

BLACKROCK MUNIYIELD PENNSYLVANIA QUALITY FUND
Form N-CSR
October 03, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

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FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT

INVESTMENT COMPANIES

Investment Company Act file number: 811-07136

Name of Fund: BlackRock MuniYield Pennsylvania Quality Fund (MPA)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock MuniYield

Pennsylvania Quality Fund, 55 East 52nd Street, New York, NY 10055

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

Date of fiscal year end: 07/31/2016

Date of reporting period: 07/31/2016

Item 1 Report to Stockholders

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 Pennsylvania Quality Fund (MPA)

Not FDIC Insured May Lose Value No Bank Guarantee

Table of Contents

	Page
<u>The Markets in Review</u>	3
Annual Report:	
<u>Municipal Market Overview</u>	4
<u>The Benefits and Risks of Leveraging</u>	5
<u>Derivative Financial Instruments</u>	5
<u>Fund Summaries</u>	6
Financial Statements:	
<u>Schedules of Investments</u>	16
<u>Statements of Assets and Liabilities</u>	43
<u>Statements of Operations</u>	44
<u>Statements of Changes in Net Assets</u>	45
<u>Statements of Cash Flows</u>	48
<u>Financial Highlights</u>	49
<u>Notes to Financial Statements</u>	54
<u>Report of Independent Registered Public Accounting Firm</u>	68
<u>Disclosure of Investment Advisory Agreements</u>	69
<u>Automatic Dividend Reinvestment Plan</u>	73
<u>Officers and Directors</u>	74
<u>Additional Information</u>	77

The Markets in Review

Dear Shareholder,

Uneven economic outlooks and the divergence of monetary policies across regions have been the overarching themes driving financial markets over the past couple of years. In the latter half of 2015, as U.S. growth outpaced other developed markets, investors were focused largely on the timing of the Federal Reserve's (the Fed) decision to end its near-zero interest rate policy. The Fed ultimately hiked rates in December, whereas the European Central Bank and the Bank of Japan took additional steps to stimulate growth, even introducing negative interest rates. The U.S. dollar had strengthened considerably ahead of these developments, causing profit challenges for U.S. companies that generate revenues overseas, and pressuring emerging market currencies and commodities prices.

Also during this time period, oil prices collapsed due to excess global supply. China, one of the world's largest consumers of oil, was another notable source of stress for financial markets as the country showed signs of slowing economic growth and took measures to devalue its currency. Declining confidence in the country's policymakers stoked investors' worries about the potential impact of China's weakness on the global economy. Global market volatility increased and risk assets (such as equities and high yield bonds) suffered in this environment.

The elevated market volatility spilled over into 2016, but as the first quarter wore on, fears of a global recession began to fade, allowing markets to calm and risk assets to rebound. Central bank stimulus in Europe and Japan, combined with a more tempered outlook for rate hikes in the United States, helped bolster financial markets. A softening in U.S. dollar strength brought relief to U.S. exporters and emerging market economies. Oil prices rebounded as the world's largest producers agreed to reduce supply.

Volatility spiked again in late June when the United Kingdom shocked investors with its vote to leave the European Union. Uncertainty around how the British exit might affect the global economy and political landscape drove investors to high-quality assets, pushing already low global yields to even lower levels. But markets recovered swiftly in July as economic data suggested that the negative impact had thus far been contained to the United Kingdom and investors returned to risk assets.

At BlackRock, we believe investors need to think globally, extend their scope across a broad array of asset classes and be prepared to adjust accordingly 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 markets.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of July 31, 2016

	6-month	12-month
U.S. large cap equities (S&P 500® Index)	13.29%	5.61%
U.S. small cap equities (Russell 2000® Index)	18.76	0.00
International equities (MSCI Europe, Australasia, Far East Index)	8.25	(7.53)
	19.52	(0.75)

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Emerging market equities (MSCI Emerging Markets Index)		
3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index)	0.17	0.22
U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index)	5.01	8.53
U.S. investment grade bonds (Barclays U.S. Aggregate Bond Index)	4.54	5.94
Tax-exempt municipal bonds (S&P Municipal Bond Index)	3.27	7.06
U.S. high yield bonds (Barclays U.S. Corporate High Yield 2% Issuer Capped Index)	13.84	5.01

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

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3

Municipal Market Overview

For the Reporting Period Ended July 31, 2016

Municipal Market Conditions

Municipal bonds generated positive performance for the period due to falling interest rates and a favorable supply-and-demand environment. Interest rates were volatile in 2015 (bond prices rise as rates fall) leading up to a long-awaited rate hike from the Fed that ultimately came in December. However, ongoing reassurance from the Fed that rates would be increased gradually and would likely remain low overall resulted in strong demand for fixed income investments. Investors favored the relative yield and stability of municipal bonds amid bouts of volatility resulting from uneven U.S. economic data, volatile oil prices, global growth concerns, geopolitical risks (particularly the U.K.'s decision to leave the European Union), and widening central bank divergence — i.e., policy easing outside the United States while the Fed was posturing to commence policy tightening. During the 12 months ended July 31, 2016, municipal bond funds garnered net inflows of approximately \$49 billion (based on data from the Investment Company Institute).

For the same 12-month period, total new issuance remained relatively strong from a historical perspective at \$386 billion (though lower than the \$417 billion issued in the prior 12-month period). A noteworthy portion of new supply during this period was attributable to refinancing activity (roughly 59%) as issuers continued to take advantage of low interest rates and a flatter yield curve to reduce their borrowing costs.

S&P Municipal Bond Index
Total Returns as of July 31, 2016
6 months: 3.27%
12 months: 7.06%

A Closer Look at Yields

From July 31, 2015 to July 31, 2016, yields on AAA-rated 30-year municipal bonds decreased by 100 basis points (bps) from 3.12% to 2.12%, while 10-year rates fell by 79 bps from 2.19% to 1.40% and 5-year rates decreased 46 bps from 1.30% to 0.84% (as measured by Thomson Municipal Market Data). The municipal yield curve experienced significant flattening over the 12-month period with the

spread between 2- and 30-year maturities flattening by 90 bps and the spread between 2- and 10-year maturities flattening by 69 bps.

During the same time period, on a relative basis, tax-exempt municipal bonds broadly outperformed U.S. Treasuries with the greatest outperformance experienced in longer-term issues. In absolute terms, the positive performance of municipal bonds was driven largely by falling interest rates as well as a supply/demand imbalance within the municipal market as investors sought income and incremental yield in an environment where opportunities became increasingly scarce. More broadly, municipal bonds benefited from the greater appeal of tax-exempt investing in light of the higher tax rates implemented in 2014. The asset class is known for its lower relative volatility and preservation of principal with an emphasis on income as tax rates rise.

Financial Conditions of Municipal Issuers

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

The opinions expressed are those of BlackRock as of July 31, 2016, and are subject to change at any time due to changes in market or economic conditions. The comments should not be construed as a recommendation of any individual holdings or market sectors. Investing involves risk including loss of principal. Bond values fluctuate in price so the value of your investment can go down depending on market conditions. Fixed income risks include interest-rate and credit risk.

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Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. There may be less information on the financial condition of municipal issuers than for public corporations. The market for municipal bonds may be less liquid than for taxable bonds. Some investors may be subject to Alternative Minimum Tax (AMT). Capital gains distributions, if any, are taxable.

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

The Benefits and Risks of Leveraging

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

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

To illustrate these concepts, assume a 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, a 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 a Fund with the proceeds from leverage earn income based on longer-term interest rates. In this case, a Fund's financing cost of leverage is significantly lower than the income earned on a 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 Funds' return on assets purchased with leverage proceeds, income to shareholders is lower than if the Funds had not used leverage. Furthermore, the value of the Funds' 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 Funds' obligations under their respective leverage arrangements generally does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds' 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.

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

To obtain leverage, each Fund 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 (TOB Trusts) as described in the Notes to Financial Statements.

Under the Investment Company Act of 1940, as amended (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 a Fund's obligations under the TOB Trust (including accrued interest), a TOB Trust is not considered a senior security and is not subject to the foregoing limitations and requirements under the 1940 Act.

Derivative Financial Instruments

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

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

Fund Summary as of July 31, 2016

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.

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, 2016 (\$16.28) ¹	4.53%
Tax Equivalent Yield ²	9.23%
Current Monthly Distribution per Common Share ³	\$0.0615
Current Annualized Distribution per Common Share ³	\$0.7380
Economic Leverage as of July 31, 2016 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 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 TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the 12 months ended July 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MUC ^{1, 2}	20.08%	10.20%
Lipper California Municipal Debt Funds ³	22.31%	11.51%

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

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² The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds generated strong performance in the annual period. Municipals were aided by the sharp decline in Treasury yields, which was brought about by the slow global economy and the accommodative policies of the world's central banks. (Bond prices rise as yields fall.) The gains were largely concentrated among intermediate- and longer-term bonds, while shorter-term issues produced much smaller returns. In addition, lower-rated securities generally outpaced their higher-quality counterparts.

California municipal bonds outperformed the broader national tax-exempt market as a result of the state's sound financial condition, robust employment growth and rising personal income. California municipals were also boosted by the favorable balance of supply and demand in the market, as the state's high tax burden fueled investors' appetite for tax-exempt investments.

The Fund's yield curve and duration positioning both had a positive impact on performance. (Duration is a measure of interest rate sensitivity.) Positions in the tax-backed (local), school districts, health care and utilities sectors provided the largest sector contribution to returns. Positions in zero-coupon bonds, which were purchased during the course of the period, also contributed to performance due to their longer duration profile and relatively higher yields.

The Fund utilized U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance due to the strength in the Treasury market.

The use of leverage helped augment returns at a time of strong market performance. However, leverage had less of an impact in the second half of the period since the Fed's interest rate increase in December 2015 increased the costs of short-term financing. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Market Price and Net Asset Value Per Share Summary

	7/31/16	7/31/15	Change	High	Low
Market Price	\$ 16.28	\$ 14.28	14.01%	\$ 16.34	\$ 14.02
Net Asset Value	\$ 16.51	\$ 15.78	4.63%	\$ 16.72	\$ 15.60

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/16	7/31/15
County/City/Special District/School District	40%	40%
Utilities	19	24
Transportation	15	12
Health	14	12
Education	5	6
State	5	6
Corporate	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 Allocation¹

	7/31/16	7/31/15
AAA/Aaa	16%	15%
AA/Aa	73	75
A	8	10
BBB/Baa	1	
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.

Call/Maturity Schedule²

Calendar Year Ended December 31,

2016	1%
2017	10
2018	12
2019	15
2020	5

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

* Excludes short-term securities.

ANNUAL REPORT

JULY 31, 2016

7

Fund Summary as of July 31, 2016

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.

Fund Information

Symbol on NYSE	MUJ
Initial Offering Date	March 11, 1998
Yield on Closing Market Price as of July 31, 2016 (\$16.12) ¹	5.02%
Tax Equivalent Yield ²	9.74%
Current Monthly Distribution per Common Share ³	\$0.0675
Current Annualized Distribution per Common Share ³	\$0.8100
Economic Leverage as of July 31, 2016 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 TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the 12 months ended July 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MUJ ^{1,2}	26.20%	12.39%
Lipper New Jersey Municipal Debt Funds ³	21.92%	11.82%

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

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² The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds generated strong performance in the annual period. Municipals were aided by the sharp decline in Treasury yields, which was brought about by the slow global economy and the accommodative policies of the world's central banks. (Bond prices rise as yields fall). The gains were largely concentrated among intermediate- and longer-term bonds, while shorter-term issues produced much smaller returns. New Jersey municipal bonds performed particularly well as a result of the highly favorable supply-and-demand profile in the state's market.

At a time of falling yields, the Fund's positions in longer-duration and longer-dated bonds generally provided the largest absolute returns. (Duration is a measure of interest-rate sensitivity.) The Fund's positions in the tax-backed (state and local), transportation education and health care sectors made positive contributions to performance. The Fund's exposure to lower-coupon and zero-coupon bonds, both of which outperformed, also aided returns.

Lower-rated bonds within the investment grade category outperformed during the period. In addition to offering higher incremental yield, the market segment benefited from a tightening of yield spreads that was fueled in part by investors' elevated appetite for risk. In this environment, the Fund's exposure to these higher-yielding bonds was a positive contributor to performance.

Leverage amplifies the effect of interest-rate movements, which was a positive to performance during the past 12 months given that yields declined.

The Fund utilized a mix of U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance at a time in which the Treasury market finished with positive returns.

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

Market Price and Net Asset Value Per Share Summary

	7/31/16	7/31/15	Change	High	Low
Market Price	\$ 16.12	\$ 13.55	18.97%	\$ 16.48	\$ 13.17
Net Asset Value	\$ 16.55	\$ 15.62	5.95%	\$ 16.75	\$ 15.35

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/16	7/31/15
Transportation	24%	22%
Education	21	22
State	20	21
County/City/Special District/School District	15	15
Health	11	11
Housing	4	4
Utilities	3	3
Corporate	2	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 Allocation¹

	7/31/16	7/31/15
AAA/Aaa		8%
AA/Aa	57%	50
A	35	35
BBB/Baa	8	7

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

Call/Maturity Schedule²

Calendar Year Ended December 31,

2016	4%
2017	6
2018	8
2019	4
2020	9

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

* Excludes short-term securities.

ANNUAL REPORT

JULY 31, 2016

9

Fund Summary as of July 31, 2016

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.

Fund Information

Symbol on NYSE	MFT
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2016 (\$16.09) ¹	5.30%
Tax Equivalent Yield ²	9.36%
Current Monthly Distribution per Common Share ³	\$0.071
Current Annualized Distribution per Common Share ³	\$0.852
Economic Leverage as of July 31, 2016 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 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 TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the 12 months ended July 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MFT ^{1,2}	27.63%	10.31%
Lipper General & Insured Municipal Debt Funds (Leveraged) ³	21.89%	11.98%

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

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

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds generated strong performance in the annual period. Municipals were aided by the sharp decline in Treasury yields, which was brought about by the slow global economy and the accommodative policies of the world's central banks. (Bond prices rise as yields fall.) The gains were largely concentrated among intermediate- and longer-term bonds, while shorter-term issues produced much smaller returns. In addition, lower-rated securities generally outpaced their higher-quality counterparts.

The Fund was helped by its exposure to the long end of the yield curve, where performance was strongest. Leverage helped augment returns in this portion of the portfolio, as well. However, leverage had less of an impact in the second half of the period due to the Fed's interest rate increase in December 2015.

Holdings in AA and A rated securities, including investments in transportation and utilities sectors, aided performance. Positions in the tax-backed (state) and tax-backed (local) sectors were also additive.

The Fund utilized U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance given that the Treasury market finished with positive returns.

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

**BlackRock MuniYield Investment Quality
Fund**

Market Price and Net Asset Value Per Share Summary

	7/31/16	7/31/15	Change	High	Low
Market Price	\$16.09	\$13.37	20.34%	\$ 16.17	\$ 13.08
Net Asset Value	\$15.55	\$14.95	4.01%	\$ 15.72	\$ 14.77

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/16	7/31/15
Transportation	40%	37%
Utilities	19	19
County/City/Special District/School District	15	18
Health	10	11
State	9	9
Education	3	2
Housing	2	2
Tobacco	1	
Corporate	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 Allocation¹	7/31/16	7/31/15
AAA/Aaa	6%	7%
AA/Aa	62	61
A	25	26
BBB/Baa	7	6

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

Call/Maturity Schedule²

Calendar Year Ended December 31,

2016	1%
2017	1
2018	10
2019	25
2020	4

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

* Excludes short-term securities.

ANNUAL REPORT

JULY 31, 2016

11

Fund Summary as of July 31, 2016

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.

On April 30, 2015, the Boards of the Fund and BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM) approved the reorganization of MYM with and into the Fund, with the Fund continuing as the surviving fund after the reorganization. At a special shareholder meeting on August 6, 2015, the requisite shareholders of the Fund and MYM approved the reorganization, which was effective on September 14, 2015.

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

Fund Information

Symbol on NYSE	MIY
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2016 (\$15.38) ¹	4.99%
Tax Equivalent Yield ²	9.21%
Current Monthly Distribution per Common Share ³	\$0.064
Current Annualized Distribution per Common Share ³	\$0.768
Economic Leverage as of July 31, 2016 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 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 TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the 12 months ended July 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MIY ^{1, 2}	23.28%	11.99%
Lipper Other States Municipal Debt Funds ³	20.84%	10.74%

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

² The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds generated strong performance in the annual period. Municipals were aided by the sharp decline in Treasury yields, which was brought about by the slow global economy and the accommodative policies of the world's central banks. (Bond prices rise as yields fall.) The gains were largely concentrated among intermediate- and longer-term bonds, while shorter-term issues produced much smaller returns. In addition, lower-rated securities generally outpaced their higher-quality counterparts.

Michigan's municipal bond market provided a strong total return and performed in line with the major national indices. The state continued to have many areas affected by fiscal stress, highlighted by the Detroit Public School system. Overall, however, Michigan's muni market was well supported by the state's improving economy and the healthy demand for tax-exempt investments.

The Fund's duration exposure made the largest contribution to absolute performance. (Duration is a measure of interest-rate sensitivity.) The municipal yield curve flattened aggressively in the second half of the reporting period, indicating outperformance for longer-term bonds. In this environment, the Fund's exposure to the long end of the curve benefited performance. Additionally, the Fund's return was helped by its allocation to the education and utilities sectors. The use of leverage helped augment returns at a time of strong market performance.

The Fund utilized U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance due to the strength in the Treasury market.

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BlackRock MuniYield Michigan Quality Fund, Inc.

Market Price and Net Asset Value Per Share Summary

	7/31/16	7/31/15	Change	High	Low
Market Price	\$15.38	\$13.22	16.34%	\$ 15.65	\$ 12.95
Net Asset Value	\$16.36	\$15.48	5.68%	\$ 16.57	\$ 15.26

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/16	7/31/15
Health	25%	21%
Education	23	22
County/City/Special District/School District	19	16
Utilities	10	10
State	9	14
Transportation	7	9
Housing	4	5
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 Allocation¹

	7/31/16	7/31/15
AAA/Aaa	3%	1%
AA/Aa	69	73
A	26	23
BBB/Baa	1	2
N/R	1	1

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

Call/Maturity Schedule²

Calendar Year Ended December 31,

2016	3%
2017	7
2018	12
2019	5
2020	5

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

* Excludes short-term securities.

ANNUAL REPORT

JULY 31, 2016

13

Fund Summary as of July 31, 2016

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.

Fund Information

Symbol on NYSE	MPA
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2016 (\$16.07) ¹	4.65%
Tax Equivalent Yield ²	8.48%
Current Monthly Distribution per Common Share ³	\$0.0623
Current Annualized Distribution per Common Share ³	\$0.7476
Economic Leverage as of July 31, 2016 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 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 TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Performance

Returns for the 12 months ended July 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MPA ^{1,2}	25.87%	12.38%
Lipper Pennsylvania Municipal Debt Funds ³	24.15%	10.52%

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

² The Fund's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds generated strong performance in the annual period. Municipals were aided by the sharp decline in Treasury yields, which was brought about by the slow global economy and the accommodative policies of the world's central banks. (Bond prices rise as yields fall). The gains were largely concentrated among intermediate- and longer-term bonds, while shorter-term issues produced much smaller returns. In addition, lower-rated securities generally outpaced their higher-quality counterparts.

Yield spreads widened in Pennsylvania's municipal bond market after the commonwealth went without a budget for nine months into its 2016 fiscal year. However, a further budget battle was avoided when Governor Tom Wolf signed a \$31.5 billion budget for fiscal 2017. The rating agency Standard & Poor's subsequently removed the commonwealth from credit watch status and affirmed its AA-minus rating. These developments led to a recovery in Pennsylvania's bond market in the latter part of the period.

The Fund's allocations to the health care and transportation sectors provided the largest contribution to returns. Positions in zero-coupon bonds also contributed to performance due to their longer duration profile and relatively higher yields. (Duration is a measure of interest-rate sensitivity.)

The use of leverage helped augment returns at a time of strong market performance. However, leverage had less of an impact in the second half of the period since the Fed's interest rate increase in December 2015 increased the costs of short-term financing.

The Fund utilized U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance due to the strength in the Treasury 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.

BlackRock MuniYield Pennsylvania Quality Fund

Market Price and Net Asset Value Per Share Summary

	7/31/16	7/31/15	Change	High	Low
Market Price	\$16.07	\$13.50	19.04%	\$ 16.23	\$ 13.33
Net Asset Value	\$16.76	\$15.77	6.28%	\$ 16.97	\$ 15.58

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/16	7/31/15
Education	20%	15%
Health	20	20
County/City/Special District/School District	20	19
State	13	14
Transportation	12	12
Housing	7	5
Utilities	6	7
Corporate	2	8

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	7/31/16	7/31/15
AAA/Aaa	1%	1%
AA/Aa	62	65
A	23	23
BBB/Baa	6	9
BB/Ba	2	
N/R ²	6	2

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

² The investment adviser evaluates the credit quality of unrated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment adviser has deemed certain of these unrated securities as investment grade quality. As of July 31, 2016 and July 31, 2015, the market value of unrated securities deemed by the investment adviser to be investment grade represents 2% and 1%, respectively, of the Fund's total investments.

Call/Maturity Schedule³

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Calendar Year Ended December 31,

2016	2%
2017	5
2018	10
2019	11
2020	7

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

* Excludes short-term securities.

ANNUAL REPORT

JULY 31, 2016

15

Schedule of Investments July 31, 2016

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
California 104.4%		
Corporate 2.6%		
California Pollution Control Financing Authority, Refunding RB, Waste Management, Inc., AMT:		
Series A-1, 3.38%, 7/01/25	\$ 5,000	\$ 5,448,550
Series B-1, 3.00%, 11/01/25	9,000	9,531,630
City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34	2,435	2,760,730
		17,740,910
County/City/Special District/School District 34.1%		
Centinela Valley Union High School District, GO, Election of 2010, Series A, 5.75%, 8/01/21 (a)	9,120	11,313,815
Chabot-Las Positas Community College District, GO, Refunding, 4.00%, 8/01/35	5,000	5,679,250
County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35	3,500	3,959,200
County of Los Angeles Public Works Financing Authority, Refunding RB, Series D: 4.00%, 12/01/40	1,000	1,108,390
5.00%, 12/01/45	1,430	1,744,714
County of Orange California Sanitation District, COP, Series A, 5.00%, 2/01/19 (a)	2,500	2,773,700
County of Riverside California Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/45	10,000	12,361,800
County of San Joaquin California Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36	2,665	3,250,927
County of Ventura California Community College District, GO, Election of 2002, Series C, 5.50%, 8/01/18 (a)	4,000	4,395,920
Culver City Redevelopment Finance Authority California, Refunding, Tax Allocation Bonds, Series A (AGM), 5.60%, 11/01/25	3,750	3,765,600
Denair CA Unified School District, GO, Election of 2007, 0.00%, 8/01/41 (b)	4,260	1,780,212
Fremont Union High School District, GO, Refunding, 4.00%, 8/01/40	2,500	2,793,625
Garden Grove Unified School District, GO, Election of 2010, Series C, 5.25%, 8/01/40	5,500	6,707,250
Gavilan Joint Community College District, GO, Election of 2004, Series D: 5.50%, 8/01/31	2,170	2,582,061
5.75%, 8/01/35	8,400	10,073,448
Golden Empire Schools Financing Authority, Refunding RB, Kern High School District Projects, 0.94%, 5/01/17 (c)	5,000	4,998,600
Grossmont California Healthcare District, GO, Election of 2006, Series B, 6.13%, 7/15/21 (a)	2,000	2,514,600
	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
County/City/Special District/School District (continued)		
Imperial Irrigation District, Series A, Electric System Revenue, 5.13%, 11/01/18 (a)	\$ 8,000	\$ 8,814,160
Kern Community College District, GO, Safety Repair & Improvements, Series C: 5.25%, 11/01/32	5,715	7,129,577
5.75%, 11/01/34	12,085	15,518,469
Los Alamitos Unified School District, GO, Refunding, School Facilities Improvement, Series E, 5.25%, 8/01/39	3,700	4,514,851
Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35	11,000	12,660,560
Merced Union High School District, GO, CAB, Refunding (AGM) (b): 0.00%, 8/01/40	3,800	1,371,002
0.00%, 8/01/42	4,125	1,334,974
Mount San Jacinto Community College District, GO, Series A, 5.00%, 8/01/35	3,565	4,409,263
Oxnard Union High School District, GO, Refunding, Election of 2004, Series A (AGM), 5.00%, 8/01/35	10,000	11,421,000
Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33	5,000	5,441,150
Rio Elementary School District, GO, Series A, 5.25%, 8/01/40	5,865	7,216,824
Riverside Community College District Foundation, GO, Election of 2004 (a): Series C (AGM), 5.00%, 8/01/17	8,750	9,150,663

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Series C (NPFGC), 5.00%, 8/01/17	8,910	9,317,989
San Diego Regional Building Authority, RB, County Operations Center & Annex, Series A, 5.50%, 2/01/19 (a)	905	1,015,075
San Diego Unified School District, GO, CAB, Series C (b):		
0.00%, 7/01/47	1,000	360,590
Election of 2008, 0.00%, 7/01/42	3,605	1,555,053
Election of 2008, 0.00%, 7/01/43	1,310	545,602
Election of 2008, 0.00%, 7/01/45	1,575	611,163
San Jose California Financing Authority, LRB, Convention Center Expansion & Renovation Project, Series A:		
5.75%, 5/01/36	2,560	2,571,366
5.75%, 5/01/42	4,500	5,371,515
San Jose California Financing Authority, Refunding LRB, Civic Center Project, Series A, 5.00%, 6/01/39	5,800	6,902,754
San Marcos Redevelopment Agency Successor Agency, Refunding, Tax Allocation Bonds, Series A:		
5.00%, 10/01/32	1,700	2,101,319
5.00%, 10/01/33	1,125	1,386,371

Portfolio Abbreviations

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

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
County/City/Special District/School District (continued)		
Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/19 (a)	\$ 5,635	\$ 6,516,709
Sweetwater Union High School District, GO, Refunding, 4.00%, 8/01/42	5,000	5,568,350
West Contra Costa California Unified School District, GO:		
Election of 2010, Series A (AGM), 5.25%, 8/01/41	5,390	6,429,138
Election of 2010, Series B, 5.50%, 8/01/39	3,195	3,957,934
Election of 2012, Series A, 5.50%, 8/01/39	2,500	3,096,975
Yuba Community College District, GO, Election of 2006, Series C, 0.00%, 8/01/38 (b)	5,150	2,622,741
		230,716,249
Education 2.6%		
California Municipal Finance Authority, RB, Emerson College, 6.00%, 1/01/42	2,750	3,318,810
University of California, Refunding RB:		
Series AO, 5.00%, 5/15/40	5,430	6,644,365
Series AR, 5.00%, 5/15/41	2,360	2,941,669
Series AR, 5.00%, 5/15/46	3,600	4,480,092
		17,384,936
Health 13.9%		
ABAG Finance Authority for Nonprofit Corps., Refunding RB, Sharp Healthcare, Series B, 6.25%, 8/01/39	6,305	7,313,232
California Health Facilities Financing Authority, RB:		
Children's Hospital, Series A, 5.25%, 11/01/41	8,000	9,351,680
Providence Health Services, Series B, 5.50%, 10/01/39	4,130	4,717,162
Sutter Health, Series A, 5.00%, 11/15/41	2,275	2,788,445
Sutter Health, Series A, 5.25%, 11/15/46	7,500	7,607,550
Sutter Health, Series B, 6.00%, 8/15/42	9,655	11,551,049
California Health Facilities Financing Authority, Refunding RB:		
Dignity Health, Series A, 6.00%, 7/01/34	3,700	4,245,306
Lucile Salter Packard Children's Hospital at Stanford, Series B, 5.00%, 8/15/55	4,500	5,462,100
Providence Health and Services, Series A, 5.00%, 10/01/38	10,970	13,146,777
St. Joseph Health System, Series A, 5.00%, 7/01/37	10,000	11,887,500
California Statewide Communities Development Authority, Refunding RB:		
CHF Irvine LLC, 5.00%, 5/15/40	750	907,620
John Muir Health, Series A, 4.00%, 8/15/51	3,375	3,661,774
Kaiser Permanente, Series C, 5.25%, 8/01/31	2,500	2,500,675
Trinity Health Credit Group Composite Issue, 5.00%, 12/01/41	6,235	7,242,701
Washington Township Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/38	1,625	2,026,099
		94,409,670
State 7.4%		
State of California, GO:		
Refunding, Veterans Bond, 4.00%, 12/01/40	4,000	4,500,280
Various Purposes, 6.00%, 3/01/33	5,000	5,900,450
Various Purposes, 6.00%, 4/01/38	27,765	31,524,936
State of California Public Works Board, LRB:		
Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34	3,670	4,226,959
Various Capital Projects, Series I, 5.50%, 11/01/33	2,015	2,540,230
	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
State (continued)		
State of California Public Works Board, RB, California State Prisons, Series C, 5.75%, 10/01/31	\$ 1,205	\$ 1,482,536
		50,175,391

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Transportation 21.2%		
Alameda Corridor Transportation Authority, Refunding RB, Series B:		
2nd Subordinate Lien, 5.00%, 10/01/36	2,035	2,473,074
2nd Subordinate Lien, 5.00%, 10/01/37	1,395	1,693,907
4.00%, 10/01/37	1,125	1,245,847
City & County of San Francisco California Airports Commission, ARB, Series E, 6.00%, 5/01/39	9,650	11,034,775
City & County of San Francisco California Airports Commission, Refunding ARB, AMT:		
2nd Series 34E (AGM), 5.75%, 5/01/24	5,000	5,442,500
2nd Series 34E (AGM), 5.75%, 5/01/22	4,950	5,392,629
2nd Series A, 5.00%, 5/01/29	6,435	7,622,965
City of Los Angeles California Department of Airports, ARB:		
AMT, Senior Series A, 5.00%, 5/15/40	3,830	4,551,649
AMT, Series D, 5.00%, 5/15/35	2,000	2,401,220
AMT, Series D, 5.00%, 5/15/36	1,500	1,795,665
Los Angeles International Airport, Senior Series D, 5.25%, 5/15/29	2,590	3,007,249
City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Series A:		
5.25%, 5/15/39	5,845	6,547,920
Senior, 5.00%, 5/15/40	5,000	5,698,500
City of San Jose California, Refunding ARB, Series A-1, AMT:		
5.25%, 3/01/23	3,785	4,412,515
6.25%, 3/01/34	1,400	1,688,526
City of San Jose California, Refunding RB, Series A (AMBAC), 5.00%, 3/01/37	8,000	8,192,080
County of Orange California, ARB, Series B, 5.75%, 7/01/34	6,345	6,650,765
County of Sacramento California, ARB:		
Senior Series A (AGC), 5.50%, 7/01/41	8,200	8,937,836
Senior Series B, 5.75%, 7/01/39	2,650	2,896,768
Senior Series B, AMT (AGM), 5.75%, 7/01/28	13,275	14,527,231
Senior Series B, AMT (AGM), 5.25%, 7/01/33	18,000	19,479,780
Senior Series B, AMT (AGM), 5.25%, 7/01/39	4,995	5,361,883
County of San Bernardino California Transportation Authority, RB, Series A, 5.25%, 3/01/40	4,545	5,572,988
Port of Los Angeles California Harbor Department, RB, Series B, 5.25%, 8/01/34	5,530	6,253,656
Port of Los Angeles California Harbor Department, Refunding RB, Series A, AMT, 5.00%, 8/01/44	500	591,775
		143,473,703
Utilities 22.6%		
Anaheim Public Financing Authority, RB, Electric System Distribution Facilities, Series A, 5.38%, 10/01/36		
	2,200	2,600,708
City of Los Angeles California Department of Water & Power, RB, Series A:		
5.38%, 7/01/38	9,375	10,406,625
5.00%, 7/01/41	1,705	2,110,858
City of Los Angeles California Department of Water & Power, Refunding RB, Series A:		
5.25%, 7/01/39	16,000	18,714,880
5.00%, 7/01/46	2,845	3,508,596
City of Los Angeles California Wastewater System, Refunding RB, Sub-Series A, 5.00%, 6/01/28	2,000	2,305,160

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
Utilities (continued)		
City of San Francisco California Public Utilities Commission Water Revenue, RB:		
Series A, 5.00%, 11/01/39	\$ 5,245	\$ 6,399,267
Series B, 5.00%, 11/01/30	10,000	11,349,800
County of Kern California Water Agency Improvement District No. 4, Refunding RB, Series A (AGM):		
4.00%, 5/01/35	1,460	1,647,158
4.00%, 5/01/36	1,430	1,605,418
County of Sacramento California Sanitation Districts Financing Authority, RB (NPFGC), 5.00%, 12/01/36		
	1,010	1,013,899
Dublin-San Ramon Services District Water Revenue, Refunding RB, 6.00%, 8/01/41		
	4,000	4,786,520
East Bay California Municipal Utility District Wastewater System Revenue, Refunding RB, Sub-Series A (AMBAC), 5.00%, 6/01/17 (a)		
	17,015	17,665,313
East Bay California Municipal Utility District Water System Revenue, Refunding RB (a):		
Series A (NPFGC), 5.00%, 6/01/17	6,670	6,924,928
Sub-Series A (AGM), 5.00%, 6/01/17	10,000	10,382,200
Eastern Municipal Water District, COP, Series H, 5.00%, 7/01/33		
	2,505	2,714,067
El Dorado Irrigation District / El Dorado County Water Agency, Refunding RB, Series A (AGM), 5.25%, 3/01/39		
	10,000	12,191,100
San Diego Public Facilities Financing Authority Sewer, Refunding RB, Senior Series A, 5.25%, 5/15/19 (a)		
	11,060	12,477,228
San Diego Public Facilities Financing Authority Water, Refunding RB, Series B, 5.50%, 8/01/19 (a)		
	8,000	9,153,360
San Juan Water District, Refunding RB, San Juan & Citrus Heights, 5.25%, 2/01/33		
	7,325	8,764,143
Santa Clara Valley Water District, Refunding RB, Series A, 5.00%, 6/01/46		
	5,000	6,185,450
		152,906,678
Total Municipal Bonds 104.4%		706,807,537

Municipal Bonds Transferred to Tender Option Bond Trusts (d)**California 57.2%****County/City/Special District/School District 31.0%**

County of Alameda California Joint Powers Authority, Refunding LRB (AGM), 5.00%, 12/01/34		
	13,180	13,937,586
County of San Luis Obispo Community College District, GO, Refunding, Election of 2014, Series A, 4.00%, 8/01/40		
	6,585	7,320,936
County of San Mateo California Community College District, GO, Series A, 5.00%, 9/01/45		
	17,615	21,674,009
Desert Community College District California, GO, Series C (AGM), 5.00%, 8/01/17 (a)		
	16,530	17,285,090
Foothill-De Anza Community College District, GO, Series C, 5.00%, 8/01/40		
	40,000	46,762,000
Los Angeles Community College District California, GO (a):		
Election of 2001, Series A (NPFGC), 5.00%, 8/01/17	6,647	6,951,099
Election of 2001, Series E-1, 5.00%, 8/01/18	11,770	12,812,822
Election of 2003, Series F-1, 5.00%, 8/01/18	10,000	10,886,000
Los Angeles Community College District California, GO, Refunding, Election of 2008, Series A, 6.00%, 8/01/33 (a)		
	9,596	11,128,042

Par**Municipal Bonds Transferred to Tender Option Bond Trusts (d)****California (continued)****County/City/Special District/School District (continued)**

	(000)	Value
Palomar California Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/44		
	\$ 15,140	\$ 18,516,826
Poway Unified School District, GO, Election of 2002, Improvement District 02, Series 1-B (AGM), 5.00%, 8/01/30		
	10,000	10,002,600
Southwestern Community College District, GO, Election of 2008, Series D, 5.00%, 8/01/44		
	10,820	13,223,447
	17,000	19,383,230

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West Valley-Mission Community College District, GO, Election of 2012, Series B,
4.00%, 8/01/40

	209,883,687
Education 5.7%	
California State University, Refunding RB, Series A, 5.00%, 11/01/43	6,001 7,383,717
University of California, RB:	
Series AM, 5.25%, 5/15/44	10,210 12,626,809
Series O, 5.75%, 5/15/19 (a)	11,192 12,785,694
University of California, Refunding RB, Series AF, 5.00%, 5/15/39	5,000 6,018,800
	38,815,020
Health 9.3%	
California Health Facilities Financing Authority, RB, Sutter Health, Series A, 5.00%, 8/15/52	14,520 17,097,010
California Health Facilities Financing Authority, Refunding RB, Sutter Health, Series A, 5.00%, 8/15/43	19,425 23,491,345
California Statewide Communities Development Authority, RB, Kaiser Permanente, Series A, 5.00%, 4/01/42	19,070 22,256,406
	62,844,761
Transportation 3.3%	
City of Los Angeles California Department of Airports, RB, Senior Revenue, Series A, AMT, 5.00%, 5/15/40	5,500 6,536,310
City of Los Angeles California Department of Airports, Series D, AMT, 5.00%, 5/15/41	13,331 15,843,372
	22,379,682
Utilities 7.9%	
City of Los Angeles California Wastewater System, RB, Green Bonds, Series A, 5.00%, 6/01/44	13,790 16,913,021
County of San Diego California Water Authority Financing Corp., COP, Refunding, Series A (AGM), 5.00%, 5/01/18 (a)	16,740 18,041,535
East Bay California Municipal Utility District Water System Revenue, RB, Series C, 5.00%, 6/01/44	11,000 13,409,660
Rancho Water District Financing Authority, Refunding RB, Series A (AGM), 5.00%, 8/01/34	5,008 5,443,440
	53,807,656
Total Municipal Bonds Transferred to Tender Option Bond Trusts 57.2%	387,730,806
Total Long-Term Investments	
(Cost \$999,853,396) 161.6%	1,094,538,343
Total Investments (Cost \$999,853,396) 161.6%	1,094,538,343
Other Assets Less Liabilities 1.0%	6,518,856
Liability for TOB Trust Certificates, Including Interest	
Expense and Fees Payable (25.1)%	(169,929,470)
VMTP Shares at Liquidation Value (37.5)%	(254,000,000)
Net Assets Applicable to Common Shares 100.0%	\$ 677,127,729

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

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

Affiliates	Shares Held at July 31, 2015	Net Activity	Shares Held at July 31, 2016	Value at July 31, 2016	Income
BlackRock Liquidity Funds, MuniCash, Institutional Class					\$ 2,298
BIF California Municipal Money Fund	505,447	(505,447)			9
Total					\$ 2,307

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

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

Contracts	Issue	Expiration	Notional Value	Unrealized Appreciation (Depreciation)
Short				
(61)	5-Year U.S. Treasury Note	September 2016	\$ 7,442,953	\$ 2,320
(111)	10-Year U.S. Treasury Note	September 2016	\$ 14,768,203	(16,779)
(41)	Long U.S. Treasury Bond	September 2016	\$ 7,151,938	(78,992)
(14)	Ultra U.S. Treasury Bond	September 2016	\$ 2,667,437	(30,675)
Total				\$ (124,126)

Derivative Financial Instruments Categorized by Risk Exposure

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

Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency	Interest Rate	Other Contracts	Total
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		Exchange Contracts	Contracts
Assets Derivative Financial Instruments			
Futures contracts	Net unrealized appreciation ¹	\$ 2,320	\$ 2,320

Liabilities Derivative Financial Instruments			
Futures contracts	Net unrealized depreciation ¹	\$ 126,446	\$ 126,446

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

For the year ended July 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) from:							
Futures contracts					\$ (1,364,663)		\$ (1,364,663)
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ (70,234)		\$ (70,234)

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:	
Average notional value of contracts	short \$ 24,534,750

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

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

Fair Value Hierarchy as of Period End

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

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

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long Term Investments ¹		\$ 1,094,538,343		\$ 1,094,538,343
Derivative Financial Instruments ²				
Assets:				
Interest rate contracts	\$ 2,320			\$ 2,320
Liabilities:				
Interest rate contracts	(126,446)			(126,446)
Total	\$ (124,126)			\$ (124,126)

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

² Derivative financial instruments are futures contracts. Futures contracts 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 period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for futures contracts	\$ 423,500			\$ 423,500
Liabilities:				
Bank overdraft		\$ (1,145,882)		(1,145,882)
TOB Trust Certificates		(169,698,729)		(169,698,729)
VMTP Shares		(254,000,000)		(254,000,000)
Total	\$ 423,500	\$ (424,844,611)		\$ (424,421,111)

During the year ended July 31, 2016, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments July 31, 2016

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

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
New Jersey 132.6%		
Corporate 2.6%		
New Jersey EDA, Refunding RB:		
New Jersey American Water Co., Inc. Project, AMT, Series A, 5.70%, 10/01/39	\$ 7,500	\$ 8,498,100
New Jersey American Water Co., Inc. Project, AMT, Series B, 5.60%, 11/01/34	3,150	3,569,139
United Water of New Jersey, Inc., Series B (AMBAC), 4.50%, 11/01/25	1,000	1,056,500
		13,123,739
County/City/Special District/School District 19.8%		
Borough of Edgewater New Jersey Board of Education, GO, Refunding, (AGM):		
4.25%, 3/01/34	1,535	1,664,554
4.25%, 3/01/35	1,600	1,733,296
4.30%, 3/01/36	1,670	1,809,362
Borough of Hopatcong New Jersey, GO, Refunding, Sewer (AMBAC), 4.50%, 8/01/33	2,000	2,000,460
Casino Reinvestment Development Authority, Refunding RB:		
5.25%, 11/01/39	11,130	11,873,484
5.25%, 11/01/44	3,755	3,989,725
City of Bayonne New Jersey, GO, Refunding, Qualified General Improvement (BAM), 5.00%, 7/01/39	3,340	4,027,272
City of Perth Amboy New Jersey, GO, CAB, Refunding (AGM):		
5.00%, 7/01/17 (a)	4,540	4,729,453
5.00%, 7/01/32	2,210	2,272,919
5.00%, 7/01/33	670	689,202
5.00%, 7/01/35	595	611,333
5.00%, 7/01/37	705	723,499
County of Essex New Jersey Improvement Authority, Refunding RB, Project Consolidation (NPFGC):		
5.50%, 10/01/27	250	339,003
5.50%, 10/01/28	4,840	6,639,948
County of Hudson New Jersey, COP, Refunding, (NPFGC), 6.25%, 12/01/16	600	611,052
County of Hudson New Jersey Improvement Authority, RB:		
CAB, Series A-1 (NPFGC), 0.00%, 12/15/32 (b)	1,000	650,810
County Secured, County Services Building Project (AGM), 5.00%, 4/01/17 (a)	1,000	1,030,190
Harrison Parking Facility Project, Series C (AGC), 5.25%, 1/01/39	3,000	3,295,980
Harrison Parking Facility Project, Series C (AGC), 5.38%, 1/01/44	5,000	5,472,900
County of Middlesex New Jersey Improvement Authority, RB, Senior Citizens Housing Project, AMT (AMBAC), 5.50%, 9/01/30	500	501,895
County of Monmouth New Jersey Improvement Authority, Refunding RB, Governmental Loan (AMBAC):		
5.00%, 12/01/17	5	5,016
5.35%, 12/01/17	5	5,020
5.00%, 12/01/18	5	5,015
5.38%, 12/01/18	5	5,020
5.00%, 12/01/19	5	5,015
County of Union New Jersey, GO, Refunding:		
4.00%, 3/01/21 (a)	225	256,399
4.00%, 3/01/29	3,575	3,890,815
4.00%, 3/01/30	3,580	3,880,935
4.00%, 3/01/31	4,045	4,372,119
	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
County/City/Special District/School District (continued)		
County of Union New Jersey Utilities Authority, Refunding RB, Series A:		
Resources Recovery Facility, Covanta Union, Inc., AMT, 5.25%, 12/01/31	\$ 650	\$ 732,908
Solid Waste System, County Deficiency Agreement, 5.00%, 6/15/41	7,570	8,627,832
Morristown New Jersey Parking Authority, RB (NPFGC):		

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5.00%, 8/01/30	1,830	1,905,707
5.00%, 8/01/33	3,000	3,124,830
New Jersey Sports & Exposition Authority, Refunding RB (NPFGC) (c):		
5.50%, 3/01/21	7,430	8,974,325
5.50%, 3/01/22	4,200	5,234,376
Newark New Jersey Housing Authority, Refunding RB, Newark Redevelopment Project (NPFGC),		
4.38%, 1/01/37	1,720	1,729,236
Township of Irvington New Jersey, GO, Refunding Series A (AGM), 5.00%, 7/15/33	1,175	1,404,583
		98,825,488
Education 31.4%		
County of Gloucester New Jersey Improvement Authority, RB, Rowan University General Capital Improvement Projects:		
5.00%, 7/01/44	1,985	2,300,436
Series A, 5.00%, 7/01/31	1,950	2,335,944
Series A, 5.00%, 7/01/32	1,775	2,118,480
Series A, 5.00%, 7/01/33	2,250	2,675,520
Series A, 5.00%, 7/01/34	1,200	1,426,944
New Jersey EDA, LRB, Rutgers The State University of New Jersey, College Avenue Redevelopment Project, 5.00%, 6/15/33		
	3,065	3,668,253
New Jersey EDA, RB, Provident Group Rowan Properties LLC, Series A:		
5.00%, 1/01/35	2,000	2,276,560
5.00%, 1/01/48	2,000	2,252,880
New Jersey Educational Facilities Authority, RB:		
Higher Educational Capital Improvement Fund, Series A, 5.00%, 9/01/33		
	6,370	7,075,796
Richard Stockton College, Series F (NPFGC), 5.00%, 7/01/31		
	2,625	2,630,591
New Jersey Educational Facilities Authority, Refunding RB:		
City of New Jersey University Issue, Series D, 4.00%, 7/01/34		
	320	349,434
City of New Jersey University Issue, Series D, 4.00%, 7/01/35		
	745	810,515
College of New Jersey, Series D (AGM), 5.00%, 7/01/18 (a)		
	3,000	3,252,480
College of New Jersey, Series D (AGM), 5.00%, 7/01/35		
	10,260	11,048,584
Montclair State University Issue, Series B, 5.00%, 7/01/34		
	1,075	1,325,798
Montclair State University, Series A, 5.00%, 7/01/39		
	15,555	18,395,188
Montclair State University, Series A, 5.00%, 7/01/44		
	3,540	4,172,421
New Jersey Institute of Technology, Series H, 5.00%, 7/01/31		
	4,000	4,525,600
Ramapo College, Series I (AMBAC), 4.25%, 7/01/31		
	2,500	2,542,125
Rowan University, Series B (AGC), 5.00%, 7/01/18 (a)		
	2,575	2,792,768
Seton Hall University, Series D, 5.00%, 7/01/38		
	500	583,835

See Notes to Financial Statements.

Schedule of Investments (continued)

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

	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
Education (continued)		
New Jersey Educational Facilities Authority, Refunding RB (continued):		
Seton Hall University, Series D, 5.00%, 7/01/43	\$ 600	\$ 697,278
Stevens Institute of Technology, Series A, 5.00%, 7/01/27	2,800	2,882,600
Stevens Institute of Technology, Series A, 5.00%, 7/01/34	2,400	2,479,656
Stockton University, Series A, 5.00%, 7/01/41	2,370	2,803,141
William Paterson University, Series C (AGC), 5.00%, 7/01/28	250	268,890
William Paterson University, Series C (AGC), 4.75%, 7/01/34	5,115	5,469,623
New Jersey Higher Education Student Assistance Authority, RB, Senior Student Loan, Series 1A, AMT:		
4.00%, 12/01/28	1,500	1,608,030
4.50%, 12/01/28	3,625	4,008,598
4.00%, 12/01/29	6,715	7,183,086
4.50%, 12/01/29	4,545	5,035,996
4.63%, 12/01/30	4,430	4,907,288
4.00%, 12/01/31	1,625	1,724,873
4.25%, 12/01/32	2,050	2,196,657
4.13%, 12/01/35	1,000	1,056,180
4.50%, 12/01/36	1,805	1,953,642
New Jersey Higher Education Student Assistance Authority, Refunding RB, Series 1, AMT:		
5.38%, 12/01/24	1,210	1,382,594
5.50%, 12/01/26	1,450	1,650,028
New Jersey Institute of Technology, RB, Series A:		
5.00%, 7/01/42	6,945	8,200,864
5.00%, 7/01/45	7,500	8,794,575
Rutgers The State University of New Jersey, Refunding RB, Series L:		
5.00%, 5/01/30	1,565	1,884,385
5.00%, 5/01/43	10,000	11,789,700
		156,537,836
Health 16.1%		
County of Camden New Jersey Improvement Authority, Refunding RB, Cooper Healthcare System, Series A, 5.00%, 2/15/33		
	2,000	2,338,820
New Jersey Health Care Facilities Financing Authority, RB:		
Meridian Health System Obligated Group, Series I (AGC), 5.00%, 7/01/38	1,390	1,485,660
Meridian Health System Obligated Group, Series II (AGC), 5.00%, 7/01/38	6,865	7,364,635
Meridian Health System Obligated Group, Series V (AGC), 5.00%, 7/01/38	4,625	4,961,607
Robert Wood Johnson University Hospital, Series A, 5.50%, 7/01/43	7,105	8,557,191
Virtua Health, Series A (AGC), 5.50%, 7/01/38	4,035	4,540,424
New Jersey Health Care Facilities Financing Authority, Refunding RB:		
AHS Hospital Corp., 5.50%, 7/01/31	4,055	4,839,886
AHS Hospital Corp., 6.00%, 7/01/41	4,180	5,078,115
Catholic Health East Issue, 5.00%, 11/15/33	1,925	2,203,933
Hackensack University Medical Center (AGC), 5.13%, 1/01/27	1,500	1,586,490
Hackensack University Medical Center (AGM), 4.63%, 1/01/30	7,795	8,456,328
Meridian Health System Obligated Group, 5.00%, 7/01/25	1,000	1,193,880
Meridian Health System Obligated Group, 5.00%, 7/01/26	3,720	4,419,211
	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
Health (continued)		
New Jersey Health Care Facilities Financing Authority, Refunding RB (continued):		
Princeton Healthcare System, 5.00%, 7/01/34	\$ 1,330	\$ 1,632,362
Princeton Healthcare System, 5.00%, 7/01/39	1,825	2,205,859
St. Barnabas Health Care System, Series A, 5.00%, 7/01/24	3,640	4,224,475
St. Barnabas Health Care System, Series A, 5.63%, 7/01/32	4,450	5,280,592
St. Barnabas Health Care System, Series A, 5.63%, 7/01/37	4,860	5,704,279

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Virtua Health, 5.00%, 7/01/28	3,000	3,597,300
Virtua Health, 5.00%, 7/01/29	715	851,665
		80,522,712
Housing 6.5%		
New Jersey Housing & Mortgage Finance Agency, RB:		
Capital Fund Program, Series A (AGM), 5.00%, 5/01/27	6,770	7,065,172
M/F Housing, Series A, 4.55%, 11/01/43	4,710	5,022,179
M/F Housing, Series A, AMT (NPFGC), 4.85%, 11/01/39	1,335	1,348,670
S/F Housing, Series AA, 6.50%, 10/01/38	310	320,856
S/F Housing, Series B, 4.50%, 10/01/30	9,455	10,294,982
New Jersey Housing & Mortgage Finance Agency, Refunding RB, AMT:		
M/F Housing, Series 2, 4.60%, 11/01/38	3,120	3,365,731
M/F Housing, Series 2, 4.75%, 11/01/46	3,795	4,085,773
S/F Housing, Series T, 4.70%, 10/01/37	655	661,413
		32,164,776
State 25.2%		
Garden State Preservation Trust, RB, CAB, Series B (AGM) (b):		
0.00%, 11/01/23	15,725	13,587,972
0.00%, 11/01/25	10,000	8,170,500
Garden State Preservation Trust, Refunding RB, Series C (AGM):		
5.25%, 11/01/20	5,000	5,835,250
5.25%, 11/01/21	7,705	9,192,604
New Jersey EDA, RB:		
CAB, Motor Vehicle Surcharge, Series A (NPFGC), 0.00%, 7/01/21 (b)	2,325	2,105,474
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/24	1,785	2,135,788
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/25	5,000	6,053,450
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/26	7,500	9,154,875
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33	18,105	18,303,069
School Facilities Construction (AGC), 6.00%, 12/15/18 (a)	3,960	4,458,287
School Facilities Construction (AGC), 6.00%, 12/15/34	40	44,772
School Facilities Construction, Series KK, 5.00%, 3/01/38	325	355,056
School Facilities Construction, Series U, 5.00%, 9/01/17 (a)	2,810	2,947,971
School Facilities Construction, Series U (AMBAC), 5.00%, 9/01/17 (a)	1,070	1,122,537
School Facilities Construction, Series Y, 5.00%, 9/01/18 (a)	1,000	1,090,320
Series WW, 5.25%, 6/15/33	380	432,843
Series WW, 5.00%, 6/15/34	5,500	6,142,455
Series WW, 5.00%, 6/15/36	3,115	3,468,802

See Notes to Financial Statements.

Schedule of Investments (continued)

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

	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
State (continued)		
New Jersey EDA, RB (continued):		
Series WW, 5.25%, 6/15/40	\$ 8,375	\$ 9,505,290
New Jersey EDA, Refunding RB:		
Cigarette Tax, 5.00%, 6/15/24	5,000	5,629,450
Cigarette Tax, 5.00%, 6/15/26	1,250	1,394,588
Cigarette Tax, 5.00%, 6/15/28	2,430	2,689,159
Cigarette Tax, 5.00%, 6/15/29	3,195	3,524,564
School Facilities Construction, Series N-1 (NPFGC), 5.50%, 9/01/27	1,000	1,257,630
School Facilities Construction, Series NN, 5.00%, 3/01/29	5,000	5,538,050
State of New Jersey, COP, Equipment Lease Purchase, Series A, 5.25%, 6/15/27	1,580	1,729,373
		125,870,129
Transportation 25.9%		
Delaware River Port Authority, RB:		
5.00%, 1/01/29	2,000	2,436,560
5.00%, 1/01/37	8,830	10,501,077
Series D, 5.05%, 1/01/35	1,430	1,615,071
Series D (AGM), 5.00%, 1/01/40	5,200	5,867,992
New Brunswick New Jersey Parking Authority, Refunding RB, City Guaranteed, Series A (BAM), 5.00%, 9/01/39	1,520	1,861,529
New Jersey EDA, RB, The Goethals Bridge Replacement Project, Private Activity Bond, AMT:		
5.13%, 1/01/34	2,290	2,667,896
5.38%, 1/01/43	7,730	8,993,546
New Jersey State Turnpike Authority, RB:		
Growth & Income Securities, Series B (AMBAC), 5.15%, 1/01/17 (a)	8,620	8,790,676
Series E, 5.00%, 1/01/45	8,000	9,503,600
New Jersey State Turnpike Authority, Refunding RB:		
Series A (AGM), 5.25%, 1/01/29	4,000	5,413,080
Series A (AGM), 5.25%, 1/01/30	4,000	5,455,800
Series A (BHAC), 5.25%, 1/01/29	500	677,950
New Jersey Transportation Trust Fund Authority, RB:		
CAB, Transportation System, Series A, 0.00%, 12/15/35 (b)	6,000	2,666,100
CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/36 (b)	7,210	3,223,302
CAB, Transportation System, Series C (AGM), 0.00%, 12/15/32 (b)	8,800	4,858,568
CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/35 (b)	4,160	1,949,459
Transportation Program, Series AA, 5.00%, 6/15/33	3,000	3,287,130
Transportation Program, Series AA, 5.25%, 6/15/33	5,690	6,374,962
Transportation Program, Series AA, 5.25%, 6/15/34	1,305	1,480,549
Transportation Program, Series AA, 5.00%, 6/15/38	2,340	2,596,768
Transportation System, Series A, 6.00%, 6/15/35	6,365	7,397,721
Transportation System, Series A (AGC), 5.63%, 12/15/28	2,780	3,097,504
Transportation System, Series A (NPFGC), 5.75%, 6/15/24	1,205	1,483,777
Transportation System, Series B, 5.25%, 6/15/36	2,500	2,765,350
Transportation System, Series D, 5.00%, 6/15/32	3,300	3,720,453
Port Authority of New York & New Jersey, ARB:		
Consolidated, 93rd Series, 6.13%, 6/01/94	1,000	1,302,110
	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
Transportation (continued)		
Port Authority of New York & New Jersey, ARB (continued):		
Special Project, JFK International Air Terminal LLC Project, Series 6, AMT (NPFGC), 5.75%, 12/01/25	\$ 3,000	\$ 3,059,910
Special Project, JFK International Air Terminal LLC Project, Series 8, 6.00%, 12/01/42	4,000	4,705,400
Port Authority of New York & New Jersey, Refunding ARB, AMT:		
178th Series, 5.00%, 12/01/33	4,005	4,737,194

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Consolidated, 152nd Series, 5.75%, 11/01/30	6,000	6,506,400
		128,997,434
Utilities 5.1%		
County of Essex New Jersey Utilities Authority, Refunding RB, (AGC), 4.13%, 4/01/22	2,000	2,153,380
North Hudson New Jersey Sewerage Authority, Refunding RB, Series A (NPFGC), 5.13%, 8/01/20 (c)	6,045	7,070,957
Rahway Valley Sewerage Authority, RB, CAB, Series A (NPFGC) (b):		
0.00%, 9/01/26	4,100	3,218,664
0.00%, 9/01/28	6,600	4,852,782
0.00%, 9/01/29	9,650	6,866,650
0.00%, 9/01/33	2,350	1,491,052
		25,653,485
Total Municipal Bonds in New Jersey		661,695,599
Puerto Rico 1.3%		
Health 1.3%		
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	1,784,265
6.13%, 11/15/30	4,220	4,468,474
Total Municipal Bonds in Puerto Rico		6,252,739
Total Municipal Bonds 133.9%		667,948,338
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
New Jersey 20.8%		
County/City/Special District/School District 3.9%		
County of Union New Jersey Utilities Authority, Refunding LRB, Resource Recovery Facility, Covanta Union, Inc., Series A, AMT, 5.25%, 12/01/31	17,300	19,506,615
Education 1.1%		
Rutgers The State University of New Jersey, RB, Series F, 5.00%, 5/01/19 (a)	4,998	5,586,440
State 4.8%		
Garden State Preservation Trust, RB, Election of 2005, Series A (AGM), 5.75%, 11/01/28	12,460	16,290,827
New Jersey EDA, Refunding RB, Series NN, School Facilities Construction, 5.00%, 3/01/29 (e)	6,698	7,418,959
		23,709,786

See Notes to Financial Statements.

Schedule of Investments (continued)

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

	Par	
	(000)	Value
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
New Jersey (continued)		
Transportation 11.0%		
County of Hudson New Jersey Improvement Authority, RB, Hudson County Vocational-Technical Schools Project, 5.25%, 5/01/51	\$ 3,120	\$ 3,858,566
New Jersey State Turnpike Authority, RB, Series A, 5.00%, 1/01/38 (e)	9,300	10,901,832
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (e)	2,661	2,943,006
Port Authority of New York & New Jersey, ARB, Consolidated, 163rd Series, AMT, 5.00%, 7/15/39	15,545	17,759,002
Port Authority of New York & New Jersey, RB, Consolidated, 169th Series, AMT, 5.00%, 10/15/41	10,000	11,260,900
Port Authority of New York & New Jersey, Refunding RB, Consolidated, 152nd Series, AMT, 5.25%, 11/01/35	7,827	8,381,924
		55,105,230
Total Municipal Bonds Transferred to Tender Option Bond Trusts 20.8%		103,908,071
Total Long-Term Investments		
(Cost \$692,687,905) 154.7%		771,856,409
Short-Term Securities	Shares	Value
BlackRock Liquidity Funds, MuniCash, Institutional Class 0.26% (f)(g)	15,571,111	\$ 15,571,111
Total Short-Term Securities		
(Cost \$15,571,111) 3.1%		15,571,111
Total Investments (Cost \$708,259,016) 157.8%		787,427,520
Other Assets Less Liabilities 0.7%		3,360,842
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (11.1)%		(55,140,286)
VRDP Shares at Liquidation Value, Net of Deferred Offering Costs (47.4)%		(236,589,782)
Net Assets Applicable to Common Shares 100.0%		\$ 499,058,294

Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Zero-coupon bond.
- (c) Security is collateralized by municipal bonds or U.S. Treasury obligations.
- (d) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (e) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire between June 15, 2019 and September 1, 2020, is \$13,915,845. See Note 4 of the Notes to Financial Statements for details.
- (f)

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During the year ended July 31, 2016, investments in issuers considered to be affiliates of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliates	Shares Held at July 31, 2015	Net Activity	Shares Held at July 31, 2016	Value at July 31, 2016	Income
BlackRock Liquidity Funds, MuniCash, Institutional Class		15,571,111	15,571,111	\$ 15,571,111	\$ 3,616
BIF New Jersey Municipal Money Fund	11,186,598	(11,186,598)			611
Total				\$ 15,571,111	\$ 4,227

(g) Current yield as of period end.

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

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

Contracts	Issue	Expiration	Notional Value	Unrealized Appreciation (Depreciation)
Short				
(47)	5-Year U.S. Treasury Note	September 2016	\$ 5,734,734	\$ 1,816
(177)	10-Year U.S. Treasury Note	September 2016	\$ 23,549,297	(116,558)
(55)	Long U.S. Treasury Bond	September 2016	\$ 9,594,063	(286,562)
(5)	Ultra U.S. Treasury Bond	September 2016	\$ 952,656	(19,172)
Total				\$ (420,476)

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)**Derivative Financial Instruments Categorized by Risk Exposure**

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

	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Assets Derivative Financial Instruments							
Futures contracts					\$ 1,816		\$ 1,816
							Net unrealized appreciation ¹

Liabilities Derivative Financial Instruments

Futures contracts					\$ 422,292		\$ 422,292
							Net unrealized depreciation ¹

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

For the year ended July 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) from:							
Futures contracts					\$ (1,521,864)		\$ (1,521,864)
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ (263,796)		\$ (263,796)

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:

Average notional value of contracts short \$ 28,274,916

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

Fair Value Hierarchy as of Period End

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

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

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long Term Investments ¹		\$ 771,856,409		\$ 771,856,409
Short Term Securities	\$ 15,571,111			15,571,111

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Total	\$ 15,571,111	\$ 771,856,409	\$ 787,427,520
Derivative Financial Instruments²			
Assets:			
Interest rate contracts	\$ 1,816		\$ 1,816
Liabilities:			
Interest rate contracts	(422,292)		(422,292)
Total	\$ (420,476)		\$ (420,476)

¹ See above Schedule of Investments for values in each sector and political subdivision.

² Derivative financial instruments are futures contracts. Futures contracts 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 period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash	\$ 1,766			\$ 1,766
Cash pledged for futures contracts	511,000			511,000
Liabilities:				
TOB Trust Certificates		\$ (55,088,706)		(55,088,706)
VRDP Shares at Liquidation Value		(237,100,000)		(237,100,000)
Total	\$ 512,766	\$ (292,188,706)		\$ (291,675,940)

During the year ended July 31, 2016, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments July 31, 2016

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Alabama 4.2%		
City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC) (a):		
6.00%, 6/01/19	\$ 2,985	\$ 3,421,288
6.13%, 6/01/19	1,500	1,724,505
City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A, 5.38%, 12/01/35	350	393,099
		5,538,892
California 21.1%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38		
	1,960	2,149,336
California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42		
	1,150	1,375,837
City & County of San Francisco California Airports Commission, Refunding ARB, AMT, Series A:		
5.00%, 5/01/44	745	868,111
2nd, 5.50%, 5/01/28	720	881,885
2nd, 5.25%, 5/01/33	560	663,953
City of San Jose California, Refunding ARB, Series A-1, AMT:		
5.50%, 3/01/30	1,600	1,876,832
6.25%, 3/01/34	1,250	1,507,613
County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 7/01/41		
	1,400	1,525,972
Kern Community College District, GO, Safety, Repair & Improvement, Series C, 5.50%, 11/01/33		
	970	1,225,867
Los Angeles Community College District California, GO, Election of 2001, Series A (NPFGC), 5.00%, 8/01/17 (a)		
	1,780	1,861,310
Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/21 (a)		
	1,000	1,228,320
Riverside County Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/40		
	2,000	2,477,980
San Diego Public Facilities Financing Authority Water, Refunding RB, Series B (AGC), 5.38%, 8/01/19 (a)		
	1,020	1,163,269
State of California, GO, Various Purposes (AGC), 5.50%, 11/01/39		
	3,450	3,949,594
State of California Public Works Board, LRB, Various Capital Projects, Series I, 5.50%, 11/01/31		
	1,000	1,260,660
State of California Public Works Board, RB, Department of Corrections & Rehabilitation, Series F, 5.25%, 9/01/33		
	490	605,331
Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/40		
	370	460,713
University of California, Refunding RB, Regents of the University of California Medical Center Pooled Revenue, Series J, 5.25%, 5/15/38		
	2,235	2,717,693
		27,800,276
Colorado 2.0%		
City & County of Denver Colorado Airport System, ARB, Series A, AMT:		
5.50%, 11/15/28	500	606,025
5.50%, 11/15/30	225	271,431
5.50%, 11/15/31	270	324,891
Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/19 (a)		
	1,300	1,490,333
		2,692,680
	Par	
	(000)	Value
Municipal Bonds		
Florida 12.3%		
City of Jacksonville Florida, Refunding RB, Series A, 5.25%, 10/01/33		
	\$ 270	\$ 333,021
County of Broward Florida Airport System Revenue, ARB, Series A, AMT, 5.00%, 10/01/45		
	575	677,189
County of Hillsborough Florida Aviation Authority, Refunding ARB, Tampa International Airport, Series A, AMT, 5.50%, 10/01/29		
	1,170	1,410,201
County of Lee Florida, Refunding ARB, Series A, AMT, 5.38%, 10/01/32		
	1,000	1,160,920

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County of Lee Florida HFA, RB, S/F Housing, Multi-County Program, Series A-2, AMT (Ginnie Mae), 6.00%, 9/01/40	125	127,686
County of Manatee Florida HFA, RB, S/F Housing, Series A, AMT (Ginnie Mae, Fannie Mae & Freddie Mac), 5.90%, 9/01/40	85	86,350
County of Miami-Dade Florida, RB, Seaport:		
Series A, 6.00%, 10/01/38	1,840	2,305,667
Series A, 5.50%, 10/01/42	2,125	2,561,262
Series B, AMT, 6.00%, 10/01/26	590	746,037
Series B, AMT, 6.00%, 10/01/27	775	976,423
Series B, AMT, 6.25%, 10/01/38	310	394,522
Series B, AMT, 6.00%, 10/01/42	410	504,579
County of Miami-Dade Florida, Refunding RB:		
Seaport, Series D, AMT, 6.00%, 10/01/26	735	929,385
Water & Sewer System, Series B, 5.25%, 10/01/29	500	615,945
County of Miami-Dade Florida Aviation Revenue, Refunding ARB, Series A, AMT, 5.00%, 10/01/31	2,165	2,530,712
Reedy Creek Improvement District, GO, Series A, 5.25%, 6/01/32	710	862,352
		16,222,251
Hawaii 1.9%		
State of Hawaii, Department of Transportation, COP, AMT:		
5.25%, 8/01/25	250	303,322
5.25%, 8/01/26	810	981,639
State of Hawaii, Department of Transportation, RB, Series A, AMT, 5.00%, 7/01/45	1,000	1,173,470
		2,458,431
Illinois 19.6%		
City of Chicago Illinois, GARB, O Hare International Airport, 3rd Lien, Series A, 5.75%, 1/01/39	770	902,656
City of Chicago Illinois Midway International Airport, Refunding GARB, 2nd Lien, Series A, 5.00%, 1/01/41	1,010	1,155,046
City of Chicago Illinois O Hare International Airport, GARB, 3rd Lien, Series C, 6.50%, 1/01/41	3,680	4,478,486
City of Chicago Illinois Transit Authority, RB:		
Federal Transit Administration, Section 5309, Series A (AGC), 6.00%, 12/01/18 (a)	1,400	1,573,684
Sales Tax Receipts, 5.25%, 12/01/36	1,000	1,114,370
City of Chicago Illinois Transit Authority, Refunding RB, Federal Transit Administration, Section 5309 (AGM), 5.00%, 6/01/28	3,000	3,262,110
City of Chicago Illinois Wastewater Transmission, RB, 2nd Lien, 5.00%, 1/01/42	1,375	1,514,535
County of Cook Illinois Community College District No. 508, GO, City College of Chicago:		
5.50%, 12/01/38	1,500	1,748,535
5.25%, 12/01/43	2,700	3,095,469
Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41	1,555	1,867,741
Illinois Finance Authority, Refunding RB, Presence Health Network, Series C, 4.00%, 2/15/41 (b)	525	526,339

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

	Par	
	(000)	Value
Municipal Bonds		
Illinois (continued)		
Railsplitter Tobacco Settlement Authority, RB:		
5.50%, 6/01/23	\$ 940	\$ 1,107,273
6.00%, 6/01/28	270	323,773
State of Illinois, GO:		
5.25%, 2/01/32	1,000	1,111,150
5.50%, 7/01/33	1,500	1,686,885
5.50%, 7/01/38	280	311,968
		25,780,020
Indiana 4.0%		
Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges, Series A, AMT, 5.00%, 7/01/40	375	425,318
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC), 5.50%, 1/01/38	4,310	4,817,071
		5,242,389
Louisiana 2.0%		
City of New Orleans Louisiana Aviation Board, Refunding GARB, Restructuring (AGC):		
Series A-1, 6.00%, 1/01/23	375	419,467
Series A-2, 6.00%, 1/01/23	160	178,565
Lake Charles Harbor & Terminal District, RB, Series B, AMT (AGM), 5.50%, 1/01/29	1,000	1,221,000
Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.50%, 5/15/29	805	887,537
		2,706,569
Massachusetts 2.0%		
Massachusetts DFA, Refunding RB, Emmanuel College Issue, Series A, 4.00%, 10/01/46	860	904,789
Massachusetts HFA, Refunding RB, Series C, AMT, 5.35%, 12/01/42	1,575	1,671,374
		2,576,163
Michigan 2.6%		
City of Detroit Michigan Water Supply System, RB, 2nd Lien, Series B (AGM), 6.25%, 7/01/36	1,800	2,026,440
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a)	1,265	1,465,857
		3,492,297
Minnesota 2.5%		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC):		
6.50%, 11/15/18 (a)	460	521,378
6.50%, 11/15/38	2,540	2,842,565
		3,363,943
Mississippi 1.5%		
Mississippi Development Bank, RB, Jackson Water & Sewer System Project (AGM), 6.88%, 12/01/40	1,190	1,614,628
Mississippi State University Educational Building Corp., Refunding RB, Mississippi State University Improvement Project, 5.25%, 8/01/38	260	317,834
		1,932,462
Nevada 4.1%		
County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A (AGM), 5.25%, 7/01/39	2,375	2,670,141
County of Clark Nevada, GO, Limited Tax, 5.00%, 6/01/38	1,000	1,073,690
County of Clark Nevada Water Reclamation District, GO, Series A, 5.25%, 7/01/34	1,500	1,689,390
		5,433,221
Municipal Bonds	Par	Value

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(000)

New Jersey 5.8%		
New Jersey EDA, RB:		
Goethals Bridge Replacement Project, Private Activity Bond, AMT, 5.38%, 1/01/43	\$ 1,000	\$ 1,163,460
Goethals Bridge Replacement Project, Private Activity Bond, AMT (AGM), 5.00%, 1/01/31	530	618,070
School Facilities Construction (AGC), 6.00%, 12/15/18 (a)	980	1,103,313
School Facilities Construction (AGC), 6.00%, 12/15/34	20	22,386
New Jersey Health Care Facilities Financing Authority, RB, Virtua Health, Series A (AGC), 5.50%, 7/01/38	1,400	1,575,364
New Jersey Transportation Trust Fund Authority, RB, Transportation System:		
Series A, 5.50%, 6/15/41	1,195	1,332,449
Series AA, 5.50%, 6/15/39	1,600	1,810,736
		7,625,778
New York 5.3%		
City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, Series FF-2, 5.50%, 6/15/40		
	1,545	1,750,176
City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/29		
	2,000	2,235,780
Port Authority of New York & New Jersey, Refunding ARB, Consolidated, 166th Series, 5.25%, 7/15/36		
	2,500	2,937,150
		6,923,106
Ohio 1.4%		
State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1, 5.25%, 2/15/31		
	1,500	1,831,590
Pennsylvania 2.9%		
County of Westmoreland Pennsylvania Municipal Authority, Refunding RB (BAM), 5.00%, 8/15/38 (b)		
	535	635,082
Pennsylvania Turnpike Commission, RB:		
Series B, 5.00%, 12/01/45	1,000	1,192,340
Sub-Series A, 6.00%, 12/01/16 (a)	2,000	2,037,740
		3,865,162
South Carolina 8.9%		
County of Charleston South Carolina, RB, Special Source, 5.25%, 12/01/38		
	1,470	1,811,481
County of Charleston South Carolina Airport District, ARB, Series A, AMT:		
5.50%, 7/01/26	1,810	2,210,426
6.00%, 7/01/38	1,155	1,398,209
5.50%, 7/01/41	1,000	1,177,760
South Carolina Ports Authority, RB, AMT, 5.25%, 7/01/50	750	879,300
South Carolina State Public Service Authority, Refunding RB:		
Series C, 5.00%, 12/01/46	2,535	2,996,725
Series E, 5.25%, 12/01/55	1,000	1,209,210
		11,683,111
Texas 19.9%		
Austin Community College District Public Facility Corp., RB, Educational Facilities Project, Round Rock Campus, 5.25%, 8/01/18 (a)		
	2,250	2,458,485
City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 3/01/37		
	930	1,125,281
City of Frisco Texas ISD, GO, School Building (AGC), 5.50%, 8/15/41		
	1,210	1,372,636

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

	Par	
	(000)	Value
Municipal Bonds		
Texas (continued)		
City of Houston Texas Combined Utility System Revenue, Refunding RB, Combined 1st Lien, Series A (AGC):		
5.38%, 5/15/19 (a)	\$ 950	\$ 1,073,253
6.00%, 5/15/19 (a)	1,945	2,230,934
6.00%, 5/15/19 (a)	2,560	2,936,346
6.00%, 11/15/35	140	160,989
6.00%, 11/15/36	110	126,491
5.38%, 11/15/38	50	55,861
County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC):		
6.50%, 1/01/19 (a)	265	301,162
6.50%, 7/01/37	835	936,703
Dallas Area Rapid Transit, Refunding RB, Series A, 5.00%, 12/01/48	945	1,145,038
Dallas-Fort Worth International Airport, ARB, Joint Improvement, Series H, AMT, 5.00%, 11/01/37	980	1,114,926
Dallas-Fort Worth International Airport, Refunding ARB, Joint Revenue, Series E, AMT, 5.50%, 11/01/27	2,500	3,103,675
Lower Colorado River Authority, Refunding RB, 5.50%, 5/15/33	730	893,622
North Texas Tollway Authority, RB, Special Projects, Series A, 5.50%, 9/01/41	2,750	3,285,975
North Texas Tollway Authority, Refunding RB, 1st Tier: (AGM), 6.00%, 1/01/43	1,000	1,188,060
Series K-1 (AGC), 5.75%, 1/01/19 (a)	1,400	1,570,590
Red River Education Financing Corp., RB, Texas Christian University Project, 5.25%, 3/15/38	420	508,679
Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien, AMT, Blue Ridge Transportation Group, 5.00%, 12/31/50	540	628,517
		26,217,223
Virginia 1.2%		
City of Lexington Virginia IDA, RB, Washington & Lee University, 5.00%, 1/01/43	380	443,829
Virginia Public School Authority, RB, Fluvanna County School Financing, 6.50%, 12/01/18 (a)	1,000	1,137,190
		1,581,019
Washington 1.5%		
City of Seattle Washington Municipal Light & Power, Refunding RB, Series A, 5.25%, 2/01/36	1,000	1,169,760
State of Washington, GO, Various Purposes, Series B, 5.25%, 2/01/36	725	853,289
		2,023,049
Wisconsin 0.7%		
Wisconsin Health & Educational Facilities Authority, Refunding RB, Medical College of Wisconsin, Inc., 4.00%, 12/01/46	800	873,840
Total Municipal Bonds 127.4%		167,863,472
Municipal Bonds Transferred to Tender Option Bond Trusts (c)		
Connecticut 1.1%		
Connecticut State Health & Educational Facility Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/45	1,216	1,467,277
	Par	
Municipal Bonds Transferred to Tender Option Bond Trusts (c)		
	(000)	Value
District of Columbia 0.7%		
District of Columbia Water & Sewer Authority, Refunding RB, Senior Lien, Series A, 6.00%, 10/01/18 (a)(d)	\$ 759	\$ 847,330
Florida 2.1%		
County of Hillsborough Florida Aviation Authority, ARB, Tampa International Airport, Series A, AMT (AGC), 5.50%, 10/01/38	2,499	2,721,190

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Kentucky 0.8%		
Kentucky State Property & Building Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/27	1,002	1,108,029
Nevada 7.2%		
County of Clark Nevada Water Reclamation District, GO: Limited Tax, 6.00%, 7/01/18 (a)	2,010	2,218,336
Series B, 5.50%, 7/01/29	1,994	2,256,507
Las Vegas Valley Water District, GO, Refunding, Series C, 5.00%, 6/01/28	4,200	4,934,202
		9,409,045
New Jersey 2.1%		
New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29	1,610	1,713,737
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (d)	1,000	1,106,393
		2,820,130
New York 14.7%		
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	3,603,730
Series FF-2, 5.50%, 6/15/40	1,095	1,240,416
City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-3, 5.25%, 1/15/39	1,000	1,103,520
Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (d)	1,000	1,182,292
Metropolitan Transportation Authority, Refunding RB, Series C-1, 5.25%, 11/15/56	2,360	2,913,521
New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43	3,000	3,611,686
New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (d)	1,770	2,141,531
New York State Dormitory Authority, ERB, Personal Income Tax, Series B, 5.25%, 3/15/38	3,250	3,623,685
		19,420,381
Texas 2.2%		
City of San Antonio Texas Public Service Board, Refunding RB, Series A, 5.25%, 2/01/19 (a)(d)	2,609	2,907,443
Utah 0.8%		
City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41	1,005	1,105,522
Total Municipal Bonds Transferred to Tender Option Bond Trusts 31.7%		41,806,347
Total Long-Term Investments (Cost \$185,797,218) 159.1%		209,669,819

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

Short-Term Securities	Shares	Value
BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.26% (e)(f)	204,010	\$ 204,010
Total Short-Term Securities		
(Cost \$204,010) 0.2%		204,010
Total Investments (Cost \$186,001,228) 159.3%		209,873,829
Other Assets Less Liabilities 0.3%		338,923
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (16.7)%		(21,973,382)
VMTP Shares at Liquidation Value (42.9)%		(56,500,000)
Net Assets Applicable to Common Shares 100.0%		\$ 131,739,370

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) When-issued security.
- (c) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (d) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire between October 1, 2016 to November 15, 2019, is \$4,627,650. See Note 4 of the Notes to Financial Statements for details.
- (e) During the year ended July 31, 2016, investments in issuers considered to be affiliates of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliates	Shares Held at July 31, 2015	Net Activity	Shares Held at July 31, 2016	Value at July 31, 2016	Income
BlackRock Liquidity Funds, MuniCash, Institutional Class		204,010	\$ 204,010	\$ 204,010	\$ 748
FFI Institutional Tax-Exempt Fund	2,437,027	(2,437,027)			141
Total				\$ 204,010	\$ 889

- (f) Current yield as of period end.

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

Contracts Short	Issue	Expiration	Notional Value	Unrealized Appreciation
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				(Depreciation)
(15)	5-Year U.S. Treasury Note	September 2016	\$ 1,830,234	\$ 2,631
(25)	10-Year U.S. Treasury Note	September 2016	\$ 3,326,172	(2,963)
(9)	Long U.S. Treasury Bond	September 2016	\$ 1,569,938	(21,141)
(1)	Ultra U.S. Treasury Bond	September 2016	\$ 190,531	627
Total				\$ (20,846)

Derivative Financial Instruments Categorized by Risk Exposure

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

		Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Assets Derivative Financial Instruments								
Futures contracts	Net unrealized appreciation ¹					\$ 3,258		\$ 3,258
Liabilities Derivative Financial Instruments								
Futures contracts	Net unrealized depreciation ¹					\$ 24,104		\$ 24,104

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

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Investment Quality Fund (MFT)

For the year ended July 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) from:							
Futures contracts					\$ (430,779)		\$ (430,779)
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ (6,180)		\$ (6,180)

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:							
Average notional value of contracts short							\$ 6,677,094

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

Fair Value Hierarchy as of Period End

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

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

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 209,669,819		\$ 209,669,819
Short-Term Securities	\$ 204,010			204,010
Total	\$ 204,010	\$ 209,669,819		\$ 209,873,829
Derivative Financial Instruments²				
Assets:				
Interest rate contracts	\$ 3,258			\$ 3,258
Liabilities:				
Interest rate contracts	(24,104)			(24,104)
Total	\$ (20,846)			\$ (20,846)

¹ See above Schedule of Investments for values in each state.

² Derivative financial instruments are futures contracts. Futures contracts 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 period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

Level 1

Level 2