080	27,842,278	10,435,291	26,215,136
Cash Used for Financing Activities						
Proceeds from TOB trust certificates				95,000		4,701,559
Repayments of TOB trust certificates	(84,044,488)	(3,531,804)	(12,228,010)	(11,483,787)	(2,500,724)	(20,645,249)
Cash dividends paid to Common Shareholders	(35,180,130)	(19,027,380)	(7,219,153)	(16,453,198)	(7,937,042)	(10,215,936)
Decrease in bank overdraft	(12,651)	(8,444)	(4,529)	(7,264)	(4,566)	(5,337)
Amortization of deferred offering costs	108,055	9,071	50,612	6,971	7,041	6,065
Net cash used for financing activities	(119,129,214)	(22,558,557)	(19,401,080)	(27,842,278)	(10,435,291)	(26,158,898)
Cash						
Net increase in cash						56,238
Cash at beginning of year						
Cash at end of year						$ 56,238
Supplemental Disclosure of Cash Flow Information						
Cash paid during the year for interest and fees	$ 3,558,293	$ 1,033,913	$ 751,417	$ 1,604,405	$ 424,236	$ 933,151

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

	Year Ended July 31,				
	2014	**2013**	**2012**	**2011**	**2010**
Per Share Operating Performance					
Net asset value, beginning of year	$ 14.52	$ 16.41	$ 14.27	$ 14.55	$ 13.21
Net investment income[1]	0.82	0.86	0.95	0.97	0.92
Net realized and unrealized gain (loss)	1.34	(1.82)	2.13	(0.33)	1.24
Dividends to AMPS Shareholders from net investment income			(0.01)	(0.02)	(0.03)
Net increase (decrease) from investment operations	2.16	(0.96)	3.07	0.62	2.13
Dividends to Common Shareholders from net investment income[2]	(0.86)	(0.93)	(0.93)	(0.90)	(0.79)
Net asset value, end of year	$ 15.82	$ 14.52	$ 16.41	$ 14.27	$ 14.55
Market price, end of year	$ 14.04	$ 13.31	$ 16.36	$ 13.15	$ 14.04
Total Return Applicable to Common Shareholders[3]					
Based on net asset value	15.94%	(6.16)%	22.26%	4.88%	16.96%
Based on market price	12.25%	(13.71)%	32.27%	0.16%	22.40%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.57%	1.64%	1.48%[4]	1.38%[4]	1.23%[4]
Total expenses after fees waived	1.51%	1.56%	1.39%[4]	1.25%[4]	1.12%[4]
Total expenses after fees waived and excluding interest expense, fees, and amortization of offering costs[5]	0.93%	0.92%	1.01%[4,6]	1.02%[4]	0.98%[4]
Net investment income	5.44%	5.27%	6.14%[4]	6.93%[4]	6.52%[4]
Dividends to AMPS shareholders			0.06%	0.16%	0.18%
Net investment income to Common Shareholders	5.44%	5.27%	6.08%	6.77%	6.34%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	$ 648,837	$ 595,269	$ 671,077	$ 583,400	$ 594,734
AMPS outstanding at $25,000 liquidation preference, end of year (000)				$ 254,000	$ 254,000
VMTP Shares outstanding at $100,000 liquidation value, end of year (000)	$ 254,000	$ 254,000	$ 254,000		
Portfolio turnover rate	25%	34%	46%	24%	25%
Asset coverage per AMPS at $25,000 liquidation preference, end of year (000)				$ 82,421	$ 83,538
Asset coverage per VMTP Shares at $100,000 liquidation value, end of year	$ 355,448	$ 334,358	$ 364,204		

[1] Based on average Common Shares outstanding.

[2] Dividends for annual periods determined in accordance with federal income tax regulations.

[3] Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

[4] Does not reflect the effect of dividends to AMPS shareholders.

[5] Interest expense, fees and amortization of offering costs related to TOBs and/or VMTP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VMTP Shares, respectively.

[6] For the year ended July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.97%.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

	Year Ended July 31,				
	2014	**2013**	**2012**	**2011**	**2010**
Per Share Operating Performance					
Net asset value, beginning of year	$ 14.51	$ 16.54	$ 14.73	$ 15.19	$ 14.40
Net investment income[1]	0.86	0.86	0.83	0.93	1.00
Net realized and unrealized gain (loss)	1.27	(2.00)	1.87	(0.47)	0.67
Dividends and distributions to AMPS shareholders from:					
Net investment income				(0.03)	(0.03)
Net realized gain					(0.00)[2]
Net increase (decrease) from investment operations	2.13	(1.14)	2.70	0.43	1.64
Dividends and distributions to Common Shareholders from:[3]					
Net investment income	(0.89)	(0.89)	(0.89)	(0.89)	(0.84)
Net realized gain	(0.01)				(0.01)
Total dividends and distributions to Common Shareholders	(0.90)	(0.89)	(0.89)	(0.89)	(0.85)
Net asset value, end of year	$ 15.74	$ 14.51	$ 16.54	$ 14.73	$ 15.19
Market price, end of year	$ 14.11	$ 13.30	$ 16.05	$ 13.74	$ 15.05
Total Return Applicable to Common Shareholders[4]					
Based on net asset value	15.79%	(7.19)%	18.96%	3.28%	11.95%
Based on market price	13.24%	(12.33)%	23.76%	(2.77)%	19.37%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.64%	1.61%	1.81%	1.21%[5]	1.13%[5]
Total expenses after fees waived	1.57%	1.58%	1.78%	1.17%[5]	1.08%[5]
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs[6]	1.25%[7]	1.33%[7]	1.43%[7]	1.11%[5]	1.05%[5]
Net investment income	5.78%	5.28%	5.28%	6.36%[5]	6.71%[5]
Dividends to AMPS shareholders				0.21%	0.22%
Net investment income to Common Shareholders	5.78%	5.28%	5.28%	6.15%	6.49%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	$ 335,425	$ 309,165	$ 351,837	$ 313,084	$ 322,681
AMPS outstanding at $25,000 liquidation preference, end of year (000)					$ 172,700
VRDP Shares outstanding at $100,000 liquidation value, end of year (000)	$ 172,700	$ 172,700	$ 172,700	$ 172,700	
Portfolio turnover rate	16%	10%	17%	12%	13%
Asset coverage per AMPS at $25,000 liquidation preference, end of year					$ 71,713

Asset coverage per VRDP Shares at $100,000 liquidation value, end of year	$ 294,224	$ 279,019	$ 303,727	$ 281,288

1 Based on average Common Shares outstanding.

2 Amount is greater than $(0.005) per share.

3 Dividends and distributions for annual periods determined in accordance with federal income tax regulations.

4 Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

5 Does not reflect the effect of dividends to AMPS shareholders.

6 Interest expense, fees and amortization of offering costs related to TOBs and/or VRDP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

7 For the years ended July 31, 2014, July 31, 2013 and July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.95%, 0.93% and 1.01%, respectively.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniYield Investment Quality Fund (MFT)

	Year Ended July 31,				
	2014	**2013**	**2012**	**2011**	**2010**
Per Share Operating Performance					
Net asset value, beginning of year	$ 13.61	$ 15.73	$ 13.40	$ 13.87	$ 12.83
Net investment income[1]	0.85	0.84	0.87	0.91	0.92
Net realized and unrealized gain (loss)	1.22	(2.11)	2.32	(0.49)	0.98
Dividends to AMPS shareholders from net investment income			(0.01)	(0.04)	(0.04)
Net increase (decrease) from investment operations	2.07	(1.27)	3.18	0.38	1.86
Dividends to Common Shareholders from net investment income[2]	(0.85)	(0.85)	(0.85)	(0.85)	(0.82)
Net asset value, end of year	$ 14.83	$ 13.61	$ 15.73	$ 13.40	$ 13.87
Market price, end of year	$ 13.26	$ 12.20	$ 15.47	$ 12.39	$ 14.28
Total Return Applicable to Common Shareholders[3]					
Based on net asset value	16.40%	(8.41)%	24.51%	3.20%	14.99%
Based on market price	16.10%	(16.52)%	32.43%	(7.32)%	28.72%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.67%	1.72%	1.58%[4]	1.23%[4]	1.19%[4]
Total expenses after fees waived	1.67%	1.72%	1.58%[4]	1.23%[4]	1.19%[4]
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs[5]	1.00%	1.00%	1.08%[4,6]	1.11%[4]	1.09%[4]
Net investment income	6.04%	5.36%	5.94%[4]	6.91%[4]	6.80%[4]
Dividends to AMPS shareholders			0.08%	0.28%	0.29%
Net investment income to Common Shareholders	6.04%	5.36%	5.86%	6.63%	6.51%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	$ 125,647	$ 115,287	$ 133,160	$ 113,423	$ 117,341
AMPS outstanding at $25,000 liquidation preference, end of year (000)				$ 56,525	$ 56,525
VMTP Shares outstanding at $100,000 liquidation value, end of year (000)	$ 56,500	$ 56,500	$ 56,500		
Portfolio turnover rate	32%	51%	43%	29%	38%
Asset coverage per AMPS at $25,000 liquidation preference, end of year (000)				$ 75,165	$ 76,900
Asset coverage per VMTP Shares at $100,000 liquidation value, end of year	$ 322,384	$ 304,049	$ 335,681		

[1] Based on average Common Shares outstanding.

2 Dividends for annual periods determined in accordance with federal income tax regulations.

3 Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

4 Does not reflect the effect of dividends to AMPS shareholders.

5 Interest expense, fees and amortization of offering costs related to TOBs and/or VMTP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VMTP Shares, respectively.

6 For the year ended July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 1.05%.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

	Year Ended July 31,				
	2014	**2013**	**2012**	**2011**	**2010**
Per Share Operating Performance					
Net asset value, beginning of year	$ 14.16	$ 16.18	$ 14.63	$ 14.92	$ 13.93
Net investment income[1]	0.86	0.90	0.87	0.93	0.98
Net realized and unrealized gain (loss)	1.12	(2.00)	1.61	(0.26)	0.94
Dividends to AMPS shareholders from net investment income				(0.04)	(0.05)
Net increase (decrease) from investment operations	1.98	(1.10)	2.48	0.63	1.87
Dividends to Common Shareholders from net investment income[2]	(0.90)	(0.92)	(0.93)	(0.92)	(0.88)
Net asset value, end of year	$ 15.24	$ 14.16	$ 16.18	$ 14.63	$ 14.92
Market price, end of year	$ 13.47	$ 12.57	$ 16.05	$ 13.39	$ 14.55
Total Return Applicable to Common Shareholders[3]					
Based on net asset value	15.24%	(7.09)%	17.60%	4.78%	14.31%
Based on market price	14.74%	(16.86)%	27.46%	(1.67)%	26.76%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.54%	1.50%	1.72%	1.37%[4]	1.07%[4]
Total expenses after fees waived	1.54%	1.50%	1.72%	1.36%[4]	1.07%[4]
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs[5]	0.93%	0.89%	1.38%[6]	1.23%[4]	1.03%[4]
Net investment income	5.94%	5.62%	5.65%	6.48%[4]	6.72%[4]
Dividends to AMPS shareholders				0.25%	0.31%
Net investment income to Common Shareholders	5.94%	5.62%	5.65%	6.23%	6.41%
Supplemental Data					
Net assets applicable Common Shareholders, end of year (000)	$ 278,143	$ 258,341	$ 294,804	$ 266,326	$ 271,609
AMPS outstanding at $25,000 liquidation preference, end of year (000)					$ 144,650
VRDP Shares outstanding at $100,000 liquidation value, end of year (000)	$ 144,600	$ 144,600	$ 144,600	$ 144,600	
Portfolio turnover rate	16%	17%	19%	16%	15%
Asset coverage per AMPS at $25,000 liquidation preference, end of year					$ 71,945
Asset coverage per VRDP Shares at $100,000 liquidation value, end of year	$ 292,354	$ 278,659	$ 303,876	$ 284,181	

1 Based on average Common Shares outstanding.

2 Dividends for annual periods determined in accordance with federal income tax regulations.

3 Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

4 Does not reflect the effect of dividends to AMPS shareholders.

5 Interest expense, fees and amortization of offering costs related to TOBs and/or VRDP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

6 For the year ended July 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense, fees and amortization of offering costs, liquidity and remarketing fees was 0.98%.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)

	Year Ended July 31,				
	2014	**2013**	**2012**	**2011**	**2010**
Per Share Operating Performance					
Net asset value, beginning of year	$ 14.29	$ 16.35	$ 14.53	$ 15.00	$ 14.07
Net investment income[1]	0.86	0.86	0.82	0.91	0.98
Net realized and unrealized gain (loss)	1.35	(2.01)	1.89	(0.48)	0.94
Distributions to VRDP Shareholders from net realized gain		(0.00)[2]			
Dividends and distributions to AMPS shareholders from:					
Net investment income				(0.04)	(0.04)
Net realized gain					(0.01)
Net increase (decrease) from investment operations	2.21	(1.15)	2.71	0.39	1.87
Dividends and distributions to Common Shareholders from:[3]					
Net investment income	(0.89)	(0.88)	(0.89)	(0.86)	(0.84)
Net realized gain	(0.00)[2]	(0.03)			(0.10)
Total dividends and distributions to Common Shareholders	(0.89)	(0.91)	(0.89)	(0.86)	(0.94)
Net asset value, end of year	$ 15.61	$ 14.29	$ 16.35	$ 14.53	$ 15.00
Market price, end of year	$ 14.15	$ 13.27	$ 16.31	$ 13.16	$ 14.92
Total Return Applicable to Common Shareholders4					
Based on net asset value	16.64%	(7.41)%	19.32%	3.10%	13.90%
Based on market price	13.85%	(13.81)%	31.42%	(6.12)%	24.34%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.58%	1.54%	1.71%[5]	1.13%[5]	1.06%[5]
Total expenses after fees waived	1.58%	1.53%	1.70%[5]	1.12%[5]	1.05%[5]
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs[6]	1.25%[7]	1.29%[7]	1.38%[5,7]	1.08%[5]	1.02%[5]
Net investment income	5.86%	5.34%	5.31%[5]	6.32%[5]	6.64%[5]
Dividends to AMPS shareholders				0.31%	0.29%
Net investment income to Common Shareholders	5.86%	5.34%	5.31%	6.01%	6.35%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	$ 138,891	$ 127,082	$ 144,942	$ 128,481	$ 132,281
AMPS outstanding at $25,000 liquidation preference, end of year (000)					$ 64,475
VRDP Shares outstanding at $100,000 liquidation value, end of year (000)	$ 64,400	$ 64,400	$ 64,400	$ 64,400	
Portfolio turnover rate	17%	11%	21%	12%	12%

Asset coverage per AMPS at $25,000 liquidation preference, end of year					$ 76,294
Asset coverage per VRDP Shares at $100,000 liquidation value, end of year	$ 315,669	$ 297,332	$ 325,065	$ 299,505	

1 Based on average Common Shares outstanding.

2 Amount is greater than $(0.005) per share.

3 Dividends and distributions for annual periods determined in accordance with federal income tax regulations.

4 Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

5 Does not reflect the effect of dividends to AMPS shareholders.

6 Interest expense, fees and amortization of offering costs related to TOBs and/or VRDP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

7 For the years ended July 31, 2014, July 31, 2013 and July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.98%, 0.93% and 0.99%, respectively.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

	Year Ended July 31,				
	2014	**2013**	**2012**	**2011**	**2010**
Per Share Operating Performance					
Net asset value, beginning of year	$ 14.59	$ 16.57	$ 14.97	$ 15.38	$ 14.28
Net investment income[1]	0.87	0.90	0.85	0.92	0.92
Net realized and unrealized gain (loss)	1.20	(1.99)	1.66	(0.38)	1.02
Dividends to AMPS Shareholders from net investment income				(0.03)	(0.03)
Net increase (decrease) from investment operations	2.07	(1.09)	2.51	0.51	1.91
Dividends to Common Shareholders from net investment income[2]	(0.89)	(0.89)	(0.91)	(0.92)	(0.81)
Net asset value, end of year	$ 15.77	$ 14.59	$ 16.57	$ 14.97	$ 15.38
Market price, end of year	$ 13.89	$ 13.07	$ 15.98	$ 13.94	$ 15.26
Total Return Applicable to Common Shareholders[3]					
Based on net asset value	15.39%	(6.78)%	17.34%	3.84%	14.18%
Based on market price	13.45%	(13.42)%	21.53%	(2.55)%	25.70%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.48%	1.53%	1.65%	1.37%[4]	1.15%[4]
Total expenses after fees waived	1.48%	1.53%	1.65%	1.36%[4]	1.15%[4]
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs[5]	0.95%	0.94%	1.28%[6]	1.14%[4]	1.00%[4]
Net investment income	5.79%	5.46%	5.38%	6.24%[4]	6.17%[4]
Dividends to AMPS Shareholders				0.18%	0.22%
Net investment income to Common Shareholders	5.79%	5.46%	5.38%	6.06%	5.95%
Supplemental Data					
Net assets applicable Common Shareholders, end of year (000)	$ 181,459	$ 167,857	$ 190,562	$ 171,938	$ 176,530
AMPS outstanding at $25,000 liquidation preference, end of year (000)					$ 66,350
VRDP Shares outstanding at $100,000 liquidation value, end of year (000)	$ 66,300	$ 66,300	$ 66,300	$ 66,300	
Portfolio turnover rate	16%	8%	23%	11%	6%
Asset coverage per AMPS at $25,000 liquidation preference, end of year					$ 91,517
Asset coverage per VRDP Shares at $100,000 liquidation value, end of year	$ 373,693	$ 353,178	$ 387,425	$ 359,333	

[1] Based on average Common Shares outstanding.

[2] Dividends for annual periods determined in accordance with federal income tax regulations.

[3] Total investment returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of dividends and distributions.

[4] Does not reflect the effect of dividends to AMPS Shareholders.

[5] Interest expense, fees and amortization of offering costs relate to TOBs and/or VRDP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

[6] For the year ended July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.99%.

See Notes to Financial Statements.

Notes to Financial Statements

1. Organization:

BlackRock MuniHoldings California Quality Fund, Inc. (MUC), BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ), BlackRock MuniYield Investment Quality Fund (MFT), BlackRock MuniYield Michigan Quality Fund, Inc. (MIY), BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI) and BlackRock MuniYield Pennsylvania Quality Fund (MPA) (collectively, the Funds) are registered under the Investment Company Act of 1940, as non-diversified, closed-end management investment companies. MUC, MUJ, MIY and MJI are organized as Maryland corporations. MFT and MPA are organized as Massachusetts business trusts. The Boards of Directors and the Boards of Trustees of the Funds are collectively referred to throughout this report as the Board of Directors or the Board , and the directors/trustees thereof are collectively referred to throughout this report as Directors. The Funds determine and make available for publication the NAVs of their Common Shares on a daily basis.

2. Significant Accounting Policies:

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

Valuation: U.S. GAAP defines fair value as the price the Funds would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Funds determine the fair values of their financial instruments at market value using independent dealers or pricing services under policies approved by the Board. The BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee) is the committee formed by management to develop global pricing policies and procedures and to provide oversight of the pricing function for the Funds for all financial instruments.

Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments. Financial futures contracts traded on exchanges are valued at their last sale price. Investments in open-end registered investment companies are valued at NAV each business day.

In the event that the application of these methods of valuation results in a price for an investment that is deemed not to be representative of the market value of such investment, or if a price is not available, the investment will be valued by the Global Valuation Committee, or its delegate, in accordance with a policy approved by the Board as reflecting fair value (Fair Value Assets). When determining the price for Fair Value Assets, the Global Valuation Committee, or its delegate, 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 Global Valuation Committee, or its delegate, deems relevant consistent with the principles of fair value measurement. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof on a quarterly basis.

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

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

Dividends and Distributions: Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend date. The character and timing of dividends and distributions are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP. Dividends and distributions to Preferred Shareholders are accrued and determined as described in Note 9.

Deferred Compensation Plan: Under the Deferred Compensation Plan (the Plan) approved by each Fund s Board, the independent 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 certain other BlackRock Closed-End Funds selected by the Independent Directors. This has the same economic effect for the Independent Directors as if the Independent Directors had invested the deferred amounts directly in certain other BlackRock Closed-End Funds.

Notes to Financial Statements (continued)

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

Recent Accounting Standard: In June 2014, the Financial Accounting Standards Board issued guidance to improve the financial reporting of reverse repurchase agreements and other similar transactions. The guidance will require expanded disclosure for entities that enter into reverse repurchase agreements and similar transactions accounted for as secured borrowings. It is effective for financial statements with fiscal years beginning on or after December 15, 2014 and interim periods within those fiscal years. Management is evaluating the impact, if any, of this guidance on the Funds financial statement disclosures.

Other: Expenses directly related to a 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.

The Funds have an arrangement with the custodian whereby fees may be reduced by credits earned on uninvested cash balances, which, if applicable, are shown as fees paid indirectly in the Statements of Operations. The custodian imposes fees on overdrawn cash balances, which can be offset by accumulated credits earned or may result in additional custody charges.

3. Securities and Other Investments:

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

Forward Commitments and When-Issued Delayed Delivery Securities: The Funds may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such transactions normally occurs within a month or more after the purchase or sale commitment is made. The Funds may purchase securities under such conditions with the intention of actually acquiring them, but may enter into a separate agreement to sell the securities before the settlement date. Since the value of securities purchased may fluctuate prior to settlement, the Funds may be required to pay more at settlement than the security is worth. In addition, the Funds are 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. In the event of default by the counterparty, the Funds maximum amount of loss is the unrealized appreciation of unsettled when-issued transactions, which is shown in the Schedules of Investments.

Municipal Bonds Transferred to TOBs: The Funds leverage their assets through the use of TOBs. A TOB is a special purpose entity established by a third party sponsor, into which a fund, or an agent on behalf of a fund, transfers municipal bonds into a trust (TOB Trust). 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 (TOB Trust Certificates), which are sold to third party investors, and residual certificates (TOB Residuals), which are generally issued to the participating funds that contributed the municipal bonds to the TOB Trust. If multiple funds participate in the same TOB, the rights and obligations under the TOB Residual will be shared among the funds ratably in proportion to their participation

The TOB Residuals held by a Fund include the right of a Fund (1) to cause the holders of a proportional share of the TOB Trust Certificates to tender their certificates at par plus accrued interest upon the occurrence of certain mandatory tender events defined in the TOB agreements, and (2) to transfer, subject to a specified number of days prior notice, a corresponding share of the municipal bonds from the TOB to a Fund. The TOB may also be collapsed without the consent of a Fund, as the TOB Residual holder, upon the occurrence of certain termination 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 renewal of the liquidity support agreement, a substantial decline in market value of the municipal bond and a judgment or ruling that interest on the municipal bond is subject to federal income taxation. Upon the occurrence of a termination event, the TOB would generally be liquidated in full with the proceeds typically applied first to any accrued fees owed to the trustee, remarketing agent and liquidity provider, and then to the holders of the TOB Trust Certificates up to par plus accrued interest owed on the TOB Trust Certificates, with the balance paid out to the TOB Residual holder. During the year ended July 31, 2014, no TOBs in which the Funds participated were terminated without the consent of the Funds.

The cash received by the TOB from the sale of the TOB Trust Certificates, less transaction expenses, is paid to a Fund. The Funds typically invest the cash received in additional municipal bonds. Each Fund s transfer of the municipal bonds to a TOB Trust 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 TOB Trust

Certificates are shown in other liabilities in the Statements of Assets and Liabilities. The carrying amount of each Fund s payable to the holder of the TOB Trust Certificates, as reported in the Statements of Assets and Liabilities as TOB Trust Certificates, approximates its fair value.

The Funds may invest in TOBs on either a non-recourse or recourse basis. TOB Trusts are typically supported by a liquidity facility provided by a bank or other financial institution (the Liquidity Provider) that allows the holders of the TOB Trust Certificates to tender their certificates in exchange for payment from the Liquidity Provider of par plus accrued interest on any business day prior to the occurrence of the termination events described above. When a

Notes to Financial Statements (continued)

Fund invests in TOBS on a non-recourse basis, and the Liquidity Provider is required to make a payment under the liquidity facility due to a termination event, the Liquidity Provider will typically liquidate all or a portion of the municipal securities held in the TOB Trust and then fund, on a net basis, the balance, if any, of the amount owed under the liquidity facility over the liquidation proceeds (the Liquidation Shortfall). If a Fund invests in a TOB on a recourse basis, the Funds will typically enter into a reimbursement agreement with the Liquidity Provider where the Funds is required to repay the Liquidity Provider the amount of any Liquidation Shortfall. As a result, a Fund investing in a recourse TOB will bear the risk of loss with respect to any Liquidation Shortfall. If multiple Funds participate in any such TOB, these losses will be shared ratably, including the maximum potential amounts owed by the Funds at July 31, 2014, in proportion to their participation. The recourse TOB Trusts are identified in the Schedules of Investments including the maximum potential amounts owed by the Funds at July 31, 2014.

Interest income, including amortization and accretion of premiums and discounts, from the underlying municipal bonds 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 shown as interest expense, fees and amortization of offering costs in the Statements of Operations. The TOB Trust Certificates have interest rates that generally reset weekly and their holders have the option to tender such certificates to the TOB for redemption at par at each reset date. At July 31, 2014, the aggregate value of the underlying municipal bonds transferred to TOBs, the related liability for TOB Trust Certificates and the range of interest rates on the liability for TOB Trust Certificates were as follows:

	Underlying Municipal Bonds Transferred to TOBs	Liability for TOB Trust Certificates	Range of Interest Rates
MUC	$ 188,572,615	$ 88,271,444	0.06% - 0.14%
MUJ	$ 64,495,036	$ 34,699,311	0.06% - 0.13%
MFT	$ 38,663,211	$ 20,283,757	0.06% - 0.31%
MIY	$ 47,808,301	$ 23,487,000	0.04% - 0.21%
MJI	$ 32,819,914	$ 18,044,269	0.06% - 0.13%
MPA	$ 69,592,822	$ 37,066,212	0.07% - 0.18%

For the year ended July 31, 2014, the Funds average TOB Trust Certificates outstanding and the daily weighted average interest rate, including fees, were as follows:

	Average TOB Trust Certificates Outstanding	Daily Weighted Average Interest Rate
MUC	$ 138,395,091	0.58%
MUJ	$ 35,118,477	0.66%
MFT	$ 21,403,900	0.68%
MIY	$ 24,835,072	0.55%
MJI	$ 18,253,985	0.69%
MPA	$ 39,661,319	0.63%

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

4. Derivative Financial Instruments:

The Funds engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Funds and/or to economically hedge their exposure to certain risks such as interest rate risk. These contracts may be transacted on an exchange or over-the-counter (OTC).

Financial Futures Contracts: The Funds purchase and/or sell financial futures contracts and options on financial futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk). Financial futures contracts are agreements between the Funds and a counterparty to buy or sell a specific quantity of an underlying instrument at a specified price and at a specified date. Depending on the terms of the particular contract, financial futures contracts are settled either through physical delivery of the underlying instrument on the settlement date or by payment of a cash settlement amount on the settlement date.

Upon entering into a financial futures contract, the Funds are required to deposit initial margin with the broker in the form of cash or securities in an amount that varies depending on a contract s size and risk profile. The initial margin deposit must then be maintained at an established level over the life of the contract. Securities deposited as initial margin are designated on the Schedules of Investments and cash deposited, if any, is recorded on the Statements of Assets and Liabilities as cash pledged for financial futures contracts. Pursuant to the contract, the Funds agree 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 variation margin. Variation margin is recorded by the Funds as unrealized appreciation or depreciation and, if applicable, as a receivable or payable for variation margin in the Statements of Assets and Liabilities.

Notes to Financial Statements (continued)

When the contract is closed, the Funds record 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 financial futures contracts involves the risk of an imperfect correlation in the movements in the price of financial futures contracts, interest or foreign currency exchange rates and the underlying assets.

The following is a summary of the Funds derivative financial instruments categorized by risk exposure:

Fair Values of Derivative Financial Instruments as of July 31, 2014

		Value					
		MUC		MUJ		MFT	
	Statements of Assets and Liabilities Location	Derivative Assets	Derivative Liabilities	Derivative Assets	Derivative Liabilities	Derivative Assets	Derivative Liabilities
Interest rate contracts	Net unrealized appreciation/depreciation[1]	$ 98,963		$ 87,799		$ 33,835	
		MIY		MJI		MPA	
		Derivative Assets	Derivative Liabilities	Derivative Assets	Derivative Liabilities	Derivative Assets	Derivative Liabilities
Interest rate contracts	Net unrealized appreciation/depreciation[1]	$ 59,960		$ 36,404		$ 12,698	$ (53,941)

[1] Includes cumulative appreciation/depreciation on financial futures contracts as reported in the Schedules of Investments. Only current day s variation margin is reported within the Statements of Assets and Liabilities.

The Effect of Derivative Financial Instruments in the Statements of Operations

	Year Ended July 31, 2014					
	Net Realized Loss From			Net Change in Unrealized Appreciation/Depreciation on		
	MUC	MUJ	MFT	MUC	MUJ	MFT
Interest rate contracts:						
Financial futures contracts	$ (1,028,070)	$ (515,507)	$ (173,905)	$ 98,963	$ 87,799	$ 33,835
	MIY	MJI	MPA	MIY	MJI	MPA
Interest rate contracts:						
Financial futures contracts	$ (311,437)	$ (215,085)	$ (702,026)	$ 59,960	$ 36,404	$ (41,243)

For the year ended July 31, 2014, the average quarterly balances of outstanding derivative financial instruments were as follows:

	MUC	MUJ	MFT	MIY	MJI	MPA
Financial futures contracts:						
Average number of contracts sold	453	156	93	104	66	158
Average notional value of contracts sold	$ 56,777,832	$ 19,527,441	$ 11,633,230	$ 12,978,262	$ 8,281,895	$ 19,754,957

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

A Fund s risk of loss from counterparty credit risk on OTC derivatives is generally limited to the aggregate unrealized gain netted against any collateral held by such Fund.

With exchange-traded futures, there is less counterparty credit risk to the Funds since the exchange or clearinghouse, as counterparty to such instruments, guarantees against a possible default. The clearinghouse stands between the buyer and the seller of the contract; therefore, credit risk is limited to failure of the clearinghouse. While offset rights may exist under applicable law, a Fund does not have a contractual right of offset against a clearing broker or clearinghouse in the event of a default (including the bankruptcy or insolvency) of the clearing broker or clearinghouse. Additionally, credit risk exists in exchange-traded futures with respect to initial and variation margin that is held in a clearing broker s customer accounts. While clearing brokers are required to segregate customer margin from their own assets, in the event that a clearing

broker becomes insolvent or goes into bankruptcy and at that time there is a shortfall in the aggregate amount of margin held by the clearing broker for all its clients, typically the shortfall would be allocated on a pro rata basis across all the clearing broker s customers, potentially resulting in losses to the Funds.

5. Investment Advisory Agreement and Other Transactions with Affiliates:

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

Each Fund entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the Manager), the Funds investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory and administration services. The Manager is responsible for the management of each Fund s portfolio and provides the necessary personnel, facilities, equipment and certain other services to the operations of each Fund. For such services, each Fund pays the Manager a monthly fee based on a percentage of each Fund s average daily net assets at the following annual rates:

	MUC	MUJ	MFT	MIY	MJI	MPA
Investment advisory fee	0.55%	0.55%	0.50%	0.50%	0.50%	0.50%

Notes to Financial Statements (continued)

Average daily net assets are the average daily value of each Fund s total assets minus its total accrued liabilities.

The Manager voluntarily agreed to waive its investment advisory fees by the amount of investment advisory fees each Fund pays to the Manager indirectly through its investment in affiliated money market funds. However, the Manager does not waive its investment advisory fees by the amount of investment advisory fees paid in connection with each Fund s investment in other affiliated investment companies, if any. These amounts are included in fees waived by Manager in the Statements of Operations. For the year ended July 31, 2014, the amounts waived were:

	MUC	MUJ	MFT	MIY	MJI	MPA
Amounts waived	$ 3,985	$ 5,345	$ 932	$ 106	$ 2,408	$ 106

The Manager, for MUC and MUJ, voluntarily agreed to waive its investment advisory fee on the proceeds of the Preferred Shares and TOBs that exceed 35% of total assets minus the sum of its accrued liabilities. This amount is included in fees waived by Manager in the Statements of Operations. For the year ended July 31, 2014, the waivers were:

MUC	$ 329,016
MUJ	$ 199,267

Prior to July 1, 2014, BlackRock Investment Management, LLC (BIM), an affiliate of the Manager, served as a sub-advisor to each Fund pursuant to sub-advisory agreements with the Manager, and received for its services a monthly fee from the Manager at an annual rate equal to a percentage of the investment advisory fees paid by each Fund to the Manager under the Investment Advisory Agreements. Effective July 1, 2014, the sub-advisory agreements between the Manager and BIM, with respect to each Fund, expired.

Certain officers and/or Directors of the Funds are officers and/or directors of BlackRock or its affiliates. The Funds reimburse the Manager for compensation paid to the Funds Chief Compliance Officer, which is included in officer and directors in the Statements of Operations.

The Funds may purchase securities from, or sell securities to, an affiliated fund provided the affiliation is due solely to having a common investment advisor, common officers, or common trustees. For the year ended July 31, 2014, the purchase and sale transactions with an affiliated fund in compliance with Rule 17a-7 under the 1940 Act were as follows:

	MUC	MFT
Purchases	$ 1,567,211	
Sales		$ 1,906,715

6. Purchases and Sales:

Purchases and sales of investments, excluding short-term securities, for the year ended July 31, 2014 were as follows:

	MUC	MUJ	MFT	MIY	MJI	MPA
Purchases	$ 250,452,318	$ 82,216,323	$ 61,410,971	$ 67,826,440	$ 36,406,441	$ 43,785,766
Sales	$ 337,974,257	$ 84,625,364	$ 68,792,391	$ 81,674,466	$ 38,486,565	$ 58,305,350

7. Income Tax Information:

It is each Fund s policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies, and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

Each Fund files U.S. federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Funds U.S. federal tax returns remains open for each of the four years ended July 31, 2014. The statutes of limitations on each Fund s state and local tax returns may remain open for an additional year depending upon the jurisdiction.

Management has analyzed tax laws and regulations and their application the Funds facts and circumstances and does not believe that there are any uncertain tax positions that require recognition of a tax liability.

U.S. GAAP requires 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 net asset values per share. As of July 31, 2014, the following permanent differences attributable to amortization methods on fixed income securities, non-deductible expenses, the reclassification of distributions and distributions received from a regulated investment company were reclassified to the following accounts:

	MUC	MUJ	MFT	MIY	MJI	MPA
Paid-in capital	$ (112,615)	$ (12,171)	$ (51,627)	$ (9,567)	$ (8,196)	$ (7,257)
Undistributed net investment income	$ (150,685)	$ 12,431	$ 44,660	$ (16,847)	$ 8,107	$ (64,448)
Accumulated net realized loss	$ 263,300	$ (260)	$ 6,967	$ 26,414	$ 89	$ 71,705

Notes to Financial Statements (continued)

The tax character of distributions paid was as follows:

		MUC	MUJ	MFT	MIY	MJI	MPA
Tax-exempt income[1]	7/31/14	$ 37,867,090	$ 19,712,925	$ 7,817,944	$ 17,810,213	$ 8,194,726	$ 10,885,337
	7/31/13	41,098,361	19,503,101	7,857,658	18,306,103	7,934,464	10,932,517
Ordinary income[2]	7/31/14	4,953			21,887	39,156	101
	7/31/13	1,849			3,619	121,948	
Long-term capital gains[3]	7/31/14		110,815				
	7/31/13					203,299	
Total	7/31/14	$ 37,872,043	$ 19,823,740	$ 7,817,944	$ 17,832,100	$ 8,233,882	$ 10,885,438
	7/31/13	$ 41,100,210	$ 19,503,101	$ 7,857,658	$ 18,309,722	$ 8,259,711	$ 10,932,517

[1] The Funds designate these amounts paid during the fiscal year ended July 31, 2014, as exempt-interest dividends.

[2] Ordinary income consists primarily of taxable income recognized from market discount and net short-term capital gains. Additionally, all ordinary income distributions are comprised of interest-related dividends and qualified short-term capital dividends for non-U.S. residents and are eligible for exemption from U.S. withholding tax for nonresident aliens and foreign corporations.

[3] The Fund designates the amount paid during the fiscal year ended July 31, 2014, as a capital gain dividend.

As of July 31, 2014, the tax components of accumulated net earnings were as follows:

	MUC	MUJ	MFT	MIY	MJI	MPA
Undistributed tax-exempt income	$ 7,328,987	$ 4,069,637	$ 1,876,211	$ 2,312,339	$ 2,028,350	$ 1,416,369
Undistributed ordinary income	175	2,989	215		2,047	2,914
Capital loss carryforwards	(13,209,170)	(3,805,742)	(10,745,672)	(9,953,666)	(2,198,376)	(3,459,717)
Net unrealized gains (losses)[4]	68,710,392	36,048,146	17,126,318	24,530,062	13,792,616	14,162,566
Qualified late-year losses[5]		(105,154)	(623,013)	(81,936)	(90,044)	(849,251)
Total	$ 62,830,384	$ 36,209,876	$ 7,634,059	$ 16,806,799	$ 13,534,593	$ 11,272,881

[4] The difference between book-basis and tax-basis net unrealized gains was attributable primarily to the tax deferral of losses on wash sales, and straddles, amortization methods of premiums and discounts on fixed income securities, the realization for tax purposes of unrealized gains/losses on certain futures contracts, the treatment of residual interests in tender option bond trusts and the deferral of compensation to Directors.

[5] The Funds have elected to defer certain qualified late-year losses and recognize such losses in the next taxable year.

As of July 31, 2014, the Funds had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

Expires July 31,	MUC	MUJ	MFT	MIY	MJI	MPA
2016				$ 1,401,889		
2017	$ 6,504,940			2,031,132		$ 1,066,968
2018			$ 4,616,682			893,908
2019						50,303
No expiration[6]	6,704,230	$ 3,805,742	6,128,990	6,520,645	$ 2,198,376	1,448,538
Total	$ 13,209,170	$ 3,805,742	$ 10,745,672	$ 9,953,666	$ 2,198,376	$ 3,459,717

[6] Must be utilized prior to losses subject to expiration.

As of July 31, 2014, gross unrealized appreciation and depreciation based on cost for federal income tax purposes were as follows:

	MUC	MUJ	MFT	MIY	MJI	MPA
Tax cost	$ 814,552,102	$ 468,963,618	$ 163,431,449	$ 393,508,995	$ 188,326,894	$ 231,005,973
Gross unrealized appreciation	$ 69,052,605	$ 37,325,099	$ 17,313,877	$ 26,636,935	$ 14,490,688	$ 15,691,674
Gross unrealized depreciation	(82,067)	(1,276,952)	(185,907)	(1,443,630)	(698,039)	(1,113,759)
Net unrealized appreciation	$ 68,970,538	$ 36,048,147	$ 17,127,970	$ 25,193,305	$ 13,792,649	$ 14,577,915

8. Concentration, Market and Credit Risk:

MUC, MUJ, MIY, MJI, and MPA invest a substantial amount of their assets in issuers located in a single state or limited number of states. Please see the Schedules of Investments for concentrations in specific states or U.S. territories.

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

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 (issuer 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 issuer credit risk, the Funds may be exposed to counterparty credit risk, or the risk that an entity with which the Funds have unsettled or open transactions may fail to or be unable to perform on its commitments. The Funds manage counterparty credit risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Funds to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Funds exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded in the Statements of Assets and Liabilities, less any collateral held by the Funds.

The Funds invest a significant portion of their assets in fixed-income securities and/or uses derivatives tied to the fixed income markets. See the Schedules of Investments for these securities and/or derivatives. Changes in market interest rates or economic conditions, including the Federal Reserve s decision in December 2013 to taper its quantitative easing policy, may affect the value and/or liquidity of such investments. Interest rate risk is the risk that prices of bonds and other fixed-income securities will increase as interest rates fall and decrease as interest rates rise. The Funds may be subject to a greater risk of rising interest rates due to the current period of historically low rates.

As of July 31, 2014, MUC and MPA invested a significant portion of their assets in securities in the county/city/special district/school district sector. MIY and MJI invested a significant portion of their assets in securities in the education sector. MUJ invested a significant portion of their assets in securities in the state sector. MUJ, MFT and MJI invested a significant portion of their assets in securities in the transportation sector. MUC and MFT also invested a significant portion of their assets in securities in the utilities sector. Changes in economic conditions affecting such sectors would have a greater impact on the Funds and could affect the value, income and/or liquidity of positions in such securities.

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

On December 10, 2013, regulators published final rules implementing section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule), which prohibit banking entities from engaging in proprietary trading of certain instruments and limit such entities investments in, and relationships with, covered funds , as defined in the rules. Banking entities subject to the Volcker Rule are required to fully comply by July 21, 2015. The Volcker Rule may preclude banking entities and their affiliates from (i) sponsoring TOB trust programs (as such programs are presently structured) and (ii) continuing relationships with or services for existing TOB trust programs. As a result, TOB trusts may need to be restructured or unwound. There can be no assurances that TOB trusts can be restructured, that new sponsors of TOB trusts will develop, or that alternative forms of leverage will be available to the Fund. Any alternative forms of leverage may be more or less advantageous to the Fund than existing TOB leverage.

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

9. Capital Share Transactions:

MFT and MPA are authorized to issue an unlimited number of shares, 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 outstanding is $0.05. Each Fund s Board is authorized, however, to reclassify any unissued Common Shares to Preferred Shares without approval of Common Shareholders.

MUC, MUJ, MIY and MJI are authorized to issue 200 million shares, par value $0.10 per share, all of which were initially classified as Common Shares. Each Fund s Board is authorized, however, to reclassify any unissued Common Shares without approval of Common Shareholders.

Common Shares

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

Year Ended	MUC	MUJ	MFT	MIY	MJI	MPA
July 31, 2014						
July 31, 2013	111,790	29,853	5,789	29,750	28,723	3,912

Preferred Shares

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

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 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 approval by shareholders that might otherwise be required, 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 a 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.

VRDP Shares

MUJ, MIY, MJI and MPA (collectively, the VRDP Funds), have issued Series W-7 VRDP Shares, $100,000 liquidation value per share, in a privately negotiated offering. The VRDP Shares were offered to qualified institutional buyers as defined pursuant to Rule 144A under the Securities Act of 1933, as amended, (the Securities Act) and include a liquidity feature, pursuant to a liquidity agreement, that allows the holders of VRDP Shares to have their shares purchased by the liquidity provider in the event of a failed remarketing. The VRDP Funds are required to redeem the VRDP Shares owned by the liquidity provider after six months of continuous, unsuccessful remarketing. Upon the occurrence of the first unsuccessful remarketing, the VRDP Funds are required to segregate liquid assets to fund the redemption. The VRDP Shares are subject to certain restrictions on transfer.

The VRDP Shares outstanding as of July 31, 2014 were as follows:

	Issue Date	Shares Issued	Aggregate Principal	Maturity Date
MUJ	6/30/11	1,727	$ 172,700,000	7/01/41
MIY	4/21/11	1,446	$ 144,600,000	5/01/41
MJI	6/30/11	644	$ 64,400,000	7/01/41
MPA	5/19/11	663	$ 66,300,000	6/01/41

The VRDP Funds entered into a fee agreement with the liquidity provider that may require an initial commitment and a per annum liquidity fee payable to the liquidity provider. These fees, if applicable, are shown as liquidity fees in the Statements of Operations.

The fee agreement between MUJ, MIY, MJI and MPA and the liquidity provider are scheduled to expire, unless renewed or terminated in advance, as follows:

	MUJ	MIY	MJI	MPA
Expiration date	4/19/17	7/09/15	4/19/17	7/09/15

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

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

Subject to certain conditions, the VRDP Shares may be redeemed, in whole or in part, at any time at the option of the VRDP Funds. The redemption price per VRDP Share is equal to the liquidation value per share plus any outstanding unpaid dividends. In the event of an optional redemption of the VRDP Shares prior to the initial termination date of the fee agreement, the VRDP Funds must pay the respective liquidity provider fees on such redeemed VRDP Shares for the remaining term of the fee agreement up to the initial termination date.

Dividends on the VRDP Shares are payable monthly at a variable rate set weekly by the remarketing agent. Such dividend rates are generally based upon a spread over a base rate and cannot exceed a maximum rate. In the event of a failed remarketing, the dividend rate of the VRDP Shares will be reset to a maximum rate. The maximum rate is determined based on, among other things, the long-term preferred share rating assigned to the VRDP Shares and the length of time that the VRDP Shares fail to be remarketed. At the date of issuance, the VRDP Shares were assigned a long-term rating of Aaa from Moody s and AAA from Fitch. Subsequent to the issuance of the VRDP Shares, Moody s completed a review of its methodology for rating securities issued by registered closed-end funds. As of July 31, 2014, the VRDP Shares were assigned a long-term rating of Aa2 from Moody s under its new ratings methodology. The VRDP Shares continue to be assigned a long-term rating of AAA from Fitch.

The short-term ratings on the VRDP Shares are directly related to the short-term ratings of the liquidity provider for such VRDP Shares. Changes in the credit quality of the liquidity provider could cause a change in the short-term credit ratings of the VRDP Shares as rated by Moody s, Fitch and/or S&P. A change in the short-term credit rating of the liquidity provider or the VRDP Shares may adversely affect the dividend rate paid on such shares, although the dividend

Notes to Financial Statements (continued)

rate paid on the VRDP Shares is not directly related based upon either short-term rating. The liquidity provider may be terminated prior to the scheduled termination date if the liquidity provider fails to maintain short-term debt ratings in one of the two highest rating categories. The short-term ratings on the VRDP Shares were withdrawn by Moody s, Fitch and/or S&P at the commencement of the special rate period, as described below.

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

MUJ and MJI incur remarketing fees of 0.01% on the aggregate principal amount of all the VRDP Shares, which, if any, are included in remarketing fees on Preferred Shares in the Statements of Operations. All of the remarketable VRDP Shares that were tendered for remarketing during the year ended July 31, 2014 were successfully remarketed.

The annualized dividend rates for the VRDP Shares for the year ended July 31, 2014 were as follows:

	MUJ	MIY	MJI	MPA
Rate	0.46%	1.01%	0.46%	1.01%

On June 21, 2012, MIY and MPA commenced a three-year term ending June 24, 2015 (special rate period) with respect to their VRDP Shares. The implementation of the special rate period resulted in a mandatory tender of the VRDP Shares prior to the commencement of the special rate period. The mandatory tender event was not the result of a failed remarketing.

On April 17, 2014, MUJ and MJI commenced a three-year term ending April 19, 2017 with respect to their VRDP Shares. The implementation of the special rate period resulted in a mandatory tender of the VRDP Shares prior to the commencement of the special rate period. The mandatory tender event was not the result of a failed remarketing.

The liquidity and fee agreements remain in effect for the duration of the special rate period and the VRDP shares are still subject to mandatory redemption by the VRDP Funds on maturity date. The VRDP Shares will not be remarketed or subject to optional or mandatory tender events during such time. During the special rate period, the VRDP Funds are required to maintain the same asset coverage, basic maintenance amount and leverage requirements for the VRDP Shares. The VRDP Funds will not pay any liquidity and remarketing fees during the special rate period and instead will pay dividends monthly based on the sum of Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index and a percentage per annum based on the long-term ratings assigned to the VRDP Shares. The short-term ratings were withdrawn by Moody s, Fitch and/or S&P. Short-term ratings may be re-assigned upon the termination of the special rate period when the VRDP Shares revert back to remarketable securities.

If the VRDP Funds redeems the VRDP Shares on a date that is one year or more before the end of the special rate period and the VRDP Shares are rated above A1/A by Moody s and Fitch respectively, then such redemption is subject to a redemption premium payable to the holder of the VRDP Shares based on the time remaining in the special rate period, subject to certain exceptions for redemptions that are required to maintain minimum asset coverage requirements. After June 24, 2015 for MIY and MPA and April 19, 2017 for MUJ and MJI the holder of the VRDP Shares and the VRDP Funds may mutually agree to extend the special rate period. If the special rate period is not extended, the VRDP Shares will revert back to remarketable securities and will be remarketed and available for purchase by qualified institutional investors.

VRDP Shares issued and outstanding remained constant for the year ended July 31, 2014.

VMTP Shares

MUC and MFT (collectively, the VMTP Funds), have issued Series W-7 VMTP Shares, $100,000 liquidation value per share , in a privately negotiated offering and sale of VMTP Shares exempt from registration under the Securities Act.

The VMTP Shares outstanding as of the year ended July 31, 2014 were as follows:

	Issue Date	Shares Issued	Aggregate Principal	Term Date
MUC	3/22/12	2,540	$ 254,000,000	4/01/15
MFT	12/16/11	565	$ 56,500,000	12/31/15

Each VMTP Fund is required to redeem its VMTP Shares on the term date, unless earlier redeemed or repurchased or unless extended. The term date for VMTP Shares of MFT was extended to December 31, 2015 in June 2014. There is no assurance that the term of a Fund s VMTP Shares will be extended or that a Fund s VMTP Shares will be replaced with any other preferred shares or other form of leverage upon the redemption or repurchase of the VMTP Shares. Six months prior to term date, each VMTP Fund is required to begin to segregate liquid assets with the Fund s custodian to fund the redemption. In addition, each VMTP Fund is required to redeem certain of its outstanding VMTP Shares if it fails to maintain certain asset coverage, basic maintenance amount or leverage requirements.

Notes to Financial Statements (concluded)

Subject to certain conditions, a Fund s VMTP Shares may be redeemed, in whole or in part, at any time at the option of the Fund. The redemption price per VMTP Share is equal to the liquidation value per share plus any outstanding unpaid dividends and applicable redemption premium. If the Fund redeems the VMTP Shares on a date that is one year or more prior to the term date and the VMTP Shares are rated above A1/A+ by Moody s and Fitch, respectively, then such redemption is subject to a prescribed redemption premium (up to 3% of the liquidation preference) payable to the holder of the VMTP Shares based on the time remaining to the term date, subject to certain exceptions for redemptions that are required to maintain minimum asset coverage requirements. The VMTP Shares are subject to certain restrictions on transfer, and a Fund may also be required to register the VMTP Shares for sale under the Securities Act under certain circumstances. In addition, amendments to the VMTP governing document generally require the consent of the holders of VMTP Shares.

Dividends on the VMTP Shares are declared daily and payable monthly at a variable rate set weekly at a fixed rate spread to the SIFMA Municipal Swap Index. The fixed spread is determined based on the long-term preferred share rating assigned to the VMTP Shares by Moody s and Fitch. At the date of issuance, the VMTP Shares were assigned long-term ratings of Aaa from Moody s and AAA from Fitch. Subsequent to the issuance of the VMTP Shares, Moody s completed a review of its methodology for rating securities issued by registered closed-end funds. As of July 31, 2014, the VMTP Shares were assigned a long-term rating of Aa1 and Aa2 from Moody s under its new rating methodology. The VMTP Shares continue to be assigned a long-term rating of AAA from Fitch. The dividend rate on the VMTP Shares is subject to a step-up spread if the Fund fails to comply with certain provisions, including, among other things, the timely payment of dividends, redemptions or gross-up payments, and maintaining certain asset coverage and leverage requirements.

The average annualized dividend rates for the VMTP Shares for the year ended July 31, 2014 were as follows:

	MUC	MFT
Rate	1.06%	1.06%

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

VMTP Shares issued and outstanding remained constant for the year ended July 31, 2014.

Offering Costs: The Funds incurred costs in connection with the issuance of VRDP Shares and/or VMTP Shares. For VRDP Shares, these costs were recorded as a deferred charge and will be amortized over the 30-year life of the VRDP Shares with the exception of upfront fees paid to the liquidity provider which were amortized over the life of the liquidity agreement. For VMTP Shares, these costs were recorded as a deferred charge and will be amortized over the 3-year life of the VMTP Shares. Amortization of these costs is included in interest expense, fees and amortization of offering costs in the Statements of Operations.

10. Subsequent Events:

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

Each Fund paid a net investment income dividend on September 2, 2014 to Common Shareholders of record on August 15, 2014 as follows:

	Common Dividend Per Share
MUC	$ 0.0715
MUJ	$ 0.0740

MFT	$ 0.0710
MIY	$ 0.0720
MJI	$ 0.0740
MPA	$ 0.0740

Additionally, the Funds declared a net investment income dividend on September 2, 2014 payable to Common Shareholders of record on September 15, 2014 for the same amounts noted above.

The dividends declared on Preferred Shares for the period August 1, 2014 to August 31, 2014 were as follows:

	Preferred Shares	Series	Dividends Declared
MUC	VMTP Shares	W-7	$ 226,930
MUJ	VRDP Shares	W-7	$ 136,693
MFT	VMTP Shares	W-7	$ 50,478
MIY	VRDP Shares	W-7	$ 303,282
MJI	VRDP Shares	W-7	$ 50,973
MPA	VRDP Shares	W-7	$ 56,419

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of

BlackRock MuniHoldings California Quality Fund, Inc.,

BlackRock MuniHoldings New Jersey Quality Fund, Inc.,

BlackRock MuniYield Michigan Quality Fund, Inc., and

BlackRock MuniYield New Jersey Quality Fund, Inc.

and to the Shareholders and Board of Trustees of

BlackRock MuniYield Investment Quality Fund and

BlackRock MuniYield Pennsylvania Quality Fund:

We have audited the accompanying statements of assets and liabilities of BlackRock MuniHoldings California Quality Fund, Inc., BlackRock MuniHoldings New Jersey Quality Fund, Inc., BlackRock MuniYield Investment Quality Fund, BlackRock MuniYield Michigan Quality Fund, Inc., BlackRock MuniYield New Jersey Quality Fund, Inc., and BlackRock MuniYield Pennsylvania Quality Fund (collectively, the Funds), including the schedules of investments, as of July 31, 2014, and the related statements of operations and the statements of 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 periods presented. These financial statements and financial highlights are the responsibility of the Funds management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. 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 July 31, 2014, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements and financial highlights referred to above present fairly, in all material respects, the financial positions of BlackRock MuniHoldings California Quality Fund, Inc., BlackRock MuniHoldings New Jersey Quality Fund, Inc., BlackRock MuniYield Investment Quality Fund, BlackRock MuniYield Michigan Quality Fund, Inc., BlackRock MuniYield New Jersey Quality Fund, Inc., and BlackRock MuniYield Pennsylvania Quality Fund as of July 31, 2014, the results of their operations for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Boston, Massachusetts

September 24, 2014

Disclosure of Investment Advisory Agreements

The Board of Directors or Trustees, as applicable, (each, a Board, collectively, the Boards, and the members of which are referred to as Board Members) of BlackRock MuniHoldings California Quality Fund, Inc. (MUC), BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ), BlackRock MuniYield Investment Quality Fund (MFT), BlackRock MuniYield Michigan Quality Fund, Inc. (MIY), BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI) and BlackRock MuniYield Pennsylvania Quality Fund (MPA and together with MUC, MUJ, MFT, MIY and MJI, each a Fund, and, collectively, the Funds) met in person on May 9, 2014 (the May Meeting) and June 5-6, 2014 (the June Meeting) to consider the approval of each Fund s investment advisory agreement (each, an Advisory Agreement, and, collectively, the Advisory Agreements) with BlackRock Advisors, LLC (the Manager), each Fund s investment advisor. At the June Meeting, it was noted that the sub-advisory agreement among the Manager, BlackRock Investment Management, LLC and each Fund would expire effective July 1, 2014. It was also noted that the non-renewal of each Fund s sub-advisory agreement would not result in any change in the nature or quality of services provided to such Fund, or in the portfolio management team that serves such Fund. The Manager is referred to herein as BlackRock.

Activities and Composition of the Board

Each Board consists of eleven individuals, nine of whom are not interested persons of such Fund as defined in the Investment Company Act of 1940 (the 1940 Act) (the Independent Board Members). The Board Members are responsible for the oversight of the operations of the Funds and perform the various duties imposed on the directors of investment companies by the 1940 Act. The Independent Board Members have retained independent legal counsel to assist them in connection with their duties. The Chairman of each Board is an Independent Board Member. Each Board has established six standing committees: an Audit Committee, a Governance and Nominating Committee, a Compliance Committee, a Performance Oversight Committee, an Executive Committee, and a Leverage Committee, each of which is chaired by an Independent Board Member and composed of Independent Board Members (except for the Executive Committee and the Leverage Committee, each of which also has one interested Board Member).

The Advisory Agreements

Pursuant to the 1940 Act, the Boards are required to consider the continuation of the Advisory Agreements on an annual basis. The Boards have four quarterly meetings per year, each extending over two days, and a fifth one-day meeting to consider specific information surrounding the consideration of renewing the Advisory Agreements. In connection with this process, the Boards assessed, among other things, the nature, scope and quality of the services provided to the Funds by BlackRock, its personnel and its affiliates, including, as applicable, investment management, administrative, and shareholder services; oversight of fund service providers; marketing services; risk oversight; compliance and assistance in meeting applicable legal and regulatory requirements.

The Boards, acting directly and through their respective committees, consider at each of their meetings, and from time to time as appropriate, factors that are relevant to their annual consideration of the renewal of the Advisory Agreements, including the services and support provided by BlackRock to the Funds and their shareholders. Among the matters the Boards considered were: (a) investment performance for one-year, three-year, five-year and/or since inception periods, as applicable, against peer funds, and applicable benchmarks, if any, as well as senior management s and portfolio managers analysis of the reasons for any over-performance or underperformance against their peers and/or benchmark, as applicable; (b) fees, including advisory, administration, if applicable, and other amounts paid to BlackRock and its affiliates by the Funds for services such as call center; (c) Fund operating expenses and how BlackRock allocates expenses to the Funds; (d) the resources devoted to, risk oversight of, and compliance reports relating to, implementation of the Funds investment objective, policies and restrictions, and meeting new regulatory requirements; (e) the Funds compliance with their Code of Ethics and other compliance policies and procedures; (f) the nature, cost and character of non-investment management services provided by BlackRock and its affiliates; (g) BlackRock s and other service providers internal controls and risk and compliance oversight mechanisms; (h) BlackRock s implementation of the proxy voting policies approved by the Boards; (i) execution quality of portfolio transactions; (j) BlackRock s implementation of the Funds valuation and liquidity procedures; (k) an analysis of management fees for products with similar investment objectives across the open-end fund, closed-end fund and institutional account product channels, as applicable; (l) BlackRock s compensation methodology for its investment professionals and the incentives it creates; and (m) periodic updates on BlackRock s business.

The Boards have engaged in an ongoing strategic review with BlackRock of opportunities to consolidate funds and of BlackRock s commitment to investment performance. BlackRock also furnished information to the Boards in response to specific questions. These questions covered issues such as: BlackRock s profitability; investment performance; subadvisory and advisory relationships with other clients (including mutual funds sponsored by third parties); investment professional investment in funds they manage; and management fee levels and breakpoints. The Boards further discussed with BlackRock: BlackRock s management structure; portfolio turnover; BlackRock s portfolio manager compensation and performance accountability; marketing support for the Funds; services provided to the Funds by BlackRock affiliates; and BlackRock s oversight of relationships with third party service providers.

The Board of each Fund considered BlackRock s efforts during the past year with regard to refinancing outstanding AMPS, as well as ongoing time and resources devoted to other forms of preferred shares and alternative leverage. As of the date of this report, each Fund has redeemed 100% of its outstanding AMPS.

Board Considerations in Approving the Advisory Agreements

The Approval Process: Prior to the May Meeting, the Boards requested and received materials specifically relating to the Advisory Agreements. The Boards are continuously engaged in a process with their independent legal counsel and BlackRock to review the nature and scope of the information provided to better assist their deliberations. The materials provided in connection with the May Meeting included (a) information independently compiled and prepared by Lipper, Inc. (Lipper) on Fund fees and expenses as compared with a peer group of funds as determined by Lipper (Expense Peers) and the investment performance of the Funds as compared with a peer group of funds as determined by Lipper[1] Funds are ranked by Lipper in quartiles, ranging from first to

[1] Funds are ranked by Lipper in quartiles, ranging from first to fourth, where first is the most desirable quartile position and fourth is the least desirable.

Disclosure of Investment Advisory Agreements (continued)

fourth, where first is the most desirable quartile position and fourth is the least desirable. and a customized peer group selected by BlackRock; (b) information on the profits realized by BlackRock and its affiliates pursuant to the Advisory Agreements and a discussion of fall-out benefits to BlackRock and its affiliates; (c) a general analysis provided by BlackRock concerning investment management fees charged to other clients, such as institutional clients and open-end funds, under similar investment mandates, as applicable; (d) review of non-management fees; (e) the existence, impact and sharing of potential economies of scale; (f) a summary of aggregate amounts paid by each Fund to BlackRock and (g) if applicable, a comparison of management fees to similar BlackRock closed-end funds, as classified by Lipper.

At the May Meeting, the Boards reviewed materials relating to their consideration of the Advisory Agreements. As a result of the discussions that occurred during the May Meeting, and as a culmination of the Boards year-long deliberative process, the Boards presented BlackRock with questions and requests for additional information. BlackRock responded to these requests with additional written information in advance of the June Meeting.

At the June Meeting, each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreements between the Manager and its Fund for a one-year term ending June 30, 2015. In approving the continuation of the Advisory Agreements, the Boards considered: (a) the nature, extent and quality of the services provided by BlackRock; (b) the investment performance of the Funds and BlackRock; (c) the advisory fee and the cost of the services and profits to be realized by BlackRock and its affiliates from their relationship with the Funds; (d) the Funds costs to investors compared to the costs of Expense Peers and performance compared to the relevant performance comparison as previously discussed; (e) economies of scale; (f) fall-out benefits to BlackRock and its affiliates as a result of its relationship with the Funds; and (g) other factors deemed relevant by the Board Members.

The Boards also considered other matters they deemed important to the approval process, such as payments made to BlackRock or its affiliates relating to securities lending, services related to the valuation and pricing of Fund portfolio holdings, direct and indirect benefits to BlackRock and its affiliates from their relationship with the Funds and advice from independent legal counsel with respect to the review process and materials submitted for the Boards review. The Boards noted the willingness of BlackRock personnel to engage in open, candid discussions with the Boards. The Boards did not identify any particular information as determinative, and each Board Member may have attributed different weights to the various items considered.

A. Nature, Extent and Quality of the Services Provided by BlackRock

The Boards, including the Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services and the resulting performance of the

Funds. Throughout the year, each Board compared its Fund s performance to the performance of a comparable group of closed-end funds and/or the performance of a relevant benchmark, as applicable. The Boards met with BlackRock s senior management personnel responsible for investment activities, including the senior investment officers. Each Board also reviewed the materials provided by its Fund s portfolio management team

discussing the Fund s performance and the Fund s investment objective, strategies and outlook.

The Boards considered, among other factors, with respect to BlackRock: the number, education and experience of investment personnel generally and their Funds portfolio management teams; investments by portfolio managers in the funds they manage; portfolio trading capabilities; use of technology; commitment to compliance; credit analysis capabilities; risk analysis and oversight capabilities; and the approach to training and retaining portfolio managers and other research, advisory and management personnel. The Boards engaged in a review of BlackRock s compensation structure with respect to the Funds portfolio management teams and BlackRock s ability to attract and retain high-quality talent and create performance incentives.

In addition to advisory services, the Boards considered the quality of the administrative and other non-investment advisory services provided to the Funds. BlackRock and its affiliates provide the Funds with certain services (in addition to any such services provided to the Funds by third parties) and officers and other personnel as are necessary for the operations of the Funds. In particular, BlackRock and its affiliates provide the Funds with the following administrative services including, among others: (i) preparing disclosure documents, such as the prospectus and the statement of additional information in connection with the initial public offering and periodic shareholder reports; (ii) preparing communications with analysts to support secondary market trading of the Funds; (iii) oversight of daily accounting and pricing; (iv) preparing periodic filings with regulators and stock exchanges; (v) overseeing and coordinating the activities of other service providers; (vi) organizing Board meetings and preparing the materials for such Board meetings; (vii) providing legal and compliance support; (viii) furnishing analytical and other support to assist the Board in its consideration of strategic issues such as the merger or consolidation of certain closed-end funds; and (ix) performing

other administrative functions necessary for the operation of the Funds, such as tax reporting, fulfilling regulatory filing requirements and call center services. The Boards reviewed the structure and duties of BlackRock s fund administration, shareholder services, legal and compliance departments and considered BlackRock s policies and procedures for assuring compliance with applicable laws and regulations.

B. The Investment Performance of the Funds and BlackRock Each Board, including the Independent Board Members, also reviewed and considered the performance history of its Fund. In preparation for the May Meeting, the Boards worked with their independent legal counsel, BlackRock and Lipper to develop a template for, and were provided with reports independently prepared by Lipper, which included a comprehensive analysis of each Fund s performance. The Boards also reviewed a narrative and statistical analysis of the Lipper data that was prepared by BlackRock, which analyzed various factors that affect Lipper s rankings. In connection with its review, each Board received and reviewed information regarding the investment performance, based on net asset value (NAV), of its Fund as compared to other funds in that Fund s applicable Lipper category and the customized peer group selected by BlackRock. The Boards were provided with a description of the methodology used by Lipper to select peer funds and periodically meets with Lipper representatives to review its methodology. Each Board and its Performance Oversight Committee regularly review, and meet with Fund management to discuss, the performance of its Fund throughout the year.

Disclosure of Investment Advisory Agreements (continued)

The Board of each of MUC and MIY noted that for each of the one-, three- and five-year periods reported, its respective Fund ranked in the second quartile against its Customized Lipper Peer Group Composite. BlackRock believes that the Customized Lipper Peer Group Composite is an appropriate performance metric for MUC and MIY in that it measures a blend of total return and yield.

The Board of MJI noted that for the one-, three- and five-year periods reported, MJI ranked in the first, third and second quartiles, respectively, against its Customized Lipper Peer Group Composite. BlackRock believes that the Customized Lipper Peer Group Composite is an appropriate performance metric for MJI in that it measures a blend of total return and yield. The Board of MJI and BlackRock reviewed and discussed the reasons for MJI s underperformance during the three-year period and noted that they will monitor MJI s performance.

The Board of MUJ noted that for the one-, three- and five-year periods reported, MUJ ranked in the first, third and fourth quartiles, respectively, against its Customized Lipper Peer Group Composite. BlackRock believes that the Customized Lipper Peer Group Composite is an appropriate performance metric for MUJ in that it measures a blend of total return and yield. MUJ s Board also noted the Fund s improved performance during the one-year period. The Board of MUJ s and BlackRock reviewed and discussed the reasons for the Fund s underperformance during the three- and five-year periods. MUJ s Board was informed that, among other things, the most significant factor impacting the Fund s performance compared to its Customized Lipper Peer Group Composite is its below average yield. The single largest issue confronting the Fund was the dearth of New Jersey specific municipal bonds, especially diversified new issuance. In the performance periods under discussion, this prevented a more aggressive posture from being implemented, but more importantly, this inhibited the Fund from increasing its respective leverage to use to enhance the Fund s yield. When compared to other states represented in the Customized Lipper Peer Group Composite, New Jersey has a relatively smaller amount of issuers eligible to use for leveraging.

The Board of MFT noted that for the one-, three- and five-year periods reported, MFT ranked in the fourth, third and third quartiles, respectively, against its Customized Lipper Peer Group Composite. BlackRock believes that the Customized Lipper Peer Group Composite is an appropriate performance metric for MFT in that it measures a blend of total return and yield. The Board of MFT and BlackRock reviewed and discussed the reasons for the Fund s underperformance during these periods. MFT s Board was informed that, among other things, the most significant factor impacting the Fund s performance compared to its Customized Lipper Peer Group Composite is its below average yield. Impacting performance during the one-year period was the Fund s large leverage and duration position compared to its peers, given the rising rate environment. Holdings in health care, transportation and higher quality university bonds also contributed to poor performance.

The Board of MPA noted that for each of the one-, three- and five-year periods reported, the Fund ranked in the fourth quartile against its Customized Lipper Peer Group Composite. BlackRock believes that the Customized Lipper Peer Group Composite is an appropriate performance metric for MPA in that it measures a blend of total return and yield. The Board of MPA and BlackRock reviewed and discussed the reasons for the Fund s underperformance during these periods. MPA s Board was informed that, among other things, Pennsylvania bond prices were under negative pressure in 2012. Security selection reflects a negative attribute due to the Fund s higher quality bias during a period where investor appetite for yield drove demand for lower rated securities that resulted in tighter credit spreads. Further and significantly, during the summer and fall of 2013, the Fund sold all of its positions in Puerto Rican government-related debt as a result of the Fund management s conviction that the Commonwealth s challenges will only intensify. These positions were generally higher-yielding and resulted in realized losses, which impacted performance.

The Boards of MUJ, MFT and MPA BlackRock also discussed BlackRock s strategy for improving each Fund s performance and BlackRock s commitment to providing the resources necessary to assist the Funds portfolio managers in seeking to improve the Funds performance.

C. Consideration of the Advisory/Management Fees and the Cost of the Services and Profits to be Realized by BlackRock and its Affiliates from their Relationship with the Funds The Board, including the Independent Board Members, reviewed its Fund s contractual management fee rate compared with the other funds in its Lipper category. The contractual management fee rate represents a combination of the advisory fee and any administrative fees, before taking into account any reimbursements or fee waivers. The Board also compared the Fund s total expense ratio, as well as its actual management fee rate, to those of other funds in its Lipper category. The total expense ratio represents a fund s total net operating expenses, excluding any investment related expenses. The total expense ratio gives effect to any expense reimbursements or fee waivers that benefit a fund, and the actual management fee rate gives effect to any management fee reimbursements or waivers that benefit a fund. The Boards considered the services provided and the fees charged by BlackRock and its affiliates to other types of clients with similar investment mandates, as applicable, including institutional accounts.

The Boards received and reviewed statements relating to BlackRock s financial condition. The Boards were also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to the Funds. The Boards reviewed BlackRock s profitability with respect to the Funds and other funds the Boards currently oversee for the year ended December 31, 2013 compared to available aggregate profitability data provided for the prior two years. The Boards reviewed BlackRock s profitability with respect

to certain other fund complexes managed by the Manager and/or its affiliates. The Boards reviewed BlackRock s assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Boards recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Manager, the types of funds managed, precision of expense allocations and business mix. As a result, calculating and comparing profitability at individual fund levels is difficult.

The Boards noted that, in general, individual fund or product line profitability of other advisors is not publicly available. The Boards reviewed BlackRock s overall operating margin, in general, compared to that of certain other publicly-traded asset management firms. The Boards considered the differences between BlackRock and these other firms, including the contribution of technology at BlackRock, BlackRock s expense management, and the relative product mix.

Disclosure of Investment Advisory Agreements (concluded)

In addition, the Boards considered the cost of the services provided to the Funds by BlackRock, and BlackRock s and its affiliates profits relating to the management of the Funds and the other funds advised by BlackRock and its affiliates. As part of its analysis, the Boards reviewed BlackRock s methodology in allocating its costs to the management of the Funds. The Boards also considered whether BlackRock has the financial resources necessary to attract and retain high quality investment management personnel to perform its obligations under the Advisory Agreements and to continue to provide the high quality of services that is expected by the Boards. The Boards further considered factors including but not limited to BlackRock s commitment of time, assumption of risk and liability profile in servicing the Funds in contrast to what is required of BlackRock with respect to other products with similar investment objectives across the open-end fund, ETF, closed-end fund and institutional account product channels, as applicable.

The Board of each of MUC, MIY, MJI and MPA noted that its respective Fund s contractual management fee rate ranked in the first quartile, and that the actual management fee rate and total expense ratio each ranked in the first quartile, relative to the Fund s Expense Peers.

The Board of MUJ noted that MUJ s contractual management fee rate ranked in the second quartile, and that the actual management fee rate and total expense ratio each ranked in the second quartile, relative to the Fund s Expense Peers.

The Board of MFT noted that MFT s contractual management fee rate ranked in the first quartile, and that the actual management fee rate and total expense ratio each ranked in the second quartile, relative to the Fund s Expense Peers.

D. Economies of Scale Each Board, including the Independent Board Members, considered the extent to which economies of scale might be realized as the assets of its Fund increase. Each Board also considered the extent to which its Fund benefits from such economies and whether there should be changes in the advisory fee rate or breakpoint structure in order to enable the Fund to participate in these economies of scale, for example through the use of breakpoints in the advisory fee based upon the asset level of the Fund.

Based on the Boards review and consideration of the issue, the Boards concluded that most closed-end funds do not have fund level breakpoints because closed-end funds generally do not experience substantial growth after the initial public offering. They are typically priced at scale at a fund s inception.

E. Other Factors Deemed Relevant by the Board Members The Boards, including the Independent Board Members, also took into account other ancillary or fall-out benefits that BlackRock or its affiliates may derive from their respective relationships with the Funds, both tangible and intangible, such as BlackRock s ability to leverage its investment professionals who manage other portfolios and risk management personnel, an increase in BlackRock s profile in the investment advisory community, and the engagement of BlackRock s affiliates as service providers to the Funds, including securities lending and cash management services. The Boards also considered BlackRock s overall operations and its efforts to expand the scale of, and improve the quality of, its operations. The Boards also noted that BlackRock may use and benefit from third party research obtained by soft dollars generated by certain registered fund transactions to assist in managing all or a number of its other client accounts. The Boards further noted that it had considered the investment by BlackRock s funds in exchange traded funds (i.e., ETFs) without any offset against the management fees payable by the funds to BlackRock.

In connection with its consideration of the Advisory Agreements, the Boards also received information regarding BlackRock s brokerage and soft dollar practices. The Boards received reports from BlackRock which included information on brokerage commissions and trade execution practices throughout the year.

The Boards noted the competitive nature of the closed-end fund marketplace, and that shareholders are able to sell their Fund shares in the secondary market if they believe that their Fund s fees and expenses are too high or if they are dissatisfied with the performance of their Fund.

The Boards also considered the various notable initiatives and projects BlackRock performed in connection with its closed-end fund product line. These initiatives included completion of the refinancing of auction rate preferred securities; developing equity shelf programs; efforts to eliminate product overlap with fund mergers; ongoing services to manage leverage that has become increasingly complex; share repurchases and other support initiatives for certain BlackRock funds; and continued communications efforts with shareholders, fund analysts and financial advisers. With respect to the latter, the Independent Board Members noted BlackRock s continued commitment to supporting the secondary market for the common shares of its closed-end funds through a comprehensive secondary market communication program designed to raise investor and analyst awareness and understanding of closed-end funds. BlackRock s support services included, among other things: continuing communications concerning the refinancing efforts related to auction rate preferred securities; sponsoring and participating in conferences; communicating with closed-end fund analysts covering the BlackRock funds throughout the year; providing marketing and product updates for the closed-end funds; and maintaining and enhancing its closed-end fund website.

Conclusion

Each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreements between the Manager and its Fund for a one-year term ending June 30, 2015. Based upon their evaluation of all of the aforementioned factors in their totality, the Boards, including the Independent Board Members, were satisfied that the terms of the Advisory Agreements were fair and reasonable and in the best interest of the Funds and their shareholders. In arriving at their decision to approve the Advisory Agreements, the Boards did not identify any single factor or group of factors as all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the various factors considered. The Independent Board Members were also assisted by the advice of independent legal counsel in making this determination. The contractual fee arrangements for the Funds reflect the results of several years of review by the Board Members and predecessor Board Members, and discussions between such Board Members (and predecessor Board Members) and BlackRock. As a result, the Board Members conclusions may be based in part on their consideration of these arrangements in prior years.

Automatic Dividend Reinvestment Plans

Pursuant to each Fund s Dividend Reinvestment Plan (the Reinvestment Plan), Common Shareholders are automatically enrolled to have all distributions of dividends and capital gains reinvested by Computershare Trust Company, N.A. (the Reinvestment Plan Agent) in the respective Fund s shares pursuant to the Reinvestment Plan. Shareholders who do not participate in the Reinvestment Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street name or other nominee name, then to the nominee) by the Reinvestment Plan Agent, which serves as agent for the shareholders in administering the Reinvestment Plan.

After the Funds declare a dividend or determine to make a capital gain distribution, the Reinvestment Plan Agent will acquire shares for the participants accounts, depending upon the following circumstances, either (i) through receipt of unissued but authorized shares from the Funds (newly issued shares) or (ii) by purchase of outstanding shares on the open market or on the Fund s primary exchange (open-market purchases) . If, on the dividend payment date, the net asset value per share (NAV) is equal to or less than the market price per share plus estimated brokerage commissions (such condition often referred to as a market premium), the Reinvestment Plan Agent will invest the dividend amount in newly issued shares acquired on behalf of the participants. The number of newly issued shares to be credited to each participant s account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the dividend payment date, the dollar amount of the dividend will be divided by 95% of the market price on the dividend payment date. If, on the dividend payment date, the NAV is greater than the market price per share plus estimated brokerage commissions (such condition often referred to as a market discount), the Reinvestment Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open market purchases. If the Reinvestment Plan Agent is 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 Reinvestment Plan Agent will invest any un-invested portion in newly issued shares. Investments in newly issued shares made in this manner would be made pursuant to the same process described above and the date of issue for such newly issued shares will substitute for the dividend payment date.

Participation in the Reinvestment Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Reinvestment Plan Agent prior to the dividend record date. Additionally, the Reinvestment Plan Agent seeks to process notices received after the record date but prior to the payable date and such notices often will become effective by the payable date. Where late notices are not processed by the applicable payable date, such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

The Reinvestment Plan Agent s fees for the handling of the reinvestment of dividends and distributions will be paid by each Fund. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Reinvestment Plan Agent s open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any federal income tax that may be payable on such dividends or distributions.

Each Fund reserves the right to amend or terminate the Reinvestment Plan. There is no direct service charge to participants in the Reinvestment Plan. However, each Fund reserves the right to amend the Reinvestment Plan to include a service charge payable by the participants. Participants in MPA that request a sale of shares are subject to a $2.50 sales fee and a $0.15 per share fee. Per share fees include any applicable brokerage commissions the Reinvestment Plan Agent is required to pay. Participants in MUC, MUJ, MFT, MIY and MJI that request a sale of shares are subject to a $0.02 per share sold brokerage commission. All correspondence concerning the Reinvestment Plan should be directed to Computershare Trust Company, N.A., through the internet at http://www.computershare.com/blackrock, or in writing to Computershare, P.O. Box 30170, College Station, TX 77842-3170, Telephone: (800) 699-1236. Overnight correspondence should be directed to the Reinvestment Plan Agent at Computershare, 211 Quality Circle, Suite 210, College Station, TX 77845.

Officers and Directors

Name, Address[1] and Year of Birth	Position(s) Held with Funds	Length of Time Served as a Director[3]	Principal Occupation(s) During Past Five Years	Number of BlackRock-Advised Registered Investment Companies (RICs) Consisting of investment Portfolios (Portfolios) Overseen	Public Directorships
Independent Directors[2]					
Richard E. Cavanagh 1946	Chairman of the Board and Director	Since 2007	Trustee, Aircraft Finance Trust from 1999 to 2009; Director, The Guardian Life Insurance Company of America since 1998; Director, Arch Chemical (chemical and allied products) from 1999 to 2011; Trustee, Educational Testing Service from 1997 to 2009 and Chairman thereof from 2005 to 2009; Senior Advisor, The Fremont Group since 2008 and Director thereof since 1996; Faculty Member/Adjunct Lecturer, Harvard University since 2007; President and Chief Executive Officer, The Conference Board, Inc. (global business research organization) from 1995 to 2007.	82 RICs consisting of 82 Portfolios	None
Karen P. Robards 1950	Vice Chairperson of the Board, Chairperson 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; Director of Care Investment Trust, Inc. (health care real estate investment trust) from 2007 to 2010; Investment Banker at Morgan Stanley from 1976 to 1987.	82 RICs consisting of 82 Portfolios	AtriCure, Inc. (medical devices); Greenhill & Co., Inc.
Michael J. Castellano 1946	Director and Member of the Audit Committee	Since 2011	Chief Financial Officer of Lazard Group LLC from 2001 to 2011; Chief Financial Officer of Lazard Ltd from 2004 to 2011; Director, Support Our Aging Religious (non-profit) since 2009; Director, National Advisory Board of Church Management at Villanova University since 2010; Trustee, Domestic Church Media Foundation since 2012.	82 RICs consisting of 82 Portfolios	None
Frank J. Fabozzi[4] 1948	Director and Member of the Audit Committee	Since 2007	Editor of and Consultant for The Journal of Portfolio Management since 2006; Professor of Finance, EDHEC Business School since 2011; Professor in the Practice of Finance and Becton Fellow, Yale University School of Management from 2006 to 2011; Adjunct Professor of Finance and Becton Fellow, Yale University from 1994 to 2006.	115 RICs consisting of 237 Portfolios	None
Kathleen F. Feldstein 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. from 2005 to 2009; 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; Director, Catholic Charities of Boston since 2009.	82 RICs consisting of 82 Portfolios	The McClatchy Company (publishing)
James T. Flynn 1939	Director and Member of the Audit Committee	Since 2007	Chief Financial Officer of JPMorgan & Co., Inc. from 1990 to 1995.	82 RICs consisting of 82 Portfolios	None
Jerrold B. Harris 1942	Director	Since 2007	Trustee, Ursinus College since 2000; Director, Ducks Unlimited, Inc. (conservations) since 2013; Director, Troemner LLC (scientific equipment) since 2000; Director of Delta Waterfowl Foundation from 2010 to 2012; President and Chief Executive Officer, VWR Scientific Products Corporation from 1990 to 1999.	82 RICs consisting of 82 Portfolios	BlackRock Kelso Capital Corp. (business development company)
R. Glenn Hubbard	Director	Since 2007	Dean, Columbia Business School since 2004; Faculty member, Columbia Business School since 1988.	82 RICs consisting of 82 Portfolios	ADP (data and information services); Metropolitan Life

		Insurance Company (insurance)
1958		

Officers and Directors (continued)

Name, Address[1] and Year of Birth	Position(s) Held with Funds	Length of Time Served as a Director[3]	Principal Occupation(s) During Past Five Years	Number of BlackRock-Advised Registered Investment Companies (RICs) Consisting of investment Portfolios (Portfolios) Overseen	Public Directorships
Independent Directors[2] (concluded)					
W. Carl Kester 1951	Director and Member of the Audit Committee	Since 2007	George Fisher Baker Jr. Professor of Business Administration, Harvard Business School since 2008, Deputy Dean for Academic Affairs from 2006 to 2010; Chairman of the Finance Unit, 2005 to 2006; Senior Associate Dean and Chairman of the MBA Program from 1999 to 2005; Member of the faculty of Harvard Business School since 1981.	82 RICs consisting of 82 Portfolios	None

[1] The address of each Officer and Director is c/o BlackRock, Inc., Park Avenue Plaza, 55 East 52nd Street, New York, NY 10055.

[2] Independent Directors serve until their resignation, removal or death, or until December 31 of the year in which they turn 74. The maximum age limitation may be waived as to any Director by action of a majority of the Directors upon finding good cause thereof. In 2013, the Board of Directors unanimously approved extending the mandatory retirement age for James T. Flynn by one additional year, which the Board believed would be in the best interest of shareholders. Mr. Flynn can serve until December 31 of the year in which he turns 75. Mr. Flynn turns 75 in 2014.

[3] Date shown is the earliest date a person has served for the Funds covered by this annual report. 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 certain Directors as joining the Funds board in 2007, those Directors first became members of the boards of other legacy MLIM or legacy BlackRock funds as follows: Richard E. Cavanagh, 1994; Frank J. Fabozzi, 1988; Kathleen F. Feldstein, 2005; James T. Flynn, 1996; Jerrold B. Harris, 1999; R. Glenn Hubbard, 2004; W. Carl Kester, 1995; and Karen P. Robards, 1998.

[4] Dr. Fabozzi is also a board member of the BlackRock Equity-Liquidity Complex.

Interested Directors[5]					
Paul L. Audet 1953	Director	Since 2011	Senior Managing Director of BlackRock and Head of U.S. Mutual Funds since 2011; Head of BlackRock s Real Estate business from 2008 to 2011; Member of BlackRock s Global Operating and Corporate Risk Management Committees since 2008; and Head of BlackRock s Global Cash Management business from 2005 to 2010; Acting Chief Financial Officer of BlackRock from 2007 to 2008; Chief Financial Officer of BlackRock from 1998 to 2005.	144 RICs consisting of 334 Portfolios	None
Henry Gabbay 1947	Director	Since 2007	Consultant, BlackRock from 2007 to 2008; Managing Director, BlackRock from 1989 to 2007; Chief Administrative Officer, BlackRock Advisors, LLC from 1998 to 2007; President of BlackRock Funds and BlackRock Bond Allocation Target Shares (formerly BlackRock Band Allocation Target Shares) from 2005 to 2007; Treasurer of certain closed-end funds in the BlackRock fund complex from 1989 to 2006.	144 RICs consisting of 334 Portfolios.	None

[5] Mr. Audet is an interested person, as defined in the 1940 Act, of the Funds based on his position with BlackRock and its affiliates as well as his ownership of BlackRock securities. Mr. Gabbay is an interested person of the Funds based on his former positions with BlackRock and its affiliates as well as his ownership of BlackRock and The PNC Financial Services Group, Inc. securities. Mr. Audet and Mr. Gabbay are also Directors of two complexes of BlackRock registered open-end funds, the BlackRock Equity-Liquidity Complex and the BlackRock Equity-Bond Complex. Interested Directors of the BlackRock Closed-End Complex serve until their resignation, removal or death, or until December 31 of the year in which they turn 72. The maximum age limitation may be waived as to any Director by action of a majority of the Directors upon finding good cause thereof.

Officers and Directors (concluded)

Name, Address[1] and Year of Birth	Position(s) Held with Funds	Length of Time Served	Principal Occupation(s) During Past Five Years
Officers[2]			
John M. Perlowski 1964	President and Chief Executive Officer	Since 2011	Managing Director of BlackRock since 2009; Global Head of BlackRock Fund Services since 2009; Managing Director and Chief Operating Officer of the Global Product Group at Goldman Sachs Asset Management, L.P. from 2003 to 2009; Treasurer of Goldman Sachs Mutual Funds from 2003 to 2009 and Senior Vice President thereof from 2007 to 2009; Director of Goldman Sachs Offshore Funds from 2002 to 2009; Director of Family Resource Network (charitable foundation) since 2009.
Brendan Kyne 1977	Vice President	Since 2009	Managing Director of BlackRock, Inc. since 2010; Director of BlackRock, Inc. from 2008 to 2009; Head of Americas Product Development for BlackRock since 2013; Head of Product Development and Management for BlackRock s U.S. Retail Group from 2009 to 2013 and Co-head thereof from 2007 to 2009; Vice President of BlackRock, Inc. from 2005 to 2008.
Robert W. Crothers 1981	Vice President	Since 2012	Director of BlackRock since 2011; Vice President of BlackRock from 2008 to 2010.
Neal Andrews 1966	Chief Financial Officer	Since 2007	Managing Director of BlackRock since 2006; Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. from 1992 to 2006.
Jay Fife 1970	Treasurer	Since 2007	Managing Director of BlackRock since 2007; Director of BlackRock in 2006; Assistant Treasurer of the MLIM and Fund Asset Management, L.P. advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006.
Charles Park 1967	Chief Compliance Officer and Anti-Money Laundering Officer	Since 2014	Chief Compliance Officer of BlackRock Advisors, LLC and the BlackRock-advised Funds in the Equity-Bond Complex, the Equity-Liquidity Complex and the Closed-End Complex since 2014; Principal of and Chief Compliance Officer for iShares® Delaware Trust Sponsor LLC since 2012 and BlackRock Fund Advisors (BFA) since 2006; Chief Compliance Officer for the BFA-advised iShares exchange traded funds since 2006; Chief Compliance Officer for BlackRock Asset Management International Inc. since 2012.
Janey Ahn 1975	Secretary	Since 2012	Director of BlackRock since 2009; Vice President of BlackRock from 2008 to 2009; Assistant Secretary of the Funds from 2008 to 2012.

[1] The address of each Officer and Trustee is c/o BlackRock, Inc., Park Avenue Plaza, 55 East 52nd Street, New York, NY 10055.
[2] Officers of the Funds serve at the pleasure of the Board.

Effective June 6, 2014, Brian Kindelan resigned as Chief Compliance Officer and Anti-Money Laundering Officer of the Funds and Charles Park became Chief Compliance Officer and Anti-Money Laundering Officer of the Funds.

Investment Advisor	**Custodians**	**VRDP Tender and Paying Agent and VMTP Redemption and Paying Agent**	**Accounting Agent**	**Legal Counsel**
BlackRock Advisors, LLC Wilmington, DE 19809	State Street Bank and Trust Company[1] Boston, MA 02110	The Bank of New York Mellon	State Street Bank and Trust Company Boston, MA 02110	Skadden, Arps, Slate,

The Bank of New York Mellon[2]
New York, NY 10286

Transfer Agent

Common Shares:
Computershare Trust Company, N.A.
Canton, MA 02021

New York, NY 10289

VRDP Liquidity Providers
Citibank, N.A.[3]

New York, NY 10179

Bank of America, N.A.[4]
New York, NY 10036

VRDP Remarketing Agents
Citigroup Global Markets Inc.[3]

New York, NY 10179

Merrill Lynch, Pierce, Fenner & Smith Incorporated[4]

New York, NY 10036

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
Boston, MA 02116

Meagher & Flom LLP
New York, NY 10036

Address of the Funds
100 Bellevue Parkway

Wilmington, DE 19809

1 For MPA.

2 For MUC, MUJ, MFT, MIY and MJI.

3 For MIY and MPA.

4 For MUJ and MJI.

Additional Information

Dividend Policy

Each Fund s dividend policy is to distribute all or a portion of its net investment income to its shareholders on a monthly basis. In order to provide shareholders with a more stable level of 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.

General Information

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 would delay or prevent a change of control of the Funds 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 portfolios.

Quarterly performance, semi-annual and annual reports, current net asset value 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 in this report.

Electronic Delivery

Electronic copies of most financial reports are available on the Funds website 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 is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Funds at (800) 882-0052.

Additional Information (continued)

General Information (concluded)

Availability of Quarterly Schedule of Investments

The Funds file their complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds Forms N-Q are available on the SEC s website at http://www.sec.gov and may also be reviewed and copied at the SEC s Public Reference Room in Washington, DC. Information on how to access documents on the SEC s website without charge 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) 882-0052.

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 (800) 882-0052; (2) at http://www.blackrock.com; and (3) on the SEC s website at http://www.sec.gov.

Availability of Proxy Voting Record

Information about how the 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 http://www.blackrock.com or by calling (800) 882-0052 and (2) on the SEC s website at http://www.sec.gov.

Availability of Fund Updates

BlackRock will update performance and certain other data for the Funds on a monthly basis on its website in the Closed-end Funds section of http://www.blackrock.com as well as certain other material information as necessary from time to time. Investors and others are advised to periodically check the website for updated performance information and the release of other material information about the Funds. 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 in this report.

Shelf Offering Program

From time-to-time, each Fund may seek to raise additional equity capital through an equity shelf program (a Shelf Offering). In a Shelf Offering, a Fund may, subject to market conditions, raise additional equity capital by issuing new Common Shares from time to time in varying amounts at a net price at or above the Fund s net asset value (NAV) per Common Share (calculated within 48 hours of pricing). While any such Shelf Offering may allow a Fund to pursue additional investment opportunities without the need to sell existing portfolio investments, it could also entail risks including that the issuance of additional Common Shares may limit the extent to which the Common Shares are able to trade at a premium to NAV in the secondary market. The Funds have not filed a registration statement with respect to any Shelf Offerings. This report is not an offer to sell Fund Common Shares and is not a solicitation of an offer to buy Fund Common Shares. If a Fund files a registration statement with respect to any Shelf Offering, the prospectus contained therein will contain more complete information about the Fund and should be read carefully before investing.

Additional Information (concluded)

BlackRock Privacy Principles

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

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

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following: (i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our websites.

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

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

Proxy Results

The Annual Meeting of Shareholders was held on July 30, 2014 for shareholders of record on June 3, 2014, to elect director nominees for each Fund. There were no broker non-votes with regard to any of the Funds.

	Paul L. Audet			Michael J. Castellano			Richard E. Cavanagh		
	Votes			Votes			Votes		
	For	Votes Withheld	Abstain	For	Votes Withheld	Abstain	For	Votes Withheld	Abstain
MUC	35,313,878	1,261,791	0	35,428,251	1,147,418	0	35,517,694	1,057,975	0
MUJ	18,785,649	477,528	0	18,738,334	524,843	0	18,783,064	480,113	0
MFT	7,339,922	361,319	0	7,323,361	377,880	0	7,337,859	363,382	0
MJI	7,249,349	146,953	0	7,249,347	146,955	0	7,191,527	204,775	0
MPA	9,998,981	235,360	0	9,929,640	304,701	0	9,930,642	303,699	0
MIY	13,864,314	794,922	0	13,949,583	709,653	0	13,947,226	712,010	0

	Frank J. Fabozzi[1]			Kathleen F. Feldstein			James T. Flynn		
	Votes			Votes			Votes		
	For	Votes Withheld	Abstain	For	Votes Withheld	Abstain	For	Votes Withheld	Abstain
MUC	2,540	0	0	35,381,576	1,194,093	0	35,187,502	1,388,167	0
MUJ	1,727	0	0	18,655,302	607,875	0	18,742,368	520,809	0
MFT	565	0	0	7,314,874	386,367	0	7,336,097	365,144	0
MJI	644	0	0	7,244,668	151,634	0	7,249,585	146,717	0
MPA	663	0	0	9,786,533	447,808	0	9,829,732	404,609	0
MIY	1,446	0	0	13,881,954	777,281	0	13,940,623	718,612	0

	Henry Gabbay			Jerrold B. Harris			R. Glenn Hubbard		
	Votes			Votes			Votes		
	For	Votes Withheld	Abstain	For	Votes Withheld	Abstain	For	Votes Withheld	Abstain
MUC	35,302,760	1,272,909	0	35,438,597	1,137,072	0	35,457,876	1,117,793	0
MUJ	18,750,984	512,193	0	18,707,373	555,804	0	18,696,501	566,676	0
MFT	7,337,859	363,382	0	7,300,453	400,788	0	7,324,722	376,519	0
MJI	7,249,349	146,953	0	7,249,349	146,953	0	7,191,527	204,775	0
MPA	9,930,425	303,916	0	9,878,156	356,185	0	9,944,440	289,901	0
MIY	13,874,671	784,565	0	13,942,572	716,663	0	13,723,460	935,776	0

	W. Carl Kester[1]			Karen P. Robards		
	Votes			Votes		
	For	Votes Withheld	Abstain	For	Votes Withheld	Abstain
MUC	2,540	0	0	35,352,547	1,223,122	0
MUJ	1,727	0	0	18,706,671	556,506	0
MFT	565	0	0	7,337,783	363,458	0
MJI	644	0	0	7,245,140	151,162	0
MPA	663	0	0	9,947,624	286,717	0
MIY	1,446	0	0	13,891,992	767,244	0

[1] Voted on by holders of preferred shares only.

This report is intended for existing shareholders. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. 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 interest rates may reduce the Common Shares yield. Statements and other information herein are as dated and are subject to change.

MHMYINS6-7/14-AR

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, principal accounting officer or controller, 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.

Item 3 Audit Committee Financial Expert The registrant s board of directors (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:

Michael Castellano
Frank J. Fabozzi
James T. Flynn
W. Carl Kester
Karen P. Robards

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. The designation or identification of a person as an audit committee financial expert does not affect the duties, obligations, or liability of any other member of the audit committee or board of directors.

Item 4 Principal Accountant Fees and Services

The following table presents fees billed by Deloitte & Touche LLP (D&T) in each of the last two fiscal years for the services rendered to the Fund:

	(a) Audit Fees		(b) Audit-Related Fees[1]		(c) Tax Fees[2]		(d) All Other Fees[3]	
Entity Name	Current Fiscal Year End	Previous Fiscal Year End	Current Fiscal Year End	Previous Fiscal Year End	Current Fiscal Year End	Previous Fiscal Year End	Current Fiscal Year End	Previous Fiscal Year End
BlackRock MuniHoldings New Jersey Quality Fund, Inc.	$33,263	$32,563	$0	$0	$14,100	$14,100	$0	$0

The following table presents fees billed by D&T that were required to be approved by the registrant s audit committee (the Committee) for services that relate directly to the operations or financial reporting of the Fund and that are rendered on behalf of BlackRock Advisors, LLC (Investment Adviser or BlackRock) and entities controlling, controlled by, or under common control with BlackRock (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser) that provide ongoing services to the Fund (Fund Service Providers):

	Current Fiscal Year End	Previous Fiscal Year End
(b) Audit-Related Fees[1]	$0	$0
(c) Tax Fees[2]	$0	$0
(d) All Other Fees[3]	$2,555,000	$2,865,000

[1] The nature of the services includes 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 includes tax compliance, tax advice and tax planning.

[3] Aggregate fees borne by BlackRock in connection with the review of compliance procedures and attestation thereto performed by D&T with respect to all of the registered closed-end funds and some of the registered open-end funds advised by BlackRock.

(e)(1) Audit Committee Pre-Approval Policies and Procedures:

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 Investment Adviser and Fund 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 operations 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 per project. 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 the Committee Chairman 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 Committee pursuant to the de minimis exception in paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not Applicable

(g) The aggregate non-audit fees paid to the accountant for services rendered by the accountant to the registrant, the Investment Adviser and the Fund Service Providers were:

Entity Name	Current Fiscal Year End	Previous Fiscal Year End
BlackRock MuniHoldings New Jersey Quality Fund, Inc.	$14,100	$14,100

Additionally, SSAE 16 Review (Formerly, SAS No. 70) fees for the current and previous fiscal years of $2,555,000 and $2,865,000, respectively, were billed by D&T to the Investment Adviser.

(h) The Committee has considered and determined that the provision of non-audit services that were rendered to the Investment Adviser, and the Fund Service Providers 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.

Item 5 Audit Committee of Listed Registrants

(a) 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)):

Michael Castellano
Frank J. Fabozzi
James T. Flynn
W. Carl Kester
Karen P. Robards

(b) Not Applicable

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 s portfolio securities to the 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 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 and (ii) on the SEC s website at http://www.sec.gov.

Item 8 Portfolio Managers of Closed-End Management Investment Companies as of July 31, 2014.

(a)(1) The registrant is managed by a team of investment professionals comprised of Michael Kalinoski, CFA, Director at BlackRock, Theodore R. Jaeckel, Jr., CFA, Managing Director at BlackRock, and Walter O Connor, CFA, Managing 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. Kalinoski, Jaeckel and O Connor have been members of the registrant s portfolio management team since 2011, 2006 and 2006, respectively.

Portfolio Manager	**Biography**
Michael Kalinoski, CFA	Director of BlackRock since 2006; Director of Merrill Lynch Investment Managers, L.P. (MLIM) from 1999 to 2006.
Theodore R. Jaeckel, Jr., CFA	Managing Director of BlackRock since 2006; Managing Director of MLIM from 2005 to 2006; Director of MLIM from 1997 to 2005.

Walter O Connor, CFA	Managing Director of BlackRock since 2006; Managing Director of MLIM from 2003 to 2006; Director of MLIM from 1998 to 2003.

(a)(2) As of July 31, 2014:

	(ii) Number of Other Accounts Managed and Assets by Account Type			(iii) Number of Other Accounts and Assets for Which Advisory Fee is Performance-Based		
(i) Name of Portfolio Manager	Other Registered Investment Companies	Other Pooled Investment Vehicles	Other Accounts	Other Registered Investment Companies	Other Pooled Investment Vehicles	Other Accounts
Theodore R. Jaeckel, Jr., CFA	64	0	0	0	0	0
	$25.98 Billion	$0	$0	$0	$0	$0
Michael Kalinoski, CFA	12	0	0	0	0	0
	$7.73 Billion	$0	$0	$0	$0	$0
Walter O Connor, CFA	64	0	0	0	0	0
	$25.98 Billion	$0	$0	$0	$0	$0

(iv) Portfolio Manager Potential Material Conflicts of Interest

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, Inc., its affiliates and significant shareholders and any officer, director, shareholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, Inc., or any of its affiliates or significant shareholders, or any officer, director, shareholder, 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, Inc. s (or its affiliates or significant shareholders) officers, directors or employees are directors or officers, or companies as to which BlackRock, Inc. 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. Certain portfolio managers also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for a fund. It should also be noted that a portfolio manager may be managing hedge fund and/or long only accounts, or may be part of a team managing hedge fund and/or long

only accounts, subject to incentive fees. Such portfolio managers may therefore be entitled to receive a portion of any incentive fees earned on such accounts. Currently, the portfolio managers of this fund are not entitled to receive a portion of incentive fees of other accounts.

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, Inc. has adopted policies that are intended to ensure 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, as appropriate.

(a)(3) As of July 31, 2014:

Portfolio Manager Compensation Overview

The discussion below describes the portfolio managers compensation as of July 31, 2014.

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.

Base compensation. Generally, portfolio managers receive base compensation based on their position with the firm.

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 performance and contribution to the overall performance of these portfolios and BlackRock. In most cases, these benchmarks are the same as the benchmark or benchmarks against which the performance of the Funds or other accounts managed by the portfolio managers are measured. Among other things, BlackRock s Chief Investment Officers make a subjective determination with respect to each portfolio manager s compensation based on the performance of the Funds and other accounts managed by each portfolio manager relative to the various benchmarks. Performance of fixed income funds is measured on a pre-tax and/or after-tax basis over various time periods including 1-, 3- and 5- year periods, as applicable. With respect to these portfolio managers, such benchmarks for the Fund and other accounts are: a combination of market-based indices (e.g., Standard & Poor s Municipal Bond Index), certain customized indices and certain fund industry peer groups.

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. For some portfolio managers,

discretionary incentive compensation is also distributed in deferred cash awards that notionally track the returns of select BlackRock investment products they manage and that vest ratably over a number of years. The BlackRock, Inc. restricted stock units, upon vesting, will be settled in BlackRock, Inc. common stock. Typically, the cash portion of the discretionary incentive compensation, when combined with base salary, represents more than 60% of total compensation for the portfolio managers. Paying a portion of discretionary incentive compensation in BlackRock, Inc. 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. Providing a portion of discretionary incentive compensation in deferred cash awards that notionally track the BlackRock investment products they manage provides direct alignment with investment product results.

Long-Term Incentive Plan Awards From time to time long-term incentive equity awards are granted to certain key employees to aid in retention, align their interests with long-term shareholder interests and motivate performance. Equity awards are generally granted in the form of BlackRock, Inc. restricted stock units that, once vested, settle in BlackRock, Inc. common stock. Messrs. Jaeckel and O Connor have unvested long-term incentive awards.

Deferred Compensation Program A portion of the compensation paid to eligible United States-based BlackRock employees may be voluntarily deferred at their election for defined periods of time into an account that tracks the performance of certain of the firm s investment products. Any portfolio manager who is either a managing director or director at BlackRock with compensation above a specified threshold is eligible to participate in the deferred compensation program.

Other Compensation Benefits. In addition to base salary 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, Inc. 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 8% of eligible pay contributed to the plan capped at $5,000 per year, and a company retirement contribution equal to 3-5% of eligible compensation up to the Internal Revenue Service limit ($260,000 for 2014). The RSP offers a range of investment options, including registered investment companies and collective investment funds managed by the firm. BlackRock, Inc. contributions follow the investment direction set by participants for their own contributions or, absent participant investment direction, are invested into a target date fund that corresponds to, or is closest to, the year in which the participant attains age 65. The ESPP allows for investment in BlackRock, Inc. 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 of common stock or a dollar value of $25,000 based on its fair market value on the purchase date. All of the eligible portfolio managers are eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities* As of July 31, 2014.

Portfolio Manager	Dollar Range of Equity Securities of the Fund Beneficially Owned
Michael Kalinoski	None
Theodore R. Jaeckel, Jr.	None

(b) Not Applicable

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 There have been no material changes to these procedures.

Item 11 Controls and Procedures

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

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

Item 12 Exhibits attached hereto

(a)(1) Code of Ethics See Item 2

(a)(2) Certifications Attached hereto

(a)(3) Not Applicable

(b) Certifications Attached hereto

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

BlackRock MuniHoldings New Jersey Quality Fund, Inc.

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock MuniHoldings New Jersey Quality Fund, Inc.

Date: October 1, 2014

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

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of
BlackRock MuniHoldings New Jersey Quality Fund, Inc.

Date: October 1, 2014

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock MuniHoldings New Jersey Quality Fund, Inc.

Date: October 1, 2014