

BLACKROCK MUNIHOLDINGS CALIFORNIA QUALITY FUND, INC.

Form N-CSR

October 04, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT

INVESTMENT COMPANIES

Investment Company Act file number: 811-08573

Name of Fund: BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock MuniHoldings California Quality Fund, Inc., 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: 07/31/2017

Date of reporting period: 07/31/2017

Item 1 Report to Stockholders

JULY 31, 2017

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

The Markets in Review

Dear Shareholder,

In the 12 months ended July 31, 2017, risk assets, such as stocks and high-yield bonds, continued to deliver strong performance. These markets showed great resilience during a period with big surprises, including the aftermath of the U.K.'s vote to leave the European Union and the outcome of the U.S. presidential election, which brought only brief spikes in equity market volatility. These expressions of isolationism and discontent were countered by the closely watched and less surprising elections in France, the Netherlands and Australia.

Interest rates rose, which worked against high-quality assets with more interest rate sensitivity. Aside from the shortest-term Treasury bills, most U.S. Treasuries posted negative returns, as rising energy prices, modest wage increases and steady job growth led to expectations of higher inflation and anticipation of interest rate increases by the U.S. Federal Reserve (the Fed).

The global reflationary theme—rising nominal growth, wages and inflation—was the dominant driver of asset returns during the period, outweighing significant political upheavals and economic uncertainty. Reflationary expectations accelerated after the U.S. election in November 2016 and continued into the beginning of 2017, stoked by expectations that the new administration's policies would provide an extra boost to U.S. growth.

The Fed has responded to these positive developments by increasing interest rates three times in the last six months, setting expectations for additional interest rate increases and moving toward normalizing monetary policy. Divergent global monetary policy continued in earnest, as the European Central Bank and the Bank of Japan reiterated their commitments to economic stimulus despite nascent signs of sustained economic growth in both countries.

In recent months, growing skepticism about the near-term likelihood of significant U.S. tax reform and infrastructure spending has tempered enthusiasm around the refraction trade. Similarly, renewed concern about oversupply has weighed on energy prices. Nonetheless, financial markets—and to an extent the Fed—have adopted a wait-and-see approach to the economic data and potential fiscal stimulus. Although uncertainty has persisted, benign credit conditions, modest inflation and the positive outlook for economic growth have kept markets relatively tranquil.

Although economic momentum is gaining traction, the capacity for rapid global growth is restrained by structural factors, including an aging population, low productivity growth and excess savings, as well as cyclical factors, such as the Fed moving toward the normalization of monetary policy and the length of the current expansion. Tempered economic growth and high valuations across most assets have set the stage for muted returns going forward. At current valuation levels, potential equity gains will likely be closely tied to the pace of earnings growth, which has remained solid thus far in 2017.

In this environment, investors need to think globally, extend their scope across a broad array of asset classes, and be nimble as market conditions change. We encourage you to talk with your financial advisor and visit blackrock.com 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, 2017

	6-month	12-month
U.S. large cap equities (S&P 500® Index)	9.51%	16.04%

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U.S. small cap equities (Russell 2000® Index)	5.35	18.45
International equities (MSCI Europe, Australasia, Far East Index)	13.79	17.77
Emerging market equities (MSCI Emerging Markets Index)	18.98	24.84
3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index)	0.35	0.54
U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index)	2.33	(5.73)
U.S. investment grade bonds (Bloomberg Barclays U.S. Aggregate Bond Index)	2.51	(0.51)
Tax-exempt municipal bonds (S&P Municipal Bond Index)	3.40	0.36
U.S. high yield bonds (Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index)	4.57	10.94

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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Municipal Market Overview

For the Reporting Period Ended July 31, 2017

Municipal Market Conditions

Municipal bonds experienced modestly positive performance for the period as a result of vastly rising interest rates spurring from generally stronger economic data, signs of inflation pressures, Federal Reserve (Fed) monetary policy normalization, and market expectations for pro-growth fiscal policy. However, ongoing reassurance from the Fed that rates would be increased gradually and would likely remain low overall resulted in continued demand for fixed income investments. More specifically, investors favored the income, attractive relative yield, and stability of municipal bonds amid bouts of interest rate volatility (bond prices rise as rates fall) resulting from geopolitical tensions, the contentious U.S. election, and continued global central bank divergence i.e., policy easing outside the United States while the Fed slowly engages in policy tightening. During the 12 months ended July 31, 2017, municipal bond funds garnered net inflows of approximately \$593 million (based on data from the Investment Company Institute).

For the same 12-month period, total new issuance remained robust from a historical perspective at \$412 billion (above the \$397 billion issued in the prior 12-month period). A noteworthy portion of new supply during this period was attributable to refinancing activity (roughly 57%) as issuers continued to take advantage of low interest rates and a flat yield curve to reduce their borrowing costs.

S&P Municipal Bond Index
Total Returns as of July 31, 2017
6 months: 3.40%
12 months: 0.36%

A Closer Look at Yields

From July 31, 2016 to July 31, 2017, yields on AAA-rated 30-year municipal bonds increased by 62 basis points (bps) from 2.12% to 2.74%, while 10-year rates rose by 55 bps from 1.40% to 1.95% and 5-year rates increased 37 bps from 0.84% to 1.21% (as measured by Thomson Municipal Market Data). The municipal yield curve steepened over the 12-month period with the spread between 2- and 30-year maturities steepening by 20 bps.

During the same time period, on a relative basis, tax-exempt municipal bonds broadly outperformed U.S. Treasuries with the greatest outperformance experienced in the front and intermediate portions of the yield curve. The relative positive performance of municipal bonds was driven largely by a supply/demand imbalance within the municipal market as investors sought income and incremental yield in an environment where opportunities became increasingly scarce. Municipal bonds came under pressure post the November U.S. election as a result of uncertainty surrounding potential tax-reform, though growing expectation that tax reform is likely to be delayed or watered down quickly eased investor concerns. 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, 2017, and are subject to change at any time due to changes in market or economic conditions. The comments should not be construed as a recommendation of any individual holdings or market sectors. Investing involves risk including loss of principal. Bond 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 U.S. municipal bond market. All bonds in the index are exempt from U.S. federal income taxes or subject to AMT. 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 such 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 the 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), 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), then the TOB Trust is not considered a senior security and is not subject to the foregoing limitations and requirements imposed by 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 asset without owning or taking physical custody of securities, commodities and/or other referenced assets or to manage market, equity, credit, interest rate, foreign currency exchange rate, commodity and/or other risks. Derivative financial instruments may give rise to a form of economic leverage and involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or

illiquidity of the instrument. The 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, 2017

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 U.S. federal income taxes and California personal income taxes. The Fund seeks to achieve its investment objective by investing primarily in municipal obligations exempt from U.S. federal income taxes (except that the interest may be subject to the U.S. federal alternative minimum tax) and California personal 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 municipal obligations in which the Fund primarily invests are either rated investment grade quality, or are considered by the Fund s investment adviser to be of comparable 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 New York Stock Exchange (NYSE)	MUC
Initial Offering Date	February 27, 1998
Yield on Closing Market Price as of July 31, 2017 (\$14.75) ¹	5.00%
Tax Equivalent Yield ²	10.19%
Current Monthly Distribution per Common Share ³	\$0.0615
Current Annualized Distribution per Common Share ³	\$0.7380
Economic Leverage as of July 31, 2017 ⁴	41%

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 U.S. 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, 2017 were as follows:

	Returns Based On	
	Market Price	NAV
MUC ^{1,2}	(4.73)%	(1.08)%
Lipper California Municipal Debt Funds ³	(4.75)%	(0.88)%

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- ¹ All returns reflect reinvestment of dividends and/or distributions at actual reinvestment prices.
- ² The Fund's discount to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.
- ³ Average return. Returns reflect reinvestment of dividends and/or distributions at NAV on the ex-dividend date as calculated by Lipper. Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

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

The municipal bond market generated mixed returns in the 12-month reporting period. Municipal bonds initially moved lower in the third calendar quarter of 2016 due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to factor in the possibility of faster economic growth and tighter Fed policy. As optimism for meaningful fiscal reforms subsequently waned and the economy failed to experience a significant acceleration, municipal bonds stabilized and retraced the majority of their post-election losses.

California municipal bonds performed slightly better than national municipal bonds during the period. California's 2017-2018 budget demonstrated both spending restraint and growing reserves, with a forecast that projects structural balance through 2019. The state's economy has grown at a healthy rate in recent years, with median household income and job gains outpacing U.S. growth rates.

Exposure to the school district and health care sectors detracted from performance. The Fund's position in zero coupon bonds, while fairly limited, also detracted since the bonds' longer durations accentuated impact of the down market. (Duration is a measure of interest rate sensitivity.)

Reinvestment was a further drag on results, as the proceeds of higher-yielding bonds that matured or were called needed to be reinvested at materially lower prevailing rates.

Portfolio income made the most significant positive contribution during a period in which bond prices lost ground. The Fund's use of leverage, while enhancing the level of income, also exacerbated the impact of declining bond prices.

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

The Fund's exposure to pre-refunded issues benefited performance, as their low duration enabled them to hold up better than longer-duration bonds at a time of rising yields.

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

BlackRock MuniHoldings California Quality Fund, Inc.

Market Price and Net Asset Value Per Share Summary

	7/31/17	7/31/16	Change	High	Low
Market Price	\$ 14.75	\$ 16.28	(9.40)%	\$ 16.35	\$ 13.53
Net Asset Value	\$ 15.53	\$ 16.51	(5.94)%	\$ 16.54	\$ 14.92

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/17	7/31/16
County/City/Special District/School District	37%	40%
Health	18	14
Transportation	18	15
Utilities	16	19
State	5	5
Education	4	5
Corporate	2	2

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.

Call/Maturity Schedule²

Calendar Year Ended December 31,	
2017	2%
2018	12
2019	14
2020	5
2021	13

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

* Excludes short-term securities.

Credit Quality Allocation ¹	7/31/17	7/31/16
AAA/Aaa	14%	16%
AA/Aa	70	73
A	13	8
BBB/Baa	2	1
N/R	1	2

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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.

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JULY 31, 2017

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Fund Summary as of July 31, 2017

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 U.S. 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 U.S federal income taxes (except that the interest may be subject to the U.S. federal alternative minimum tax) and New Jersey personal income taxes. The municipal obligations in which the Fund primarily invests are either rated investment grade quality, or are considered by the Fund s investment adviser to be of comparable quality, at the time of investment. 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, 2017 (\$14.88) ¹	5.44%
Tax Equivalent Yield ²	10.56%
Current Monthly Distribution per Common Share ³	\$0.0675
Current Annualized Distribution per Common Share ³	\$0.8100
Economic Leverage as of July 31, 2017 ⁴	39%

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 U.S. 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, 2017 were as follows:

	Returns Based On	
	Market Price	NAV
MUJ ^{1,2}	(2.44)%	(0.57)%
Lipper New Jersey Municipal Debt Funds ³	(4.61)%	(0.95)%

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- ¹ All returns reflect reinvestment of dividends and/or distributions at actual reinvestment prices.
- ² The Fund's discount to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.
- ³ Average return. Returns reflect reinvestment of dividends and/or distributions at NAV on the ex-dividend date as calculated by Lipper. Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

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

The municipal bond market generated mixed returns in the 12-month reporting period. Municipal bonds initially moved lower in the third calendar quarter of 2016 due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to factor in the possibility of faster economic growth and tighter Fed policy. As optimism for meaningful fiscal reforms subsequently waned and the economy failed to experience a significant acceleration, municipal bonds stabilized and retraced the majority of their post-election losses.

New Jersey state general obligations and appropriated issues underperformed the broader national market, as the major rating agencies downgraded the state's credit rating over the past year.

The Fund's position in zero coupon bonds, while fairly limited, detracted since the bonds' longer durations accentuated impact of the down market. (Duration is a measure of interest rate sensitivity.)

Reinvestment was a further drag on results, as the proceeds of higher-yielding bonds that matured or were called needed to be reinvested at materially lower prevailing rates.

Portfolio income made the most significant positive contribution during a period in which bond prices lost ground. The Fund's use of leverage, while enhancing the level of income, also exacerbated the impact of declining bond prices.

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

The Fund's exposure to pre-refunded issues benefited performance, as their low duration enabled them to hold up better than longer-duration bonds at a time of rising yields. Positions in the transportation and housing sectors also contributed to performance. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

BlackRock MuniHoldings New Jersey Quality Fund, Inc.

Market Price and Net Asset Value Per Share Summary

	7/31/17	7/31/16	Change	High	Low
Market Price	\$ 14.88	\$ 16.12	(7.69)%	\$ 16.25	\$ 13.60
Net Asset Value	\$ 15.57	\$ 16.55	(5.92)%	\$ 16.57	\$ 14.88

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/17	7/31/16
Transportation	27%	24%
Education	20	21
State	19	20
County/City/Special District/School District	14	15
Health	12	11
Housing	4	4
Utilities	2	3
Corporate	2	2

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.

Call/Maturity Schedule²

Calendar Year Ended December 31,	
2017	5%
2018	9
2019	4
2020	8
2021	16

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

* Excludes short-term securities.

Credit Quality Allocation ¹	7/31/17	7/31/16
AAA/Aaa	8%	
AA/Aa	43	57%
A	31	35

BBB/Baa

18

8

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.

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JULY 31, 2017

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Fund Summary as of July 31, 2017

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 U.S. 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 U.S. federal income taxes (except that the interest may be subject to the U.S. federal alternative minimum tax). Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality, or are considered by the Fund's investment adviser to be of comparable 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, 2017 (\$14.67) ¹	5.48%
Tax Equivalent Yield ²	9.68%
Current Monthly Distribution per Common Share ³	\$0.0670
Current Annualized Distribution per Common Share ³	\$0.8040
Economic Leverage as of July 31, 2017 ⁴	40%

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 U.S. federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

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, 2017 were as follows:

	Returns Based On	
	Market Price	NAV
MFT ^{1,2}	(3.39)%	(0.51)%
Lipper General & Insured Municipal Debt Funds (Leveraged) ³	(1.54)%	(0.78)%

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

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

³ Average return. Returns reflect reinvestment of dividends and/or distributions at NAV on the ex-dividend date as calculated by Lipper. Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

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

The municipal bond market generated mixed returns in the 12-month reporting period. Municipal bonds initially moved lower in the third calendar quarter of 2016 due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to factor in the possibility of faster economic growth and tighter Fed policy. As optimism for meaningful fiscal reforms subsequently waned and the economy failed to experience a significant acceleration, municipal bonds stabilized and retraced the majority of their post-election losses.

Positions in intermediate- and longer-dated maturities declined the most in value, as they typically have longer durations relative to shorter maturities. (Duration is a measure of interest rate sensitivity.) In addition, the Fund's exposure to 4% coupon bonds detracted given that lower coupons typically underperform in a rising-rate environment.

The Fund's positions in high-quality, short-duration pre-refunded securities contributed positively to performance. At a time of rising yields, pre-refunded securities performed well relative to longer-duration issues due in part to their higher coupon income. However, positions in A-rated bonds generally lagged both their higher- and lower-rated counterparts.

Allocations to transportation and tax-backed (local) issues made the largest contributions to performance at the sector level, while positions in utilities and tax-backed (state) districts detracted.

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

While the Fund's use of leverage enhanced portfolio income, the benefits of this strategy were somewhat reduced given the modest rise in funding costs associated with less accommodative central bank monetary policy. In addition, leverage exacerbated the impact of declining bond prices.

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

	7/31/17	7/31/16	Change	High	Low
Market Price	\$ 14.67	\$ 16.09	(8.83)%	\$ 16.43	\$ 13.23
Net Asset Value	\$ 14.60	\$ 15.55	(6.11)%	\$ 15.55	\$ 14.10

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/17	7/31/16
Transportation	39%	40%
County/City/Special District/School District	17	15
Utilities	17	19
Health	11	10
State	7	9
Education	4	3
Housing	3	2
Tobacco	1	1
Corporate	1	1

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.

Call/Maturity Schedule²

Calendar Year Ended December 31,	
2017	3
2018	10%
2019	24
2020	4
2021	20

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

³ Represents less than 1% of the Fund's total investments.

* Excludes short-term securities.

Credit Quality Allocation ¹	7/31/17	7/31/16
AAA/Aaa	7%	6%

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AA/Aa	59	62
A	22	25
BBB/Baa	11	7
N/R	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.

Fund Summary as of July 31, 2017

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 U.S. 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 U.S. federal income taxes (except that the interest may be subject to the U.S. 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, or are considered by the Fund s investment adviser to be of comparable 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	MIY
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2017 (\$14.19) ¹	5.41%
Tax Equivalent Yield ²	9.98%
Current Monthly Distribution per Common Share ³	\$0.0640
Current Annualized Distribution per Common Share ³	\$0.7680
Economic Leverage as of July 31, 2017 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 U.S. 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, 2017 were as follows:

	Returns Based On	
	Market Price	NAV
MIY ^{1,2}	(2.56)%	(0.07)%
Lipper Other States Municipal Debt Funds ³	(3.77)%	(1.21)%

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

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

³ Average return. Returns reflect reinvestment of dividends and/or distributions at NAV on the ex-dividend date as calculated by Lipper. Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

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

The municipal bond market generated mixed returns in the 12-month reporting period. Municipal bonds initially moved lower in the third calendar quarter of 2016 due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to factor in the possibility of faster economic growth and tighter Fed policy. As optimism for meaningful fiscal reforms subsequently waned and the economy failed to experience a significant acceleration, municipal bonds stabilized and retraced the majority of their post-election losses.

Michigan municipal bonds solidly outperformed national municipals during the period. Michigan's overall financial prospects exhibited positive trends. For example, the state's unemployment rate fell below the national average in June after having trailed behind for several years, and it now stands at its lowest level since 2000. New issuance in the state was quite low, which was beneficial from a performance aspect. However, it also meant fewer investment opportunities.

The Fund's exposure to the longer end of the yield curve detracted as longer-term bonds sold off more than the shorter-term issues. Positions in lower coupon securities also generally detracted from performance due to their longer duration characteristics. (Duration is a measure of interest rate sensitivity.)

Portfolio income made the most significant positive contribution to performance during a time in which bond prices lost ground. The Fund's use of leverage, while enhancing income, also exacerbated the impact of declining bond prices.

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

The Fund's exposure to the education sector was a positive contributor, as these holdings outperformed. Additionally, exposure to the pre-refunded sector was beneficial as these high-quality, short-duration securities outperformed at a time of rising yields. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

BlackRock MuniYield Michigan Quality Fund, Inc.

Market Price and Net Asset Value Per Share Summary

	7/31/17	7/31/16	Change	High	Low
Market Price	\$ 14.19	\$ 15.38	(7.74)%	\$ 15.40	\$ 13.17
Net Asset Value	\$ 15.48	\$ 16.36	(5.38)%	\$ 16.36	\$ 14.82

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/17	7/31/16
Health	26%	25%
Education	24	23
County/City/Special District/School District	17	19
State	11	9
Utilities	10	10
Transportation	7	7
Housing	3	4
Corporate	2	3

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.

Call/Maturity Schedule³

Calendar Year Ended December 31,	
2017	2%
2018	12
2019	5
2020	4
2021	17

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

* Excludes short-term securities.

Credit Quality Allocation ¹	7/31/17	7/31/16
AAA/Aaa	5%	3%
AA/Aa	64	69
A	26	26
BBB/Baa	3	1
N/R	2 ²	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.
- ² The investment adviser evaluates the credit quality of not-rated 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, 2017, the market value of unrated securities deemed by the investment adviser to be investment grade represents 1% of the Fund's total investments.

Fund Summary as of July 31, 2017

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 U.S. 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 U.S. federal income taxes (except that the interest may be subject to the U.S. 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, or are considered by the Fund s investment adviser to be of comparable 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, 2017 (\$14.69) ¹	5.09%
Tax Equivalent Yield ²	9.28%
Current Monthly Distribution per Common Share ³	\$0.0623
Current Annualized Distribution per Common Share ³	\$0.7476
Economic Leverage as of July 31, 2017 ⁴	40%

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 U.S. 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, 2017 were as follows:

	Returns Based On	
	Market Price	NAV
MPA ^{1,2}	(3.83)%	(1.20)%
Lipper Pennsylvania Municipal Debt Funds ³	(6.23)%	(1.13)%

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- ¹ All returns reflect reinvestment of dividends and/or distributions at actual reinvestment prices.
- ² The Fund's discount to NAV widened during the period, which accounts for the difference between performance based on price and performance based on NAV.
- ³ Average return. Returns reflect reinvestment of dividends and/or distributions at NAV on the ex-dividend date as calculated by Lipper. Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

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

The municipal bond market generated mixed returns in the 12-month reporting period. Municipal bonds initially moved lower in the third calendar quarter of 2016 due to a pick-up in new tax-exempt issuance and rising yields in the U.S. Treasury market. (Prices and yields move in opposite directions.) The weakness accelerated in November once Donald Trump's election victory caused investors to factor in the possibility of faster economic growth and tighter Fed policy. As optimism for meaningful fiscal reforms subsequently waned and the economy failed to experience a significant acceleration, municipal bonds stabilized and retraced the majority of their post-election losses.

Pennsylvania's economic growth remained below the national rate, continuing a trend that has been in place since the 2008-2009 recession. In addition, the rating agency Standard & Poor's placed the state on Credit Watch Negative for its failure to pass a balanced budget. While the state does have the ability to raise taxes, lawmakers instead have relied on optimistic revenue assumptions, leading to budget gaps. Despite these issues, Pennsylvania's municipal market outpaced the broader national indices behind a positive balance of low new-issue supply and robust investor demand.

At the sector level, education was the largest detractor from performance. Holdings in the corporate municipal sector also detracted, as a specific issuer received a multi-notch downgrade due to its deteriorating credit fundamentals.

The Fund's position in zero coupon bonds, while fairly limited, detracted since the bonds' longer durations accentuated impact of the down market. (Duration is a measure of interest rate sensitivity.)

Reinvestment was a further drag on results, as the proceeds of higher-yielding bonds that matured or were called needed to be reinvested at materially lower prevailing rates.

Portfolio income made the most significant positive contribution during a period in which bond prices lost ground. The Fund's use of leverage, while enhancing the level of income, also exacerbated the impact of declining bond prices.

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

The Fund's exposure to pre-refunded issues benefited performance, as their low duration enabled them to hold up better than longer-duration bonds at a time of rising yields.

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

BlackRock MuniYield Pennsylvania Quality Fund

Market Price and Net Asset Value Per Share Summary

	7/31/17	7/31/16	Change	High	Low
Market Price	\$ 14.69	\$ 16.07	(8.59)%	\$ 16.66	\$ 13.75
Net Asset Value	\$ 15.74	\$ 16.76	(6.09)%	\$ 16.77	\$ 14.94

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

Overview of the Fund's Total Investments*

Sector Allocation	7/31/17	7/31/16
Education	22%	20%
Health	20	20
County/City/Special District/School District	19	20
State	13	13
Transportation	12	12
Housing	7	7
Utilities	5	6
Corporate	2	2

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.

Call/Maturity Schedule⁴

Calendar Year Ended December 31,	
2017	3%
2018	10
2019	11
2020	7
2021	14

⁴ Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

* Excludes short-term securities.

Credit Quality Allocation ¹	7/31/17	7/31/16
AAA/Aaa	1%	1%
AA/Aa	62	62
A	27	23

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BBB/Baa	8	6
BB/Ba	²	2
N/R	2	6 ³

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 Represents less than 1% of the Fund's total investments.

³ 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, the market value of unrated securities deemed by the investment adviser to be investment grade represents 2% of the Fund's total investments.

Schedule of Investments July 31, 2017

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
California 107.5%		
Corporate 2.7%		
California Pollution Control Financing Authority, Refunding RB, Waste Management, Inc., AMT:		
Series A-1, 3.38%, 7/01/25	\$ 5,000	\$ 5,262,750
Series B-1, 3.00%, 11/01/25	9,000	9,298,710
City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34	2,435	2,632,040
		17,193,500
County/City/Special District/School District 33.7%		
California Municipal Finance Authority, RB, Orange County Civic Center Infrastructure Improvement Program Phase I, 5.00%, 6/01/42	4,445	5,201,139
Centinela Valley Union High School District, GO, Election of 2010, Series A, 5.75%, 8/01/21 (a)	9,120	10,775,736
Chaffey Joint Union High School District, GO, CAB, Election of 2012, Series C (b):		
0.00%, 8/01/32	250	143,880
0.00%, 8/01/33	500	271,795
0.00%, 8/01/34	510	264,945
0.00%, 8/01/35	545	269,421
0.00%, 8/01/36	500	235,575
0.00%, 8/01/37	650	291,922
0.00%, 8/01/38	625	268,281
0.00%, 8/01/39	750	307,763
0.00%, 8/01/40	1,855	728,013
0.00%, 8/01/41	305	114,253
0.00%, 2/01/42	350	127,803
County of Alameda Joint Powers Authority, Refunding RB, (AGM), 5.00%, 12/01/17 (a)	12,180	12,352,469
County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 2/01/19 (a)	3,500	3,766,805
County of Los Angeles California Public Works Financing Authority, Refunding RB, Series D, 5.00%, 12/01/45	1,430	1,650,835
County of Orange California Sanitation District, COP, Series A, 5.00%, 2/01/19 (a)	2,500	2,653,400
County of San Joaquin California Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/21 (a)	2,665	3,123,646
County of Ventura California Community College District, GO, Election of 2002, Series C, 5.50%, 8/01/18 (a)	4,000	4,184,120
Culver City Redevelopment Finance Authority California, Refunding, Tax Allocation Bonds, Series A (AGM), 5.60%, 11/01/25	3,750	3,762,750
Denair California Unified School District, GO, CAB (AGM), Election of 2007, 0.00%, 8/01/41 (b)	4,260	1,589,576
Foothill-De Anza Community College District, GO, Refunding, 4.00%, 8/01/40	7,900	8,461,058
	Par (000)	Value
Municipal Bonds		
California (continued)		
County/City/Special District/School District (continued)		
Fremont Union High School District, GO, Refunding, 4.00%, 8/01/40	\$ 2,500	\$ 2,655,175
Garden Grove Unified School District, GO, Election of 2010, Series C, 5.25%, 8/01/40	5,500	6,461,730
Gavilan Joint Community College District, GO, Election of 2004, Series D:		
5.50%, 8/01/31	2,170	2,514,704
5.75%, 8/01/35	8,400	9,674,196
Grossmont California Healthcare District, GO, Election of 2006, Series B, 6.13%, 7/15/21 (a)	2,000	2,389,340
Imperial Irrigation District, Series A, Electric System Revenue (a):		
5.13%, 11/01/18	6,530	6,879,616
5.13%, 11/01/18	1,470	1,548,704
Kern Community College District, GO, Safety Repair & Improvements, Series C:		
5.25%, 11/01/32	5,715	6,797,250
5.75%, 11/01/34	12,085	14,735,966
Los Alamitos Unified School District, GO, Refunding, School Facilities Improvement:		
5.25%, 8/01/23 (a)	2,185	2,680,099

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5.25%, 8/01/39	1,515	1,780,852
Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35	11,000	12,144,330
Mount San Jacinto Community College District, GO, Series A, 5.00%, 8/01/35	3,565	4,151,407
Oxnard Union High School District, GO, Refunding, Election of 2004, Series A (AGM), 5.00%, 8/01/35	10,000	10,966,100
Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33	5,000	5,195,950
Rio Elementary School District, GO, Series A (AGM), 5.25%, 8/01/40	5,865	6,879,352
Riverside County Public Financing Authority, Tax Allocation Bonds, Series A (BAM), 4.00%, 10/01/40	2,545	2,655,198
San Diego Regional Building Authority, RB, County Operations Center & Annex, Series A, 5.50%, 2/01/19 (a)	905	967,264
San Francisco Bay Area Rapid Transit District, GO, Election of 2016, Green Bonds, Series A, 4.00%, 8/01/42	11,585	12,444,723
San Jose California Financing Authority, LRB, Convention Center Expansion & Renovation Project, Series A:		
5.75%, 5/01/36	2,560	2,567,424
5.75%, 5/01/42	4,500	5,157,540
San Jose California Financing Authority, Refunding LRB, Civic Center Project, Series A, 5.00%, 6/01/39	5,800	6,609,332

Portfolio Abbreviations

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

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)		
San Marcos Redevelopment Agency Successor Agency, Refunding, Tax Allocation Bonds, Series A:		
5.00%, 10/01/32	\$ 1,700	\$ 1,986,144
5.00%, 10/01/33	1,125	1,308,983
Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/19 (a)	5,635	6,197,767
Solano County Community College District, GO, Election of 2012, Series C, 5.25%, 8/01/42	1,150	1,407,761
West Contra Costa California Unified School District, GO: Election of 2010, Series A (AGM), 5.25%, 8/01/41	5,390	6,166,807
Election of 2010, Series B, 5.50%, 8/01/39	3,195	3,806,363
Election of 2012, Series A, 5.50%, 8/01/39	2,500	2,978,375
Yuba Community College District, GO, BAM, Election of 2006, Series C, 0.00%, 8/01/38 (b)	5,150	2,326,512
		214,580,149
Education 1.7%		
California Municipal Finance Authority, RB, Emerson College, 6.00%, 1/01/42	2,750	3,148,805
California Municipal Finance Authority, Refunding RB, Biola University: 5.00%, 10/01/37	500	574,750
5.00%, 10/01/39	500	572,885
University of California, Refunding RB, Series AO, 5.00%, 5/15/40	5,430	6,322,529
		10,618,969
Health 15.0%		
ABAG Finance Authority for Nonprofit Corps., Refunding RB, Sharp Healthcare, Series B, 6.25%, 8/01/39	6,305	6,928,438
California Health Facilities Financing Authority, RB: Children s Hospital, Series A, 5.25%, 11/01/41	8,000	8,946,640
Providence Health Services, Series B, 5.50%, 10/01/39	4,130	4,477,085
Sutter Health, Series B, 6.00%, 8/15/42	9,655	10,984,204
California Health Facilities Financing Authority, Refunding RB, Series A: Dignity Health, 6.00%, 7/01/19 (a)	3,700	4,054,016
Providence Health and Services, 5.00%, 10/01/38	10,970	12,634,478
St. Joseph Health System, 5.00%, 7/01/37	10,000	11,355,100
California Municipal Finance Authority, Refunding RB, Series A: Community Medical Centers, 5.00%, 2/01/32	1,510	1,736,485
Community Medical Centers, 5.00%, 2/01/37	3,110	3,532,711
Community Medical Centers, 5.00%, 2/01/42	5,250	5,918,010
Eisenhower Medical Center, 5.00%, 7/01/42	6,370	7,164,594
Eisenhower Medical Center, 5.00%, 7/01/47	5,500	6,151,090
California Statewide Communities Development Authority, Refunding RB: CHF-Irvine LLC, 5.00%, 5/15/40	750	840,473
John Muir Health, Series A, 5.00%, 8/15/51	1,635	1,846,389
Trinity Health Credit Group Composite Issue, 5.00%, 12/01/41	6,235	6,982,764
Washington Township Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/38	1,625	1,986,481
		95,538,958
Municipal Bonds		
California (continued)		
State 8.4%		
State of California, GO, Refunding, 5.00%, 8/01/30	\$ 5,000	\$ 6,095,450
State of California, GO: Various Purposes, 6.00%, 3/01/33	5,000	5,623,900
Various Purposes, 6.00%, 4/01/38	27,765	30,002,859
Refunding, Veterans Bond, 4.00%, 12/01/40	4,000	4,186,240
State of California Public Works Board, LRB: Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34	3,670	3,996,043
Various Capital Projects, Series I, 5.50%, 11/01/33	2,015	2,411,632
	1,205	1,403,114

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State of California Public Works Board, RB, California State Prisons, Series C,
5.75%, 10/01/31

	53,719,238
Transportation 26.9%	
Alameda Corridor Transportation Authority, Refunding RB, 2nd Subordinate Lien, Series B, 5.00%, 10/01/35	1,500 1,711,695
Bay Area Toll Authority, Refunding RB, San Francisco Bay Area Toll Bridge, Series D, 1.46%, 4/01/45 (c)	5,000 5,018,200
City & County of San Francisco California Airports Commission, ARB, Series E, 6.00%, 5/01/39	9,650 10,485,497
City & County of San Francisco California Airports Commission, Refunding ARB, AMT: 2nd Series 34E (AGM), 5.75%, 5/01/22	4,950 5,130,378
2nd Series A, 5.00%, 5/01/29	6,435 7,379,980
City & County of San Francisco California Airports Commission, Refunding RB, AMT (AGM):	
2nd Series 32, 5.75%, 5/01/18 (a)	2,290 2,372,394
2nd Series 34, 5.75%, 5/01/18 (a)	1,870 1,937,283
2nd Series 34E, 5.75%, 5/01/24	840 870,475
City of Long Beach California Harbor Revenue, Refunding RB, Series C, 5.00%, 5/15/47	5,600 6,574,848
City of Los Angeles California Department of Airports, ARB: AMT, Senior Series A, 5.00%, 5/15/40	3,830 4,355,514
Los Angeles International Airport, Senior Series D, 5.25%, 5/15/29	2,590 2,890,181
Series D, AMT, 5.00%, 5/15/35	2,000 2,295,360
Series D, AMT, 5.00%, 5/15/36	1,500 1,718,145
City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Series A:	
Senior, 5.00%, 5/15/40	3,000 3,300,330
5.25%, 5/15/39	5,845 6,271,100
City of Los Angeles California Department of Airports, Sub-Series A, AMT, 5.00%, 5/15/47	2,440 2,806,488
City of San Jose California, Refunding ARB, Norman Y Mineta San Jose International Airport SJC, AMT:	
Series A, 5.00%, 3/01/41	3,075 3,539,602
Series A-1, 5.25%, 3/01/23	3,785 4,270,615
Series A-1, 6.25%, 3/01/34	1,400 1,633,030
County of Sacramento California, Refunding ARB, Senior Series A, 5.00%, 7/01/41	2,500 2,880,125
County of Sacramento California, ARB:	
Senior Series A (AGC), 5.50%, 7/01/18 (a)	8,200 8,548,910
Senior Series B, 5.75%, 7/01/39	2,650 2,760,929
Senior Series B, AMT (AGM), 5.75%, 7/01/28	13,275 13,850,073
Senior Series B, AMT (AGM), 5.25%, 7/01/33	18,000 18,654,840
Senior Series B, AMT (AGM), 5.25%, 7/01/39	4,995 5,152,992

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

	Par (000)	Value
Municipal Bonds		
California (continued)		
Transportation (continued)		
County of Sacramento California Airport System Revenue, Refunding ARB, Airport System Subordinate Revenue, Sub-Series B, 5.00%, 7/01/41	\$ 1,250	\$ 1,440,063
County of San Bernardino California Transportation Authority, RB, Series A, 5.25%, 3/01/40	4,545	5,320,332
County of San Diego Regional Airport Authority, RB, Subordinate, Series B, AMT (d):		
5.00%, 7/01/42	7,015	8,099,379
5.00%, 7/01/47	3,750	4,309,012
Norman Y Mineta San Jose International Airport SJC, Refunding ARB, Series A, AMT,		
5.00%, 3/01/47	11,770	13,475,002
Port of Los Angeles California Harbor Department, RB, Series B, 5.25%, 8/01/19 (a)	5,530	6,006,299
Port of Los Angeles California Harbor Department, Refunding RB, Series A, AMT, 5.00%, 8/01/44	500	558,370
San Francisco Municipal Transportation Agency, RB, 4.00%, 3/01/46	5,000	5,310,800
		170,928,241
Utilities 19.1%		
Anaheim Public Financing Authority, RB, Electric System Distribution Facilities, Series A, 5.38%, 10/01/36	2,200	2,493,524
City of Los Angeles California Department of Water & Power, RB, Series A:		
5.38%, 7/01/38	9,375	9,940,875
5.00%, 7/01/41	1,705	1,991,457
City of Los Angeles California Department of Water & Power, Refunding RB, Water System, Series A:		
5.25%, 7/01/39	16,000	18,191,520
5.00%, 7/01/46	5,845	6,788,851
City of Los Angeles California Wastewater System Revenue, Refunding RB, Sub-Series A:		
5.00%, 6/01/20 (a)	1,325	1,472,155
5.00%, 6/01/28	675	747,475
City of San Francisco California Public Utilities Commission Water Revenue, RB:		
Series A, 5.00%, 11/01/39	5,245	6,023,987
Series B, 5.00%, 11/01/19 (a)	10,000	10,904,000
County of Kern California Water Agency Improvement District No. 4, Refunding RB, Series A (AGM):		
4.00%, 5/01/35	1,460	1,539,336
4.00%, 5/01/36	1,430	1,502,143
County of Los Angeles Sanitation Districts Financing Authority, RB, Series A, 4.00%, 10/01/42	4,935	5,190,189
County of Sacramento California Sanitation Districts Financing Authority, RB, (NPFGC), 5.00%, 12/01/36	1,010	1,027,412
Dublin-San Ramon Services District Water Revenue, Refunding RB, 6.00%, 8/01/41	4,000	4,635,600
Eastern Municipal Water District, COP, Series H, 5.00%, 7/01/18 (a)	2,505	2,599,464
El Dorado Irrigation District/El Dorado County Water Agency, Refunding RB, Series A (AGM), 5.25%, 3/01/39	10,000	11,692,600
Los Angeles Department of Water & Power System Revenue, RB, Power System, Series C, 5.00%, 7/01/47	2,090	2,473,766
	Par (000)	Value
Municipal Bonds		
California (continued)		
Utilities (continued)		
San Diego Public Facilities Financing Authority Sewer, Refunding RB, Senior Series A (a):		
5.25%, 5/15/19	\$ 1,060	\$ 1,141,726
5.25%, 5/15/19	10,000	10,771,000
San Diego Public Facilities Financing Authority Water, Refunding RB, Series B, 5.50%, 8/01/19 (a)	8,000	8,723,600
San Juan Water District, Refunding RB, San Juan & Citrus Heights, 5.25%, 2/01/33	7,325	8,409,759
Santa Clara Valley Water District, Refunding RB, Series A, 5.00%, 6/01/46	3,000	3,499,530
		121,759,969
Total Municipal Bonds 107.5%		684,339,024

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Municipal Bonds Transferred to

Tender Option Bond Trusts (e)

California 60.7%

County/City/Special District/School District 28.0%

County of Riverside California Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/45	10,000	11,720,791
County of San Luis California Obispo Community College District, GO, Refunding, Election of 2014, Series A, 4.00%, 8/01/40	6,585	6,902,043
County of San Mateo California Community College District, GO, Series A, 5.00%, 9/01/45	17,615	20,428,102
Foothill-De Anza Community College District, GO, Series C, 5.00%, 8/01/21 (a)	40,000	46,210,000
Los Angeles Community College District California, GO (a):		
Election of 2001, Series E-1, 5.00%, 8/01/18	11,770	12,253,394
Election of 2003, Series F-1, 5.00%, 8/01/18	10,000	10,410,700
Los Angeles Community College District California, GO, Refunding, Election of 2008, Series A, 6.00%, 8/01/19 (a)	9,596	10,564,666
Palomar California Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/44	15,140	17,453,846
Sacramento Area Flood Control Agency, Refunding RB, Consolidated Capital Assessment District No. 2, Series A, 5.00%, 10/01/43	9,990	11,667,720
Southwestern Community College District, GO, Election of 2008, Series D, 5.00%, 8/01/44	10,820	12,456,958
West Valley-Mission Community College District, GO, Election of 2012, Series B, 4.00%, 8/01/40	17,000	18,151,240

178,219,460

Education 5.8%

University of California, RB:		
Series AM, 5.25%, 5/15/44	10,210	12,078,737
Series O, 5.75%, 5/15/19 (a)	11,192	12,156,730
University of California, Refunding RB:		
Series A, 5.00%, 11/01/43	6,001	7,005,507
Series AF, 5.00%, 5/15/39	5,000	5,786,350

37,027,324

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

Municipal Bonds Transferred to

	Par (000)	Value
Tender Option Bond Trusts (e)		
California (continued)		
Health 14.9%		
California Health Facilities Financing Authority, Refunding RB, Kaiser Permanent, Sub-Series A-2, 4.00%, 11/01/44	\$ 17,720	\$ 18,554,612
California Health Facilities Financing Authority, RB, Sutter Health, Series A, 5.00%, 8/15/52	14,520	16,011,494
California Health Facilities Financing Authority, Refunding RB: Lucile Salter Packard Children's Hospital, Series B, 5.00%, 8/15/55	4,500	5,142,375
Sutter Health, Series A, 5.00%, 8/15/43	19,425	22,062,615
California Statewide Communities Development Authority, RB, Kaiser Permanente, Series A, 5.00%, 4/01/42	19,070	21,201,454
Regents of the University of California Medical Center Pooled Revenue, Refunding RB, Series L, 5.00%, 5/15/41	10,375	11,993,164
		94,965,714
Transportation 4.0%		
City of Los Angeles California Department of Airports, RB, AMT: Los Angeles International Airport, Series B, 5.00%, 5/15/41	3,641	4,169,946
Senior Revenue, Series A, 5.00%, 5/15/40	5,500	6,254,655
Series D, 5.00%, 5/15/41	13,332	15,111,154
		25,535,755
Utilities 8.0%		
City of Los Angeles California Wastewater System, RB, Green Bonds, Series A, 5.00%, 6/01/44	13,790	16,025,911
County of San Diego California Water Authority Financing Corp., COP, Refunding, Series A (AGM) (a): 5.00%, 5/01/18	2,777	2,864,119
5.00%, 5/01/18	13,963	14,400,010
Municipal Bonds Transferred to		
Tender Option Bond Trusts (e)		
California (continued)		
Utilities (continued)		
East Bay California Municipal Utility District Water System Revenue, RB, Series C, 5.00%, 6/01/44	\$ 11,000	\$ 12,672,440
Rancho Water District Financing Authority, Refunding RB, Series A (AGM): 5.00%, 8/01/18 (a)	2,013	2,094,944
5.00%, 8/01/34	2,995	3,117,009
		51,174,433
Total Municipal Bonds Transferred to		
		386,922,686
Tender Option Bond Trusts 60.7%		
Total Long-Term Investments		
(Cost \$1,014,967,853) 168.2%		1,071,261,710
Short-Term Securities		
BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.64% (f)(g)	Shares 593,400	593,637
Total Short-Term Securities		
(Cost \$593,637) 0.1%		593,637
Total Investments (Cost \$1,015,561,490) 168.3%		
Other Assets Less Liabilities 0.2%		
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (28.6)%		
VMTP Shares at Liquidation Value (39.9)%		
		(182,240,309)
		(254,000,000)

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Net Assets Applicable to Common Shares 100.0%

\$ 636,865,294

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) Variable rate security. Rate shown is the rate in effect as of period end.
- (d) When-issued security.
- (e) 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.
- (f) During the year ended July 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

	Shares Held at July 31, 2016	Net Activity	Shares Held at July 31, 2017	Value at July 31, 2017	Income	Net Realized Gain ¹	Change in Unrealized Appreciation (Depreciation)
Affiliate BlackRock Liquidity Funds, MuniCash, Institutional Class		593,400	593,400	\$ 593,637	\$ 45,495	\$ 6,008	

¹ Includes net capital gain distributions.

- (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.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

Description	Number of Contracts	Expiration Date	Notional Amount (000)	Value / Unrealized Appreciation (Depreciation)
Short Contracts				
5-Year U.S. Treasury Note	(28)	September 2017	\$ 3,308	\$ (298)
10-Year U.S. Treasury Note	(112)	September 2017	\$ 14,100	2,932
Long U.S. Treasury Bond	(67)	September 2017	\$ 10,249	(27,312)
Ultra U.S. Treasury Bond	(24)	September 2017	\$ 3,948	(32,598)
Total				\$ (57,276)

Derivative Financial Instruments Categorized by Risk Exposure

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

Assets	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
	Futures contracts					\$ 2,932		\$ 2,932
							Net unrealized appreciation ¹	

Liabilities	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
	Futures contracts					\$ 60,208		\$ 60,208
							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, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) from:							
Futures contracts					\$ 1,586,520		\$ 1,586,520
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ 66,850		\$ 66,850

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:

Average notional value of contracts short \$ 48,141,676

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		\$ 1,071,261,710		\$ 1,071,261,710
Short-Term Securities	\$ 593,637			593,637
Total	\$ 593,637	\$ 1,071,261,710		\$ 1,071,855,347
Derivative Financial Instruments ²				
Assets:				
Interest rate contracts	\$ 2,932			\$ 2,932
Liabilities:				
Interest rate contracts	(60,208)			(60,208)
Total	\$ (57,276)			\$ (57,276)

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

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

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

	Level 1	Level 2	Level 3	Total
Liabilities:				
TOB Trust Certificates		\$ (181,685,265)		\$ (181,685,265)
VMTP Shares at Liquidation Value		(254,000,000)		(254,000,000)
Total		\$ (435,685,265)		\$ (435,685,265)

During the year ended July 31, 2017, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments July 31, 2017

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

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
New Jersey 138.1%		
Corporate 3.5%		
New Jersey EDA, RB, Provident Group-Kean Properties, Series A, 5.00%, 7/01/47	\$ 795	\$ 853,615
New Jersey EDA, Refunding RB:		
Duke Farms Foundation Project, 4.00%, 7/01/46	2,770	2,946,560
New Jersey American Water Co., Inc. Project, AMT, Series A, 5.70%, 10/01/39	7,500	8,099,775
New Jersey American Water Co., Inc. Project, AMT, Series B, 5.60%, 11/01/34	3,150	3,428,302
United Water of New Jersey, Inc., Series B (AMBAC), 4.50%, 11/01/25	1,000	1,022,530
		16,350,782
County/City/Special District/School District 16.9%		
Borough of Edgewater New Jersey Board of Education, GO, Refunding, (AGM) (a):		
4.25%, 3/01/20	1,535	1,660,809
4.25%, 3/01/20	1,600	1,731,136
4.30%, 3/01/20	1,670	1,809,361
Casino Reinvestment Development Authority, Refunding RB:		
5.25%, 11/01/39	11,130	11,425,947
5.25%, 11/01/44	3,755	3,829,499
City of Bayonne New Jersey, GO, Refunding, Qualified General Improvement (BAM),		
5.00%, 7/01/39	3,340	3,737,093
City of Perth Amboy New Jersey, GO, CAB, Refunding (AGM):		
5.00%, 7/01/32	2,210	2,214,066
5.00%, 7/01/33 (b)	670	671,233
5.00%, 7/01/35	595	596,047
5.00%, 7/01/37	705	706,191
County of Essex New Jersey, GO, Vocational School, Series B, 3.00%, 9/01/46	2,700	2,409,372
County of Essex New Jersey Improvement Authority, Refunding RB, Project		
Consolidation (NPFGC):		
5.50%, 10/01/27	250	322,935
5.50%, 10/01/28	4,840	6,295,001
County of Hudson New Jersey Improvement Authority, RB:		
CAB, Series A-1 (NPFGC), 0.00%, 12/15/32 (c)	1,000	594,650
Harrison Parking Facility Project, Series C (AGC), 5.25%, 1/01/39	3,000	3,160,110
Harrison Parking Facility Project, Series C (AGC), 5.38%, 1/01/44	5,000	5,255,350
County of Middlesex New Jersey Improvement Authority, RB, Senior Citizens Housing		
Project, AMT (AMBAC), 5.50%, 9/01/30	500	501,510
County of Monmouth New Jersey Improvement Authority, Refunding RB,		
Governmental Loan (AMBAC):		
5.00%, 12/01/17	5	5,014
5.35%, 12/01/17	5	5,016
5.00%, 12/01/18	5	5,013
5.38%, 12/01/18	5	5,016
5.00%, 12/01/19	5	5,012
County of Union New Jersey, GO, Refunding:		
4.00%, 3/01/21 (a)	75	82,539
4.00%, 3/01/21 (a)	70	77,036
4.00%, 3/01/21 (a)	80	88,042
	Par (000)	Value
Municipal Bonds		
New Jersey (continued)		
County/City/Special District/School District (continued)		
County of Union New Jersey, GO, Refunding (continued):		
4.00%, 3/01/29	\$ 3,575	\$ 3,778,882
4.00%, 3/01/30	3,580	3,766,053
4.00%, 3/01/31	4,045	4,238,917
County of Union New Jersey Utilities Authority, Refunding RB, Resources Recovery		
Facility, Covanta Union, Inc., AMT, Series A, 5.25%, 12/01/31	650	725,712
Morristown New Jersey Parking Authority, RB, (NPFGC):		
5.00%, 8/01/30	1,830	1,830,000
5.00%, 8/01/33	3,000	3,000,000

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New Jersey Sports & Exposition Authority, Refunding RB, (NPFGC) (d):	7,430	8,592,646
5.50%, 3/01/21	4,200	5,001,402
5.50%, 3/01/22	1,175	1,323,097
Township of Irvington New Jersey, GO, Refunding Series A (AGM), 5.00%, 7/15/33		
		79,449,707
 Education 28.3%		
County of Gloucester New Jersey Improvement Authority, RB, Rowan University		
General Capital Improvement Projects:		
5.00%, 7/01/44	1,985	2,219,826
Series A, 5.00%, 7/01/31	1,950	2,220,017
Series A, 5.00%, 7/01/32	1,775	2,022,133
Series A, 5.00%, 7/01/33	2,250	2,553,075
Series A, 5.00%, 7/01/34	1,200	1,360,740
New Jersey EDA, LRB, Rutgers The State University of New Jersey, College Avenue		
Redevelopment Project, 5.00%, 6/15/33		
	3,065	3,480,982
New Jersey EDA, RB, Provident Group Rowan Properties LLC, Series A:		
5.00%, 1/01/35	2,000	2,159,160
5.00%, 1/01/48	2,000	2,133,800
New Jersey Educational Facilities Authority, RB, Higher Educational Capital		
Improvement Fund, Series A, 5.00%, 9/01/33		
	5,370	5,540,981
New Jersey Educational Facilities Authority, Refunding RB:		
City of New Jersey University Issue, Series D, 4.00%, 7/01/34		
	320	331,286
City of New Jersey University Issue, Series D, 4.00%, 7/01/35		
	745	769,838
College of New Jersey, Series D (AGM), 5.00%, 7/01/18 (a)		
	10,000	10,376,200
College of New Jersey, Series F, 4.00%, 7/01/35		
	1,280	1,333,606
Montclair State University, Series A, 5.00%, 7/01/39		
	15,555	17,515,863
Montclair State University, Series A, 5.00%, 7/01/44		
	3,540	3,967,455
Montclair State University, Series B, 5.00%, 7/01/34		
	1,075	1,248,484
New Jersey Institute of Technology, Series H, 5.00%, 7/01/31		
	4,000	4,348,360
Princeton University, Series B, 5.00%, 7/01/29		
	4,600	5,762,880
Princeton University, Series C, 5.00%, 7/01/29		
	3,730	4,672,944
Rowan University, Series B (AGC), 5.00%, 7/01/18 (a)		
	2,575	2,671,614

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%, 7/01/38	\$ 500	\$ 558,425
Seton Hall University, Series D, 5.00%, 7/01/43	600	665,970
Stevens Institute of Technology, Series A, 5.00%, 7/01/42	1,150	1,314,174
Stevens Institute of Technology, Series A, 4.00%, 7/01/47	1,145	1,167,396
Stockton University, Series A, 5.00%, 7/01/41	2,370	2,587,068
William Paterson University (AGC), 4.75%, 7/01/18 (a)	4,735	4,902,335
William Paterson University (AGC), 5.00%, 7/01/18 (a)	230	238,653
William Paterson University (AGC), 5.00%, 7/01/28	20	20,709
William Paterson University (AGC), 4.75%, 7/01/34	380	391,320
New Jersey Higher Education Student Assistance Authority, RB, Senior Student Loan, Series 1A, AMT:		
4.00%, 12/01/28	1,220	1,264,725
4.50%, 12/01/28	2,655	2,838,222
4.00%, 12/01/29	810	836,892
4.00%, 12/01/29	5,715	5,913,882
4.50%, 12/01/29	3,325	3,546,179
4.63%, 12/01/30	3,245	3,458,326
4.00%, 12/01/31	1,320	1,349,225
4.25%, 12/01/32	2,050	2,124,784
4.13%, 12/01/35	810	825,706
4.50%, 12/01/36	1,805	1,885,792
New Jersey Higher Education Student Assistance Authority, Refunding RB, Series 1, AMT:		
5.38%, 12/01/24	940	1,040,984
5.50%, 12/01/26	1,125	1,234,553
New Jersey Institute of Technology, RB, Series A:		
5.00%, 7/01/22 (a)	2,120	2,494,095
5.00%, 7/01/42	4,825	5,363,180
5.00%, 7/01/45	7,500	8,465,325
Rutgers The State University of New Jersey, Refunding RB, Series L, 5.00%, 5/01/30	1,565	1,793,146
		132,970,310
Health 18.6%		
County of Camden New Jersey Improvement Authority, Refunding RB, Cooper Healthcare System, Series A, 5.00%, 2/15/33		
	2,000	2,198,480
New Jersey Health Care Facilities Financing Authority, RB:		
Meridian Health System Obligated Group, Series I (AGC), 5.00%, 7/01/18 (a)	1,390	1,442,292
Meridian Health System Obligated Group, Series II (AGC), 5.00%, 7/01/18 (a)	6,865	7,123,261
Meridian Health System Obligated Group, Series V (AGC), 5.00%, 7/01/18 (a)	4,625	4,798,993
Robert Wood Johnson University Hospital, Series A, 5.50%, 7/01/43	7,105	8,090,108
Virtua Health, Series A (AGC), 5.50%, 7/01/38	4,035	4,348,318
New Jersey Health Care Facilities Financing Authority, Refunding RB:		
AHS Hospital Corp., 5.50%, 7/01/21 (a)	4,055	4,737,092
	Par (000)	Value
Municipal Bonds		
New Jersey (continued)		
Health (continued)		
New Jersey Health Care Facilities Financing Authority, Refunding RB (continued):		
AHS Hospital Corp., 6.00%, 7/01/21 (a)	\$ 4,180	\$ 4,963,039
Catholic Health East Issue, 5.00%, 11/15/33	1,925	2,108,530
Hackensack University Medical Center (AGC), 5.13%, 1/01/18 (a)	1,500	1,526,670
Hackensack University Medical Center (AGM), 4.63%, 1/01/20 (a)	7,795	8,469,891
Meridian Health System Obligated Group, 5.00%, 7/01/25	1,000	1,145,370
Meridian Health System Obligated Group, 5.00%, 7/01/26	3,720	4,231,723
Princeton Healthcare System, 5.00%, 7/01/34	1,330	1,514,405
Princeton Healthcare System, 5.00%, 7/01/39	1,825	2,059,914
RWJ Barnabas Health Obligated Group, Series A, 4.00%, 7/01/43	1,865	1,925,743
RWJ Barnabas Health Obligated Group, Series A, 5.00%, 7/01/43	3,080	3,489,147

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St. Barnabas Health Care System, Series A, 5.00%, 7/01/21 (a)	3,640	4,175,153
St. Barnabas Health Care System, Series A, 5.63%, 7/01/21 (a)	4,450	5,210,460
St. Barnabas Health Care System, Series A, 5.63%, 7/01/21 (a)	4,860	5,690,525
St. Joseph's Healthcare System Obligated Group, 5.00%, 7/01/41	1,520	1,655,614
St. Joseph's Healthcare System Obligated Group, 4.00%, 7/01/48	2,020	1,959,723
Virtua Health, 5.00%, 7/01/28	3,000	3,431,520
Virtua Health, 5.00%, 7/01/29	715	812,183

87,108,154

Housing 6.8%

County of Atlantic New Jersey Improvement Authority, RB, Stockton University Atlantic City, Series A (AGM), 4.00%, 7/01/46	1,300	1,344,343
New Jersey Housing & Mortgage Finance Agency, RB: Capital Fund Program, Series A (AGM), 5.00%, 5/01/27	6,450	6,507,018
M/F Housing, Series A, 4.55%, 11/01/43	4,710	4,882,763
S/F Housing, Series AA, 6.50%, 10/01/38	60	61,755
S/F Housing, Series B, 4.50%, 10/01/30	9,310	9,861,245
New Jersey Housing & Mortgage Finance Agency, Refunding RB, AMT: M/F Housing, Series 2, 4.60%, 11/01/38	3,120	3,269,417
M/F Housing, Series 2, 4.75%, 11/01/46	3,795	3,979,665
S/F Housing, Series T, 4.70%, 10/01/37	600	600,432
Series D, 4.25%, 11/01/37	490	502,220
Series D, 4.35%, 11/01/42	1,000	1,029,300

32,038,158

State 25.3%

Garden State Preservation Trust, RB, CAB, Series B (AGM) (c): 0.00%, 11/01/23	15,725	13,472,865
0.00%, 11/01/25	10,000	7,939,200
Garden State Preservation Trust, Refunding RB, Series C (AGM): 5.25%, 11/01/20	5,000	5,603,750
5.25%, 11/01/21	7,705	8,859,209

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:		
CAB, Motor Vehicle Surcharge, Series A (NPFGC), 0.00%, 7/01/21 (c)	\$ 2,325	\$ 2,143,999
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/24	1,785	2,064,924
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/25	5,000	5,822,000
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/26	7,500	8,728,725
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33	18,105	18,435,597
School Facilities Construction (AGC), 6.00%, 12/15/18 (a)	3,960	4,235,893
School Facilities Construction (AGC), 6.00%, 12/15/18 (a)	40	42,787
School Facilities Construction, Series KK, 5.00%, 3/01/38	325	332,300
School Facilities Construction, Series U (AMBAC), 5.00%, 9/01/17 (a)	1,070	1,073,756
School Facilities Construction, Series Y, 5.00%, 9/01/18 (a)	1,000	1,043,830
Series WW, 5.25%, 6/15/33	380	402,572
Series WW, 5.00%, 6/15/34	5,500	5,661,920
Series WW, 5.00%, 6/15/36	3,115	3,200,476
Series WW, 5.25%, 6/15/40	8,375	8,866,780
New Jersey EDA, Refunding RB:		
Cigarette Tax, 5.00%, 6/15/24	5,000	5,460,950
Cigarette Tax, 5.00%, 6/15/26	1,250	1,348,113
Cigarette Tax, 5.00%, 6/15/28	2,430	2,602,408
Cigarette Tax, 5.00%, 6/15/29	3,195	3,407,595
School Facilities Construction, Series N-1 (NPFGC), 5.50%, 9/01/27	1,000	1,179,840
School Facilities Construction, Series NN, 5.00%, 3/01/29	5,000	5,218,650
State of New Jersey, COP, Equipment Lease Purchase, Series A, 5.25%, 6/15/19 (a)	1,580	1,703,935
		118,852,074
Transportation 33.4%		
Delaware River Port Authority, RB:		
5.00%, 1/01/29	2,000	2,338,600
5.00%, 1/01/37	8,830	10,074,853
Series D, 5.05%, 1/01/35	1,430	1,547,675
Series D (AGM), 5.00%, 1/01/40	5,200	5,636,748
New Brunswick New Jersey Parking Authority, Refunding RB, City Guaranteed, Series A (BAM), 5.00%, 9/01/39		
	1,520	1,761,422
New Brunswick Parking Authority, Refunding RB, City Guaranteed, Series B (AGM):		
3.00%, 9/01/39	2,500	2,316,825
4.00%, 9/01/40	2,000	2,101,040
New Jersey EDA, RB, Goethals Bridge Replacement Project, AMT, Private Activity Bond:		
5.38%, 1/01/43	7,730	8,632,014
5.13%, 1/01/34	2,290	2,491,177
New Jersey State Turnpike Authority, RB:		
Series A, 5.00%, 1/01/35	1,440	1,679,846
Series E, 5.00%, 1/01/45	8,000	9,079,440
New Jersey State Turnpike Authority, Refunding RB:		
Series A (AGM), 5.25%, 1/01/29	4,000	5,063,800
Series A (AGM), 5.25%, 1/01/30	4,000	5,074,760
Series A (BHAC), 5.25%, 1/01/29	500	634,115
Series B, 5.00%, 1/01/40 (e)	11,360	13,311,875
	Par (000)	Value
Municipal Bonds		
New Jersey (continued)		
Transportation (continued)		
New Jersey Transportation Trust Fund Authority, RB:		
CAB, Transportation System, Series A, 0.00%, 12/15/35 (c)	\$ 6,000	\$ 2,370,120
CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/36 (c)	7,210	2,959,345
CAB, Transportation System, Series C (AGM), 0.00%, 12/15/32 (c)	8,800	4,666,112
CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/35 (c)	4,160	1,797,453
Federal Highway Reimbursement Revenue Notes, Series A, 5.00%, 6/15/29	1,300	1,327,495
Federal Highway Reimbursement Revenue Notes, Series A, 5.00%, 6/15/30	2,250	2,414,363

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Federal Highway Reimbursement Revenue Notes, Series A, 5.00%, 6/15/31	1,150	1,172,310
Federal Highway Reimbursement Revenue Notes, Series A-2, 5.00%, 6/15/30	10,520	10,733,240
Transportation Program, Series AA, 5.00%, 6/15/33	3,000	3,108,630
Transportation Program, Series AA, 5.25%, 6/15/33	5,690	6,022,068
Transportation Program, Series AA, 5.25%, 6/15/34	1,305	1,388,781
Transportation Program, Series AA, 5.00%, 6/15/38	2,340	2,443,522
Transportation System, Series A, 6.00%, 6/15/35	6,365	6,931,421
Transportation System, Series A (AGC), 5.63%, 12/15/28	2,780	2,956,474
Transportation System, Series A (NPFGC), 5.75%, 6/15/24	1,205	1,430,901
Transportation System, Series B, 5.25%, 6/15/36	2,500	2,596,400
Transportation System, Series D, 5.00%, 6/15/32	3,300	3,474,273
Port Authority of New York & New Jersey, ARB: Consolidated, 93rd Series, 6.13%, 6/01/94	1,000	1,217,260
Special Project, JFK International Air Terminal LLC Project, Series 6, AMT (NPFGC), 5.75%, 12/01/25	3,000	3,035,580
Special Project, JFK International Air Terminal LLC Project, Series 8, 6.00%, 12/01/42	4,000	4,484,440
Port Authority of New York & New Jersey, Refunding ARB, AMT: 178th Series, 5.00%, 12/01/33	4,005	4,490,726
Consolidated, 152nd Series, 5.75%, 11/01/30	6,000	6,212,640
Port Authority of New York & New Jersey, Refunding RB, Consolidated, 206th Series, AMT (e): 5.00%, 11/15/42	3,110	3,595,533
5.00%, 11/15/47	3,475	3,997,849
		156,571,126
Utilities 5.3%		
County of Essex New Jersey Utilities Authority, Refunding RB, (AGC), 4.13%, 4/01/22	2,000	2,090,040
North Hudson New Jersey Sewerage Authority, Refunding RB, Series A (NPFGC), 5.13%, 8/01/20 (d)	6,045	6,776,022

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)		
Utilities (continued)		
Rahway Valley Sewerage Authority, RB, CAB, Series A (NPFGC) (c):		
0.00%, 9/01/26	\$ 4,100	\$ 3,193,449
0.00%, 9/01/28	6,600	4,739,526
0.00%, 9/01/29	9,650	6,654,157
0.00%, 9/01/33	2,350	1,379,427
		24,832,621
Total Municipal Bonds 138.1%		648,172,932
Municipal Bonds Transferred to Tender Option Bond Trusts (f)		
New Jersey 25.5%		
County/City/Special District/School District 5.9%		
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	19,315,104
County of Union New Jersey Utilities Authority, Refunding RB, County Deficiency Agreement, Series A, 5.00%, 6/15/41	7,573	8,241,330
		27,556,434
Education 3.5%		
Rutgers The State University of New Jersey, Refunding RB: Series F, 5.00%, 5/01/19 (a)	4,998	5,353,756
Series L, 5.00%, 5/01/43	10,000	11,228,300
		16,582,056
State 4.7%		
Garden State Preservation Trust, RB, Election of 2005, Series A (AGM), 5.75%, 11/01/28	12,460	15,200,951
New Jersey EDA, Refunding RB, Series NN, School Facilities Construction, 5.00%, 3/01/29 (g)	6,698	6,991,069
		22,192,020
Municipal Bonds Transferred to Tender Option Bond Trusts (f)		
New Jersey (continued)		
Transportation 11.3%		
County of Hudson New Jersey Improvement Authority, RB, Hudson County Vocational-Technical Schools Project, 5.25%, 5/01/51	\$ 3,120	\$ 3,622,695
New Jersey State Turnpike Authority, RB, Series A, 5.00%, 1/01/38 (g)	9,300	10,484,076
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (g)	2,661	2,763,203
Port Authority of New York & New Jersey, ARB, Consolidated, 163rd Series, AMT, 5.00%, 7/15/39	15,545	17,121,996
Port Authority of New York & New Jersey, RB, Consolidated, 169th Series, AMT, 5.00%, 10/15/41	10,000	11,177,900
Port Authority of New York & New Jersey, Refunding RB, Consolidated, 152nd Series, AMT, 5.25%, 11/01/35	7,827	8,048,026
		53,217,896
Total Municipal Bonds Transferred to Tender Option Bond Trusts 25.4%		119,548,406
Total Long-Term Investments (Cost \$719,420,402) 163.5%		767,721,338

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Short-Term Securities	Shares	
BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.64% (h)(i)	20,456,541	20,464,723
Total Short-Term Securities		20,464,723
(Cost \$20,463,427) 4.4%		788,186,061
Total Investments (Cost \$739,883,829) 167.9%		(18,180,108)
Liabilities in Excess of Other Assets (3.9)%		(63,979,797)
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (13.6)%		(236,608,821)
VRDP Shares at Liquidation Value, Net of Deferred Costs (50.4)%		
Net Assets Applicable to Common Shares 100.0%		\$ 469,417,335

Notes to Schedule of Investments

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

- (b) Step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate as of period end.

- (c) Zero-coupon bond.

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

- (e) When-issued security.

- (f) 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.

- (g) 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 to September 1, 2020, is \$13,907,845. See Note 4 of the Notes to Financial Statements for details.

See Notes to Financial Statements.

Schedule of Investments (continued)

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

(h) During the year ended July 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at July 31, 2016	Net Activity	Shares Held at July 31, 2017	Value at July 31, 2017	Income	Net Realized Gain ¹	Change in Unrealized Appreciation
BlackRock Liquidity Funds, MuniCash, Institutional Class	15,571,111	4,885,430	20,456,541	\$ 20,464,723	\$ 26,061	\$ 5,806	\$ 1,296

¹ Includes net capital gain distributions.

(i) 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

Description	Number of Contracts	Expiration Date	Notional Amount (000)	Value / Unrealized Appreciation (Depreciation)
Short Contracts				
5-Year U.S. Treasury Note	(30)	September 2017	\$ 3,544	\$ (319)
10-Year U.S. Treasury Note	(120)	September 2017	\$ 15,107	3,141
Long U.S. Treasury Bond	(61)	September 2017	\$ 9,331	(24,866)
Ultra U.S. Treasury Bond	(8)	September 2017	\$ 1,316	(10,866)
Total				\$ (32,910)

Derivative Financial Instruments Categorized by Risk Exposure

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

Assets	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Futures contracts	Net unrealized appreciation ¹					\$ 3,141		\$ 3,141
Liabilities	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Futures contracts	Net unrealized depreciation ¹					\$ 36,051		\$ 36,051

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.

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For the year ended July 31, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

	Commodity Contracts	Credit Contracts	Equity Exchange Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) from:							
Futures contracts					\$ 1,470,052		\$ 1,470,052
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ 387,566		\$ 387,566

See Notes to Financial Statements.

Schedule of Investments (concluded)

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

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:

Average notional value of contracts - long	\$ 362,109 ¹
Average notional value of contracts - short	\$ 47,729,063

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

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		\$ 767,721,338		\$ 767,721,338
Short-Term Securities	\$ 20,464,723			20,464,723
Total	\$ 20,464,723	\$ 767,721,338		\$ 788,186,061
Derivative Financial Instruments ²				
Assets:				
Interest rate contracts	\$ 3,141			\$ 3,141
Liabilities:				
Interest rate contracts	(36,051)			(36,051)
Total	\$ (32,910)			\$ (32,910)

¹ See above Schedule of Investments for values in each sector.² Derivative financial instruments are futures contracts which are valued at the unrealized appreciation (depreciation) on the instrument.

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

	Level 1	Level 2	Level 3	Total
Liabilities:				
TOB Trust Certificates		\$ (63,876,946)		\$ (63,876,946)
VRDP Shares at Liquidation Value		(237,100,000)		(237,100,000)
Total		\$ (300,976,946)		\$ (300,976,946)

During the year ended July 31, 2017, there were no transfers between levels.

See Notes to Financial Statements.

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Schedule of Investments July 31, 2017

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
Alabama 4.3%		
City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC) (a):		
6.00%, 6/01/19	\$ 2,985	\$ 3,255,232
6.13%, 6/01/19	1,500	1,639,185
City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A, 5.38%, 12/01/35	350	389,820
		5,284,237
California 20.3%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/18 (a)	1,960	2,059,882
California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42	1,150	1,308,320
City & County of San Francisco California Airports Commission, Refunding ARB, AMT, Series A:		
2nd, 5.50%, 5/01/28	720	855,641
2nd, 5.25%, 5/01/33	560	644,896
5.00%, 5/01/44	745	837,335
City of Los Angeles California Department of Airports, Sub-Series A, AMT, 5.00%, 5/15/47	230	264,546
City of San Jose California, Refunding ARB, Norman Y Mineta San Jose International Airport SJC, Series A-1, AMT:		
5.50%, 3/01/30	1,600	1,801,872
6.25%, 3/01/34	1,250	1,458,062
County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 7/01/18 (a)	1,400	1,459,570
Kern Community College District, GO, Safety, Repair & Improvement, Series C, 5.50%, 11/01/33	970	1,167,230
Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/21 (a)	1,000	1,171,360
Riverside County Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/40	2,000	2,352,200
San Diego Public Facilities Financing Authority Water, Refunding RB, Series B (AGC), 5.38%, 8/01/19 (a)	1,020	1,109,740
State of California, GO, Various Purposes (AGC), 5.50%, 11/01/39	3,450	3,776,922
State of California Public Works Board, LRB, Various Capital Projects, Series I, 5.50%, 11/01/31	1,000	1,203,330
State of California Public Works Board, RB, Department of Corrections & Rehabilitation, Series F, 5.25%, 9/01/33	490	578,626
Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/40	370	451,226
University of California, Refunding RB, The Regents of Medical Center, Series J, 5.25%, 5/15/38	2,235	2,628,785
		25,129,543
Colorado 2.1%		
City & County of Denver Colorado Airport System, ARB, Series A, AMT:		
5.50%, 11/15/28	500	578,815
5.50%, 11/15/30	225	258,208
5.50%, 11/15/31	270	309,409
Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/19 (a)	1,300	1,415,427
		2,561,859
Municipal Bonds		
Florida 13.4%		
City of Jacksonville Florida, Refunding RB, Series A, 5.25%, 10/01/33	\$ 270	\$ 313,856
County of Broward Florida Airport System Revenue, ARB, Series A, AMT, 5.00%, 10/01/45	575	640,533
County of Hillsborough Florida Aviation Authority, Refunding ARB, Tampa International Airport, Series A, AMT, 5.50%, 10/01/29	1,170	1,351,128
County of Lee Florida, Refunding ARB, Series A, AMT, 5.38%, 10/01/32	1,000	1,118,110
County of Lee Florida HFA, RB, S/F Housing, Multi-County Program, Series A-2, AMT (Ginnie Mae), 6.00%, 9/01/40	90	90,128
	70	70,920

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County of Manatee Florida HFA, RB, S/F Housing, Series A, AMT (Ginnie Mae, Fannie Mae & Freddie Mac), 5.90%, 9/01/40		
County of Miami-Dade Florida, RB, Seaport Department:		
Series A, 6.00%, 10/01/38	1,840	2,217,513
Series A, 5.50%, 10/01/42	2,125	2,481,851
Series B, AMT, 6.00%, 10/01/26	590	707,870
Series B, AMT, 6.00%, 10/01/27	775	926,280
Series B, AMT, 6.25%, 10/01/38	310	371,727
Series B, AMT, 6.00%, 10/01/42	410	479,511
County of Miami-Dade Florida, Refunding RB:		
Seaport Department, Series D, AMT, 6.00%, 10/01/26	735	881,838
Water & Sewer System, Series B, 5.25%, 10/01/29	500	594,060
County of Miami-Dade Florida Aviation, Refunding ARB, Series A, AMT, 5.00%, 10/01/31	2,165	2,419,063
County of Orange Florida Health Facilities Authority, Refunding RB, Presbyterian Retirement Communities Project, 5.00%, 8/01/41	1,000	1,088,910
Reedy Creek Florida Improvement District, GO, Series A, 5.25%, 6/01/32	710	833,441
		16,586,739
Hawaii 1.9%		
State of Hawaii, Department of Transportation, COP, AMT:		
5.25%, 8/01/25	250	287,460
5.25%, 8/01/26	810	923,432
State of Hawaii, Department of Transportation, RB, Series A, AMT, 5.00%, 7/01/45	1,000	1,122,750
		2,333,642
Illinois 17.7%		
City of Chicago Illinois, RB, Transit Authority, Sales Tax Receipts, 5.25%, 12/01/36	1,000	1,080,190
City of Chicago Illinois Midway International Airport, Refunding GARB, 2nd Lien, Series A, 5.00%, 1/01/41	1,010	1,106,697
City of Chicago Illinois O Hare International Airport, GARB, 3rd Lien:		
Series A, 5.75%, 1/01/21 (a)	645	744,827
Series A, 5.75%, 1/01/39	125	141,778
Series C, 6.50%, 1/01/21 (a)	3,680	4,341,811
City of Chicago Illinois Transit Authority, RB, Federal Transit Administration, Section 5309, Series A (AGC), 6.00%, 12/01/18 (a)	1,400	1,493,716
City of Chicago Illinois Transit Authority, Refunding RB, Federal Transit Administration, Section 5309 (AGM), 5.00%, 6/01/28	3,000	3,179,730
City of Chicago Illinois Wastewater Transmission, RB, 2nd Lien, 5.00%, 1/01/42	1,375	1,448,329

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

	Par (000)	Value
Municipal Bonds		
Illinois (continued)		
County of Cook Illinois Community College District No. 508, GO, City College of Chicago:		
5.50%, 12/01/38	\$ 1,000	\$ 1,072,720
5.25%, 12/01/43	1,160	1,216,527
Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41	1,555	1,766,667
Railsplitter Tobacco Settlement Authority, RB:		
5.50%, 6/01/23	940	1,071,092
6.00%, 6/01/28	270	307,624
State of Illinois, GO:		
5.25%, 2/01/32	1,000	1,062,690
5.50%, 7/01/33	1,500	1,603,590
5.50%, 7/01/38	280	297,377
		21,935,365
Indiana 4.0%		
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC):		
5.50%, 1/01/19 (a)	840	894,020
5.50%, 1/01/38	3,470	3,666,298
Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges, Series A, AMT,		
5.00%, 7/01/40	375	401,194
		4,961,512
Kentucky 0.8%		
Kentucky State Property & Building Commission, Refunding RB, Project No. 93, (AGC):		
5.25%, 2/01/19 (a)	885	941,180
5.25%, 2/01/27	115	121,962
		1,063,142
Louisiana 2.1%		
City of New Orleans Louisiana Aviation Board, Refunding GARB, Restructuring (AGC) (a):		
Series A-1, 6.00%, 1/01/19	375	401,584
Series A-2, 6.00%, 1/01/19	160	171,342
Lake Charles Louisiana Harbor & Terminal District, RB, Series B, AMT (AGM), 5.50%, 1/01/29	1,000	1,165,850
Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.50%, 5/15/29	805	835,663
		2,574,439
Massachusetts 2.1%		
Massachusetts Development Finance Agency, RB, Emerson College Issue, Series A, 5.00%, 1/01/47	645	715,473
Massachusetts Development Finance Agency, Refunding RB, Emerson College, 5.00%, 1/01/41	525	575,316
Massachusetts HFA, Refunding RB, Series C, AMT, 5.35%, 12/01/42	1,285	1,367,767
		2,658,556
Michigan 2.7%		
City of Detroit Michigan Water Supply System Revenue, RB, 2nd Lien, Series B (AGM):		
6.25%, 7/01/19 (a)	1,795	1,974,518
6.25%, 7/01/36	5	5,419
Royal Oak Michigan Hospital Finance Authority, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a)	1,265	1,364,556
		3,344,493
Minnesota 2.6%		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC):		
6.50%, 11/15/18 (a)	460	492,619
	Par (000)	Value
Municipal Bonds		
Minnesota (continued)		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC) (continued):		

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6.50%, 11/15/38	\$ 2,540	\$ 2,701,391
		3,194,010
Mississippi 1.5%		
Mississippi Development Bank, RB, Jackson Water & Sewer System Project (AGM), 6.88%, 12/01/40	1,190	1,524,390
Mississippi State University Educational Building Corp., Refunding RB, Mississippi State University Improvement Project, 5.25%, 8/01/38	260	303,709
		1,828,099
Nevada 3.8%		
County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A (AGM), 5.25%, 7/01/39	2,375	2,585,568
County of Clark Nevada, GO, Limited Tax, 5.00%, 6/01/18 (a)	500	517,125
County of Clark Nevada Water Reclamation District, GO, Series A, 5.25%, 7/01/19 (a)	1,500	1,621,905
		4,724,598
New Jersey 5.0%		
New Jersey EDA, RB:		
Goethals Bridge Replacement Project, AMT, Private Activity Bond, 5.38%, 1/01/43	1,000	1,116,690
Private Activity Bond, Goethals Bridge Replacement Project, AMT (AGM), 5.00%, 1/01/31	530	583,959
School Facilities Construction (AGC), 6.00%, 12/15/18 (a)	980	1,048,277
School Facilities Construction (AGC), 6.00%, 12/15/18 (a)	20	21,393
New Jersey Health Care Facilities Financing Authority, RB, Virtua Health, Series A (AGC), 5.50%, 7/01/38	1,400	1,508,710
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series AA, 5.50%, 6/15/39	1,600	1,711,456
New Jersey Turnpike Authority, Refunding RB, Series B, 4.00%, 1/01/37 (b)	180	191,022
		6,181,507
New York 7.0%		
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	1,666,900
City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/29	2,000	2,128,720
New York Transportation Development Corp., ARB, LaGuardia Airport Terminal B Redevelopment Project, Series A, AMT, 5.25%, 1/01/50	600	658,080
Port Authority of New York & New Jersey, Refunding ARB, Consolidated:		
166th Series, 5.25%, 7/15/36	2,500	2,817,825
206th Series, AMT, 5.00%, 11/15/37 (b)	1,175	1,367,371
		8,638,896
Ohio 1.4%		
State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1, 5.25%, 2/15/31	1,500	1,769,040

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

	Par (000)	Value
Municipal Bonds		
Oklahoma 1.6%		
Norman Regional Hospital Authority, Refunding RB, 5.00%, 9/01/37	\$ 910	\$ 1,013,904
Oklahoma Development Finance Authority, RB, Provident Oklahoma Education Resources, Inc., Cross Village Student Housing Project, Series A, 5.25%, 8/01/57	915	1,004,871
		2,018,775
Oregon 0.2%		
County of Clackamas Oregon School District No. 12 North Clackamas, GO, CAB, Series A, 0.00%, 6/15/38 (c)	475	203,671
Pennsylvania 1.0%		
Pennsylvania Housing Finance Agency, RB, S/F Housing Mortgage, Series 123-B, 4.00%, 10/01/42	1,190	1,219,357
Rhode Island 0.3%		
Rhode Island Health & Educational Building Corp., RB, Series G (AGM), 5.00%, 5/15/42 (b)	295	337,421
South Carolina 7.7%		
County of Charleston South Carolina, RB, Special Source, 5.25%, 12/01/38	1,470	1,729,867
County of Charleston South Carolina Airport District, ARB, Series A, AMT: 5.50%, 7/01/26	1,810	2,107,998
6.00%, 7/01/38	1,155	1,336,116
5.50%, 7/01/41	1,000	1,126,500
State of South Carolina Ports Authority, RB, AMT, 5.25%, 7/01/50	750	843,360
State of South Carolina Public Service Authority, RB, Series E, 5.50%, 12/01/53	40	45,132
State of South Carolina Public Service Authority, Refunding RB: Series C, 5.00%, 12/01/46	1,795	1,953,211
Series E, 5.25%, 12/01/55	350	391,387
		9,533,571
Tennessee 0.7%		
Metropolitan Government of Nashville & Davidson County Health & Educational Facilities Board, RB, Vanderbilt University Medical Center, Series A, 4.00%, 7/01/47	800	819,648
Texas 19.3%		
Austin Community College District Public Facility Corp., RB, Educational Facilities Project, Round Rock Campus, 5.25%, 8/01/18 (a)	2,250	2,347,785
City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 3/01/37	930	1,076,661
City of Frisco Texas ISD, GO, School Building (AGC), 5.50%, 8/15/41	1,210	1,309,704
City of Houston Texas Combined Utility System Revenue, Refunding RB, Combined 1st Lien, Series A (AGC): 5.38%, 5/15/19 (a)	950	1,024,204
6.00%, 5/15/19 (a)	2,560	2,788,275
6.00%, 5/15/19 (a)	1,945	2,118,436
6.00%, 11/15/35	140	152,610
6.00%, 11/15/36	110	119,908
5.38%, 11/15/38	50	53,460
County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC): 6.50%, 1/01/19 (a)	265	285,447
6.50%, 7/01/37	835	888,298
	Par (000)	Value
Municipal Bonds		
Texas (continued)		
Dallas-Fort Worth International Airport, ARB, Joint Improvement, Series H, AMT, 5.00%, 11/01/37	\$ 980	\$ 1,099,815
Dallas-Fort Worth International Airport, Refunding ARB, Joint Revenue, Series E, AMT, 5.50%, 11/01/27	2,500	2,936,625
Lower Colorado River Authority, Refunding RB, 5.50%, 5/15/33	730	856,772
North Texas Tollway Authority, RB, Special Projects, Series A, 5.50%, 9/01/41	2,750	3,194,730
North Texas Tollway Authority, Refunding RB, 1st Tier: (AGM), 6.00%, 1/01/43	1,000	1,141,410
Series K-1 (AGC), 5.75%, 1/01/19 (a)	1,400	1,493,912
Red River Texas Education Financing Corp., RB, Texas Christian University Project, 5.25%, 3/15/38	420	479,035

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Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien, Blueridge Transportation Group, AMT, 5.00%, 12/31/55	525	571,499
		23,938,586
Virginia 1.2%		
City of Lexington Virginia IDA, RB, Washington & Lee University, 5.00%, 1/01/43	380	425,562
State of Virginia Public School Authority, RB, Fluvanna County School Financing, 6.50%, 12/01/18 (a)	1,000	1,074,150
		1,499,712
Washington 1.6%		
City of Seattle Washington Municipal Light & Power, Refunding RB, Series A, 5.25%, 2/01/36	1,000	1,121,300
State of Washington, GO, Various Purposes, Series B, 5.25%, 2/01/36	725	817,691
		1,938,991
Wisconsin 0.8%		
Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert Health, Inc. Obligated Group, 4.00%, 4/01/39	270	279,188
Wisconsin Housing & Economic Development Authority, RB, M/F Housing, WHPC Madison Pool Project, Series A, 4.70%, 7/01/47	660	710,378
		989,566
Total Municipal Bonds 127.1%		157,268,975
 Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
Alabama 0.8%		
Auburn University, Refunding RB, Series A, 4.00%, 6/01/41	920	971,134
California 5.6%		
City of Los Angeles Department of Airports, RB, Los Angeles International Airport, AMT, Series B, 5.00%, 5/15/46	2,050	2,339,091
Fremont Union High School District, GO, Refunding, Series A, 4.00%, 8/01/46	1,520	1,622,022
Sacramento Area Flood Control Agency, Refunding RB, Consolidated Capital Assessment District No. 2, Series A, 5.00%, 10/01/43	2,565	2,995,766
		6,956,879
Connecticut 1.1%		
Connecticut State Health & Educational Facility Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/45	1,216	1,383,661

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

Municipal Bonds Transferred to Tender Option Bond Trusts (d)	Par (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)(e)	\$ 759	\$ 804,288
Florida 2.1% County of Hillsborough Florida Aviation Authority, ARB, Tampa International Airport, Series A, AMT (AGC), 5.50%, 10/01/38	2,499	2,610,452
Illinois 0.9% State of Illinois Toll Highway Authority, RB, Series C, 5.00%, 1/01/38	1,004	1,135,829
Nevada 7.3% County of Clark Nevada Water Reclamation District, GO (a): Limited Tax, 6.00%, 7/01/18	2,010	2,103,927
Series B, 5.50%, 7/01/19	1,994	2,165,901
Las Vegas Valley Water District, GO, Refunding, Series C, 5.00%, 6/01/28	4,200	4,755,324
		9,025,152
New Jersey 2.2% New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29	1,570	1,623,798
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (e)	1,000	1,038,798
		2,662,596
New York 14.9% 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	2,998	3,409,380
Series FF-2, 5.50%, 6/15/40	1,095	1,181,396
City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-3, 5.25%, 1/15/39	1,000	1,059,460
Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (e)	1,000	1,155,687
Metropolitan Transportation Authority, Refunding RB, Series C-1, 5.25%, 11/15/56	2,360	2,747,577
Municipal Bonds Transferred to Tender Option Bond Trusts (d)	Par (000)	Value
New York (continued) New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43	\$ 3,000	\$ 3,400,696
New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (e)	1,770	2,043,128
New York State Dormitory Authority, ERB, Personal Income Tax, Series B, 5.25%, 3/15/19 (a)	3,250	3,474,087
		18,471,411
Pennsylvania 1.6% Pennsylvania Turnpike Commission, RB, Sub-Series A, 5.50%, 12/01/42	1,664	1,972,095
Texas 2.2% City of San Antonio Texas Public Service Board, Refunding RB, Series A, 5.25%, 2/01/19 (a)(e)	2,609	2,777,464
Utah 0.9% City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41	1,005	1,067,966
Total Municipal Bonds Transferred to Tender Option Bond Trusts 40.3%		49,838,927
Total Long-Term Investments (Cost \$191,201,236) 167.4%		207,107,902
Short-Term Securities	Shares	
BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.64% (f)(g)	623,916	624,165
Total Short-Term Securities (Cost \$624,103) 0.5%		624,165
Total Investments (Cost \$191,825,339) 167.9%		207,732,067
Liabilities in Excess of Other Assets (0.1)%		(244,021)
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (22.1)%		(27,283,030)
VMTP Shares at Liquidation Value (45.7)%		(56,500,000)

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Net Assets Applicable to Common Shares 100.0%

\$ 123,705,016

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) Zero-coupon bond.
- (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 May 7, 2018 to November 15, 2019, is \$4,627,650. See Note 4 of the Notes to Financial Statements for details.
- (f) During the year ended July 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at July 31, 2016	Net Activity	Shares Held at July 31, 2017	Value at July 31, 2017	Income	Net Realized Gain ¹	Change in Unrealized Appreciation
BlackRock Liquidity Funds, MuniCash, Institutional Class	204,010	419,906	623,916	\$ 624,165	\$ 3,597	\$ 2,132	\$ 62

¹ Includes net capital gain distributions.

- (g) Current yield as of period end.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

Description	Number of Contracts	Expiration Date	Notional Amount (\$000)	Value/ Unrealized Appreciation (Depreciation)
Short Contracts				
5-Year U.S. Treasury Note	(15)	September 2017	\$ 1,772	\$ (160)
10-Year U.S. Treasury Note	(32)	September 2017	\$ 4,029	1,271
Long U.S. Treasury Bond	(17)	September 2017	\$ 2,600	(6,492)
Ultra U.S. Treasury Bond	(4)	September 2017	\$ 658	(5,433)
Total				\$ (10,814)

Derivative Financial Instruments Categorized by Risk Exposure

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

Assets	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
	Futures contracts					\$ 1,271		\$ 1,271
			Net unrealized appreciation ¹					
Liabilities	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
	Futures contracts					\$ 12,085		\$ 12,085
			Net unrealized depreciation ¹					

¹ Includes cumulative appreciation (depreciation) on futures, 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, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) from:							
Futures contracts					\$ 399,173		\$ 399,173
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ 10,032		\$ 10,032

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:

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Average notional value of contracts short \$ 10,926,402
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.

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ANNUAL REPORT

JULY 31, 2017

Schedule of Investments (concluded)

BlackRock MuniYield Investment Quality Fund (MFT)

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		\$ 207,107,902		\$ 207,107,902
Short-Term Securities	\$ 624,165			624,165
Total	\$ 624,165	\$ 207,107,902		\$ 207,732,067
Derivative Financial Instruments ²				
Assets:				
Interest rate contracts	\$ 1,271			\$ 1,271
Liabilities:				
Interest rate contracts	(12,085)			(12,085)
Total	\$ (10,814)			\$ (10,814)

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

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

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

	Level 1	Level 2	Level 3	Total
Liabilities:				
TOB Trust Certificates		\$ (27,228,737)		\$ (27,228,737)
VMTP Shares at Liquidation Value		(56,500,000)		(56,500,000)
Total		\$ (83,728,737)		\$ (83,728,737)

During the year ended July 31, 2017, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments July 31, 2017

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
Michigan 137.7%		
Corporate 4.0%		
County of Monroe Michigan EDC, Refunding RB, Detroit Edison Co. Project, Series AA (NPFGC), 6.95%, 9/01/22	\$ 14,500	\$ 18,119,635
County/City/Special District/School District 25.7%		
Anchor Bay School District, GO, Refunding, (Q-SBLF):		
4.38%, 5/01/27	1,600	1,754,624
4.50%, 5/01/29	1,505	1,650,353
Battle Creek School District Michigan, GO, Refunding, (Q-SBLF):		
5.00%, 5/01/35	1,100	1,260,864
5.00%, 5/01/36	1,500	1,715,640
5.00%, 5/01/37	1,170	1,336,280
Berkley School District, GO, School Building & Site (Q-SBLF), 5.00%, 5/01/35	2,965	3,370,019
Byron Center Public Schools, GO, School Building & Site, Series I (Q-SBLF):		
5.00%, 5/01/43	1,580	1,816,510
5.00%, 5/01/47	3,635	4,166,001
Columbia Michigan School District, GO, Unlimited Tax, School Building & Site (Q-SBLF), 5.00%, 5/01/38	5,185	5,866,413
Comstock Park Michigan Public Schools, GO, School Building & Site, Series B (Q-SBLF):		
5.50%, 5/01/36	1,200	1,353,300
5.50%, 5/01/41	2,185	2,464,134
County of Genesee Michigan, GO, Refunding, Series A (NPFGC), 5.00%, 5/01/19	1,000	1,009,940
Dearborn Brownfield Redevelopment Authority, GO, Limited Tax, Redevelopment, Series A (AGC), 5.50%, 5/01/39	5,300	5,642,221
Dearborn School District, GO, School Building & Site, Series A (Q-SBLF):		
5.00%, 5/01/32	1,500	1,717,545
5.00%, 5/01/33	1,600	1,824,096
5.00%, 5/01/34	1,200	1,363,620
Dowagiac Union School District, GO, (Q-SBLF), 5.00%, 5/01/41	1,140	1,294,538
East Lansing School District, GO, School Building & Site, Series I (Q-SBLF):		
5.00%, 5/01/34	600	701,874
5.00%, 5/01/35	700	816,914
5.00%, 5/01/36	550	639,337
5.00%, 5/01/37	550	638,330
5.00%, 5/01/39	740	856,143
5.00%, 5/01/42	1,000	1,151,500
Farmington Public School District, GO, Refunding, School Building & Site (AGM):		
5.00%, 5/01/33	1,500	1,717,170
5.00%, 5/01/34	1,500	1,711,575
5.00%, 5/01/35	1,000	1,139,570
Flint EDC, RB, Michigan Department of Human Services Office Building Project, 5.25%, 10/01/41	4,950	5,516,973
Fraser Public School District, Refunding, GO, School Building & Site (Q-SBLF):		
5.00%, 5/01/38	750	869,078
5.00%, 5/01/43	2,000	2,299,380
5.00%, 5/01/47	3,225	3,696,108
Goodrich Area School District Michigan, GO, School Building & Site (Q-SBLF):		
5.50%, 5/01/32	1,000	1,127,750
5.50%, 5/01/36	2,000	2,255,500
5.50%, 5/01/41	2,575	2,903,956
Municipal Bonds	Par	Value
Michigan (continued)	(000)	
County/City/Special District/School District (continued)		
Grand Rapids Public Schools, GO, Refunding Unlimited Tax (AGM), 5.00%, 5/01/29	\$ 1,000	\$ 1,202,010
Grandville Public Schools, GO, School Building & Site, Series II (AGM), 5.00%, 5/01/40	3,250	3,648,580
Hudsonville Michigan Public Schools, GO, School Building & Site (Q-SBLF), 5.25%, 5/01/41	6,750	7,569,787
Kentwood Public Schools, GO, School Building & Site:		
5.00%, 5/01/41	1,120	1,276,408

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5.00%, 5/01/44	1,815	2,061,041
Livonia Public Schools School District Michigan, GO, Series I (AGM), 5.00%, 5/01/43	5,000	5,510,450
Mattawan Consolidated School District, GO, Series I (Q-SBLF), 5.00%, 5/01/39	3,375	3,808,654
Portage Public Schools, GO, Refunding School Building & Site:		
5.00%, 11/01/34	1,000	1,148,720
5.00%, 11/01/36	1,000	1,143,760
5.00%, 11/01/37	1,250	1,427,650
5.00%, 11/01/35	1,340	1,535,962
Romeo Community School District, GO, Refunding School Building & Site, Series 1 (Q-SBLF), 5.00%, 5/01/41	2,250	2,564,213
Troy School District, GO, School Building & Site (Q-SBLF), 5.00%, 5/01/28	2,000	2,329,940
Walled Lake Consolidated School District, GO, School Building & Site (Q-SBLF):		
5.00%, 5/01/37	2,850	3,226,314
5.00%, 5/01/40	2,630	2,967,560
5.00%, 5/01/43	1,530	1,718,909
West Bloomfield School District, GO, School Building & Site (AGM):		
5.00%, 5/01/34	1,285	1,500,803
5.00%, 5/01/35	1,800	2,097,324
Zeeland Public Schools, GO, School Building & Site, Series A (AGM):		
5.00%, 5/01/33	1,000	1,128,490
5.00%, 5/01/34	1,000	1,124,830
5.00%, 5/01/35	1,000	1,122,640
		117,761,301
Education 25.4%		
City of Grand Rapids Michigan, EDC, RB, Ferris State University Project, Series A, 5.50%, 10/01/35	760	835,977
Ferris State University, Refunding RB:		
5.00%, 10/01/41	2,250	2,590,695
General (AGM), 4.50%, 10/01/24	1,595	1,658,050
General (AGM), 4.50%, 10/01/25	1,405	1,460,540
Grand Valley State University, RB, (NPFGC), 5.50%, 2/01/18	390	395,990
Michigan Finance Authority, Refunding RB:		
College for Creative Studies, 4.00%, 12/01/33	1,720	1,737,200
College for Creative Studies, 5.00%, 12/01/36	1,550	1,657,353
College for Creative Studies, 5.00%, 12/01/40	2,900	3,082,352
College for Creative Studies, 5.00%, 12/01/45	4,400	4,656,388
Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/28	8,750	9,054,762
Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/29	5,900	6,074,817

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

	Par (000)	Value
Municipal Bonds		
Michigan (continued)		
Education (continued)		
Michigan Finance Authority, Refunding RB (continued):		
Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/30	\$ 2,850	\$ 2,919,027
Series 25 A, AMT, Student Loan Revenue, 4.00%, 11/01/31	3,150	3,220,245
Michigan State University, Refunding RB, General, Series C:		
5.00%, 2/15/40	8,470	9,141,078
5.00%, 2/15/44	1,000	1,079,230
Michigan Technological University, RB, General, Series A, 5.00%, 10/01/45	1,800	2,014,686
Oakland University, RB:		
5.00%, 3/01/41	3,635	4,122,599
General, 5.00%, 3/01/32	400	446,164
General, Series A, 5.00%, 3/01/38	5,490	6,134,197
General, Series A, 5.00%, 3/01/43	16,845	18,720,185
University of Michigan, RB, Series A, 5.00%, 4/01/39	3,425	3,913,782
University of Michigan, Refunding RB, 5.00%, 4/01/46	10,000	11,657,100
Wayne State University, RB, General, Series A, 5.00%, 11/15/40	3,000	3,343,230
Western Michigan University, Refunding RB, General, University and College Improvements:		
5.25%, 11/15/40	3,500	3,965,395
5.25%, 11/15/43	8,475	9,575,648
(AGM), 5.25%, 11/15/33	1,000	1,142,810
(AGM), 5.00%, 11/15/39	1,750	1,952,353
		116,551,853
Health 34.3%		
Grand Traverse County Hospital Finance Authority, RB, Series A:		
5.00%, 7/01/44	4,230	4,657,611
5.00%, 7/01/47	2,200	2,418,130
Kalamazoo Hospital Finance Authority, RB, Bronson Methodist Hospital (AGM):		
5.25%, 5/15/20 (a)	4,140	4,606,330
5.25%, 5/15/36	3,360	3,614,822
Kent Hospital Finance Authority Michigan, Refunding RB, Spectrum Health, Series A,		
5.00%, 11/15/29	7,500	8,299,275
Michigan Finance Authority, RB:		
Beaumont Health Credit Group, 4.00%, 11/01/46	1,025	1,052,521
Sparrow Obligated Group, 5.00%, 11/15/36	2,500	2,768,525
Sparrow Obligated Group, 5.00%, 11/15/45	3,750	4,179,075
Michigan Finance Authority, Refunding RB:		
Henry Ford Health System, 5.00%, 11/15/37	3,000	3,381,990
Henry Ford Health System, 3.25%, 11/15/42	1,145	1,020,882
Henry Ford Health System, 4.00%, 11/15/46	8,500	8,585,170
Hospital, McLaren Health Care, 5.00%, 5/15/32	1,000	1,137,210
Hospital, McLaren Health Care, 5.00%, 5/15/33	2,000	2,265,520
Hospital, McLaren Health Care, 5.00%, 5/15/34	5,000	5,649,000
Hospital, McLaren Health Care, 5.00%, 5/15/34	1,500	1,694,700
	Par (000)	Value
Municipal Bonds		
Michigan (continued)		
Health (continued)		
Michigan Finance Authority, Refunding RB (continued):		
Hospital, McLaren Health Care, 5.00%, 5/15/35	\$ 4,945	\$ 5,575,933
MidMichigan Health, 5.00%, 6/01/39	1,500	1,667,400
Trinity Health Credit Group, 5.00%, 12/01/21 (a)	20	23,199
Trinity Health Credit Group, 5.00%, 12/01/31	5,000	5,668,450
Trinity Health Credit Group, 5.00%, 12/01/35	6,500	7,354,490
Trinity Health Credit Group, 5.00%, 12/01/39	4,980	5,619,133
Michigan State Hospital Finance Authority, RB, Ascension Health Senior Credit Group,		
5.00%, 11/15/25	6,000	6,474,720
Michigan State Hospital Finance Authority, Refunding RB:		
Ascension Senior Credit Group, 5.00%, 11/15/47	2,750	3,141,930

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Henry Ford Health System, 5.75%, 11/15/19 (a)	3,165	3,501,439
Hospital, Oakwood Obligated Group, 5.00%, 11/01/32	4,000	4,426,720
Hospital, Sparrow Obligated Group, 5.00%, 11/15/17 (a)	3,330	3,369,127
Hospital, Sparrow Obligated Group, 5.00%, 11/15/31	1,365	1,376,876
McLaren Health Care, Series A, 5.75%, 5/15/18 (a)	6,000	6,228,540
McLaren Health Care, Series A, 5.00%, 6/01/35	2,250	2,459,453
Trinity Health, 6.50%, 12/01/18 (a)	425	456,318
Trinity Health, 6.50%, 12/01/33	80	85,375
Trinity Health Credit Group, 6.50%, 12/01/18 (a)	1,895	2,034,643
Trinity Health Credit Group, Series A, 6.13%, 12/01/18 (a)	940	1,004,606
Trinity Health Credit Group, Series A, 6.25%, 12/01/18 (a)	1,500	1,605,585
Trinity Health Credit Group, Series C, 4.00%, 12/01/32	5,300	5,488,309
Royal Oak Hospital Finance Authority Michigan, Refunding RB:		
Beaumont Health Credit Group, Series D, 5.00%, 9/01/39	27,465	30,550,418
William Beaumont Hospital, Series W, 6.00%, 8/01/19 (a)	1,500	1,646,940
Royal Oak Michigan Hospital Finance Authority, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a)	2,000	2,157,400
		157,247,765
Housing 5.5%		
Michigan State HDA, RB:		
M/F Housing, Rental Housing Revenue, Series A, 4.45%, 10/01/34	1,000	1,055,780
M/F Housing, Rental Housing Revenue, Series A, 4.63%, 10/01/39	3,490	3,655,321
M/F Housing, Rental Housing Revenue, Series A, 4.75%, 10/01/44	5,000	5,226,900
M/F Housing, Series A, 4.30%, 10/01/40	3,320	3,435,802
S/F Housing, Series A, 4.75%, 12/01/25	2,260	2,408,505

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

	Par (000)	Value
Municipal Bonds		
Michigan (continued)		
Housing (continued)		
Michigan State HDA, RB (continued):		
Williams Pavilion, AMT (Ginnie Mae), 4.75%, 4/20/37	\$ 3,340	\$ 3,342,171
Michigan State HDA, Refunding RB, M/F Housing, Series A, 6.05%, 10/01/41	5,460	5,819,595
		24,944,074
State 16.2%		
Michigan Finance Authority, Refunding RB, Detroit Regional Convention Facility Authority Local Project Bonds, 5.00%, 10/01/39	5,400	6,039,900
Michigan State Finance Authority, RB, Local Government Loan Program, Series F, 5.00%, 4/01/31	1,000	1,082,640
Michigan Strategic Fund, RB, Michigan Senate Offices Project, Series A, 5.25%, 10/15/40	3,000	3,403,530
Michigan Strategic Fund, Refunding RB, Cadillac Place Office Building Project, 5.25%, 10/15/31	7,000	8,053,150
State of Michigan, COP, (AMBAC), 0.00%, 6/01/22 (b)(c)	3,000	2,791,530
State of Michigan Building Authority, RB, Local Government Loan Program, Series F, 5.25%, 10/01/41	8,595	9,325,747
State of Michigan Building Authority, Refunding RB: Facilities Program, Series I, 6.25%, 10/15/18 (a)	3,780	4,018,896
Facilities Program, Series I, 6.25%, 10/15/18 (a)	2,260	2,402,832
Facilities Program, Series I, 6.25%, 10/15/38	210	222,663
Facilities Program, Series I (AGC), 5.25%, 10/15/24	6,000	6,535,080
Facilities Program, Series I (AGC), 5.25%, 10/15/25	3,500	3,808,910
Facilities Program, Series I (AGC), 5.25%, 10/15/26	1,000	1,087,340
Facilities Program, Series I-A, 5.50%, 10/15/45	2,000	2,265,300
Facilities Program, Series II (AGM), 5.00%, 10/15/26	7,500	8,112,675
Series I, 5.00%, 4/15/41	4,750	5,439,083
State of Michigan Trunk Line Fund, RB: 5.00%, 11/15/33	3,000	3,401,280
5.00%, 11/15/36	5,345	6,038,674
		74,029,230
Transportation 11.2%		
State of Michigan, RB, Garvee, GAB (AGM), 5.25%, 9/15/17 (a)	8,500	8,546,410
Wayne County Airport Authority, RB: Detroit Metropolitan Wayne County Airport, AMT (NPFGC), 5.00%, 12/01/39	1,475	1,633,032
Series D, 5.00%, 12/01/35	3,850	4,359,239
Series D, 5.00%, 12/01/45	5,000	5,606,900
Wayne County Airport Authority, Refunding RB, AMT: (AGC), 5.75%, 12/01/25	4,000	4,239,800
(AGC), 5.75%, 12/01/26	4,060	4,303,397
(AGC), 5.38%, 12/01/32	13,000	13,592,670
Series F, 5.00%, 12/01/34	8,000	9,026,960
		51,308,408
Municipal Bonds		
Michigan (continued)		
Utilities 15.4%		
City of Detroit Michigan Sewage Disposal System, Refunding RB, Senior Lien, Series A, 5.25%, 7/01/39	\$ 2,655	\$ 2,950,501
City of Detroit Michigan Water Supply System Revenue, RB, Series A: Senior Lien, 5.25%, 7/01/41	4,325	4,696,950
(NPFGC), 5.00%, 7/01/34	10	10,026
City of Grand Rapids Michigan Sanitary Sewer System, Refunding RB, Series A (NPFGC), 5.50%, 1/01/22	1,280	1,418,253
City of Holland Michigan Electric Utility System, RB, Series A, 5.00%, 7/01/39	10,000	11,263,500
City of Lansing Michigan, RB, Board of Water & Light Utilities System, Series A: 5.00%, 7/01/27	3,180	3,609,586
5.00%, 7/01/31	6,830	7,701,235

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5.00%, 7/01/37	3,335	3,720,092
5.50%, 7/01/41	5,000	5,703,700
City of Port Huron Michigan, RB, Water Supply System:		
5.25%, 10/01/31	500	557,270
5.63%, 10/01/40	1,500	1,696,560
Great Lakes Water Authority Water Supply System Revenue, RB, Second Lien, Series B,		
5.00%, 7/01/46	10,000	11,067,500
Michigan Finance Authority, Refunding RB:		
Government Loan Program,		
5.00%, 7/01/34	2,000	2,263,400
Government Loan Program,		
5.00%, 7/01/35	750	847,088
Senior Lien, Detroit Water and Sewer, Series C-3 (AGM), 5.00%, 7/01/31	1,000	1,141,500
Senior Lien, Detroit Water and Sewer, Series C-3 (AGM), 5.00%, 7/01/32	5,250	5,971,560
Senior Lien, Detroit Water and Sewer, Series C-3 (AGM), 5.00%, 7/01/33	3,000	3,400,230
Michigan Municipal Bond Authority, RB, State Clean Water Revolving Fund, Pooled		
Project, 5.00%, 10/01/20 (a)	2,000	2,242,400
		70,261,351
Total Municipal Bonds 137.7%		630,223,617

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

Michigan 22.1%

County/City/Special District/School District 1.7%

Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/18 (a) 7,500 7,731,525

Education 11.8%

Michigan State University, Refunding RB, General, Series A, 5.00%, 8/15/38 10,000 11,550,700

Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/18 (a) 10,000 10,373,400

Wayne State University, RB, General, Series A, 5.00%, 11/15/40 10,000 11,144,100

Wayne State University, Refunding RB, General (AGM):

5.00%, 11/15/18 (a) 8,880 9,288,921

5.00%, 11/15/35 11,120 11,632,073

53,989,194

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

Municipal Bonds Transferred to Tender Option Bond Trusts (d) Michigan (continued)	Par (000)	Value
Health 7.4%		
Michigan Finance Authority, RB, Beaumont Health Credit Group, 5.00%, 11/01/44	\$ 10,002	\$ 11,213,160
Michigan Finance Authority, Refunding RB:		
Hospital, Trinity Health Credit Group, 5.00%, 12/01/39	190	214,385
Trinity Health Corp., Series 2016, 5.00%, 12/01/45	19,735	22,399,988
		33,827,533
State 1.2%		
Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 5.00%, 10/15/45	5,150	5,786,437
Total Municipal Bonds Transferred to Tender Option Bond Trusts 22.1%		101,334,689
Total Long-Term Investments (Cost \$688,902,693) 159.8%		731,558,306
Short-Term Securities	Shares	Value
BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.64% (e)(f)	4,666,675	\$ 4,668,541
Total Short-Term Securities (Cost \$4,667,566) 1.0%		4,668,541
Total Investments (Cost \$693,570,259) 160.8%		736,226,847
Other Assets Less Liabilities 1.3%		5,737,859
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (11.4)%		(52,111,157)
Loan for TOB Trust Certificates (0.1)%		(499,875)
VRDP Shares at Liquidation Value, Net of Deferred Offering Costs (50.6)%		(231,466,131)
Net Assets Applicable to Common Shares 100.0%		\$ 457,887,543

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) During the year ended July 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at July 31, 2016	Net Activity	Shares Held at July 31, 2017	Value at July 31, 2017	Income	Net Realized Gain ¹	Change in Unrealized Appreciation
BlackRock Liquidity Funds, MuniCash, Institutional Class	4,096,066	570,609	4,666,675	\$ 4,668,541	\$ 25,925	\$ 2,906	\$ 975

¹ Includes net capital gain distributions.

(f) 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

Description	Number of Contracts	Expiration Date	Notional Amount (000)	Value / Unrealized Appreciation (Depreciation)
Short Contracts				
5-Year U.S. Treasury Note	(48)	September 2017	\$ 5,671	\$ (511)
10-Year U.S. Treasury Note	(131)	September 2017	\$ 16,492	3,429
Long U.S. Treasury Bond	(93)	September 2017	\$ 14,226	(37,911)
Ultra U.S. Treasury Bond	(23)	September 2017	\$ 3,784	(31,239)
Total				\$ (66,232)

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

Derivative Financial Instruments Categorized by Risk Exposure

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

Assets Derivative Financial Instruments		Commodity Contracts	Credit Contracts	Equity Contracts	Foreign	Interest	Other Contracts	Total
					Currency Exchange Contracts	Rate Contracts		
Futures contracts	Net unrealized appreciation ¹					\$ 3,429		\$ 3,429

Liabilities Derivative Financial Instruments		Commodity Contracts	Credit Contracts	Equity Contracts	Foreign	Interest	Other Contracts	Total
					Currency Exchange Contracts	Rate Contracts		
Futures contracts	Net unrealized depreciation ¹					\$ 69,661		\$ 69,661

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, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

Net Realized Gain (Loss) from:		Commodity Contracts	Credit Contracts	Equity Contracts	Foreign	Interest	Other Contracts	Total
					Currency Exchange Contracts	Rate Contracts		
Futures contracts						\$ 1,647,826		\$ 1,647,826

Net Change in Unrealized Appreciation (Depreciation) on:		Commodity Contracts	Credit Contracts	Equity Contracts	Foreign	Interest	Other Contracts	Total
					Currency Exchange Contracts	Rate Contracts		
Futures contracts						\$ 180,558		\$ 180,558

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:		
Average notional value of contracts	long	\$ 482,813 ¹
Average notional value of contracts	short	\$ 52,278,928

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

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		\$ 731,558,306		\$ 731,558,306
Short-Term Securities	\$ 4,668,541			4,668,541

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Total	\$ 4,668,541	\$ 731,558,306	\$ 736,226,847
Derivative Financial Instruments ²			
Assets:			
Interest rate contracts	\$ 3,429		\$ 3,429
Liabilities:			
Interest rate contracts	(69,661)		(69,661)
Total	\$ (66,232)		\$ (66,232)

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

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

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

Fair Value Hierarchy as of Period End (continued)

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
Liabilities:				
TOB Trust Certificates		\$ (52,002,182)		\$ (52,002,182)
Loan for TOB Trust Certificates		(499,875)		(499,875)
VRDP Shares at Liquidation Value		(231,900,000)		(231,900,000)
Total		\$ (284,402,057)		\$ (284,402,057)

During the year ended July 31, 2017, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments July 31, 2017

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
Pennsylvania 118.2%		
Corporate 3.0%		
County of Beaver Pennsylvania IDA, Refunding RB, First Energy Nuclear Energy Project, Series B, 3.50%, 12/01/35 (a)	\$ 3,745	\$ 1,675,887
Pennsylvania Economic Development Financing Authority, RB:		
American Water Co. Project, 6.20%, 4/01/39	1,510	1,626,481
Aqua Pennsylvania, Inc. Project, Series B, 4.50%, 12/01/42	2,630	2,743,958
Pennsylvania Economic Development Financing Authority, Refunding RB, AMT:		
Aqua Pennsylvania, Inc. Project, Series A, 5.00%, 12/01/34	180	192,631
National Gypsum Co., 5.50%, 11/01/44	135	144,859
		6,383,816
County/City/Special District/School District 31.0%		
Allentown Neighborhood Improvement Zone Development Authority, Refunding RB, Series A:		
5.00%, 5/01/35	190	200,490
5.00%, 5/01/42	450	471,843
Bethlehem Area School District, GO, (BAM), Series A:		
5.00%, 8/01/34	1,610	1,822,826
5.00%, 8/01/35	1,210	1,367,215
Borough of West Chester Pennsylvania, GO, Refunding, 3.50%, 11/15/35	1,095	1,114,907
Boyertown Area School District, GO:		
5.00%, 10/01/36	610	695,851
5.00%, 10/01/38	920	1,047,678
City of Philadelphia Pennsylvania, GO, Refunding, Series A (AGM), 5.25%, 12/15/18 (b)	5,000	5,294,650
City of Philadelphia Pennsylvania, GO, Refunding Series A (AGC):		
5.00%, 8/01/19 (b)	255	275,262
5.00%, 8/01/24	2,115	2,276,121
City of Pittsburgh Pennsylvania, GO, Series B, 5.00%, 9/01/26	1,095	1,269,083
County of Bucks Pennsylvania Water & Sewer Authority, RB, Series A (AGM):		
5.00%, 12/01/37	780	886,922
5.00%, 12/01/40	1,000	1,133,550
County of Dauphin General Authority, Refunding RB, Pinnacle Health System Project, 6.00%, 6/01/29	260	282,612
County of Lycoming Pennsylvania Water & Sewer Authority, RB, (AGM), 5.00%, 11/15/19 (b)	500	544,810
County of Northampton Pennsylvania IDA, Route 33 Project, Tax Allocation Bonds, 7.00%, 7/01/32	175	202,200
County of York Pennsylvania, GO, Refunding, 5.00%, 3/01/36	500	549,295
Dallastown Area School District, GO, Refunding, 5.00%, 4/15/34	1,235	1,431,365
East Stroudsburg Area School District, GO, Refunding, Series A (AGM), 5.00%, 9/01/25	2,000	2,007,040
Fox Chapel Area School District, GO:		
5.00%, 2/01/39	1,345	1,581,734
5.00%, 2/01/42	1,250	1,463,213
Lower Merion School District, GO, Refunding, Series A, 3.25%, 11/15/27	2,035	2,117,906
Marple Newtown School District, GO, (AGM), 5.00%, 6/01/19 (b)	4,100	4,399,997
Owen J. Roberts School District, GO, 4.75%, 11/15/25	700	720,398
Philadelphia School District, GO, Series E (b):		
2015, 6.00%, 9/01/18	5	5,271
2015-2, 6.00%, 9/01/18	5	5,271
6.00%, 9/01/18	3,340	3,521,195
	Par (000)	Value
Municipal Bonds		
Pennsylvania (continued)		
County/City/Special District/School District (continued)		
Shaler Area School District Pennsylvania, GO, CAB (Syncora), 0.00%, 9/01/30 (c)	\$ 6,145	\$ 4,013,054
State Public School Building Authority, RB (AGM):		
Community College, Allegheny County Project, 5.00%, 7/15/34	2,190	2,430,878
Corry Area School District, CAB, 0.00%, 12/15/22 (c)	1,640	1,465,488
Corry Area School District, CAB, 0.00%, 12/15/23 (c)	1,980	1,716,442
Corry Area School District, CAB, 0.00%, 12/15/24 (c)	1,980	1,656,627
Corry Area School District, CAB, 0.00%, 12/15/25 (c)	1,770	1,425,310

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State Public School Building Authority, Refunding RB, Harrisburg School District Project, Series A (AGC) (b):		
5.00%, 5/15/19	215	230,368
5.00%, 5/15/19	215	230,289
5.00%, 5/15/19	855	915,799
Township of Bristol Pennsylvania School District, GO:		
5.00%, 6/01/40	775	872,363
5.25%, 6/01/43	6,925	7,895,954
(BAM), 5.00%, 6/01/42	1,685	1,914,699
Township of Falls Pennsylvania, Refunding RB, Water & Sewer Authority, 5.00%, 12/01/37	1,270	1,390,282
Township of Lower Paxton Pennsylvania, GO:		
5.00%, 4/01/42	435	489,997
5.00%, 4/01/46	1,435	1,611,806
Township of Upper Moreland Pennsylvania School District, GO, 5.00%, 10/01/34	130	147,684
		65,095,745
Education 21.1%		
County of Adams Pennsylvania IDA, Refunding RB, Gettysburg College:		
5.00%, 8/15/24	100	110,077
5.00%, 8/15/25	100	109,827
5.00%, 8/15/26	100	109,827
County of Chester Pennsylvania Health & Education Facilities Authority, Refunding RB, Main Line Health System, Series A, 5.00%, 10/01/52		
	2,290	2,610,989
County of Cumberland Pennsylvania Municipal Authority, RB, AICUP Financing Program, Dickinson College Project, 5.00%, 11/01/39		
	200	211,950
County of Cumberland Pennsylvania Municipal Authority, Refunding RB, Diakon Lutheran:		
6.38%, 1/01/19 (b)	900	968,265
6.38%, 1/01/39	100	107,041
County of Delaware Pennsylvania Authority, RB, Villanova University:		
5.00%, 8/01/40	1,205	1,366,121
5.00%, 8/01/45	3,610	4,070,889
County of Delaware Pennsylvania Authority, Refunding RB:		
Cabrini University, 5.00%, 7/01/42	815	899,410
Cabrini University, 5.00%, 7/01/47	2,480	2,723,908
Haverford College, 5.00%, 5/15/20 (b)	340	376,662
Haverford College, 5.00%, 11/15/35	75	81,582
Villanova University, 5.25%, 12/01/19 (b)	100	109,796
County of Northampton Pennsylvania General Purpose Authority, Refunding RB:		
Moravian College, 5.00%, 10/01/36	610	676,649
Moravian College, 3.88%, 10/01/45	1,330	1,330,878
St. Luke s University Health Network Project, 5.00%, 8/15/46	1,000	1,107,190

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

	Par (000)	Value
Municipal Bonds		
Pennsylvania (continued)		
Education (continued)		
Pennsylvania Higher Educational Facilities Authority, RB:		
Shippensburg University Student Services, Student Housing, 5.00%, 10/01/44	\$ 1,460	\$ 1,527,467
Thomas Jefferson University, 5.00%, 3/01/20 (b)	1,000	1,100,490
Pennsylvania Higher Educational Facilities Authority, Refunding RB:		
Drexel University, Series A, 5.25%, 5/01/41	3,930	4,395,194
La Salle University, 5.00%, 5/01/37	1,325	1,416,875
La Salle University, 5.00%, 5/01/42	1,855	1,974,481
State System of Higher Education, Series AL, 5.00%, 6/15/35	280	305,376
Thomas Jefferson University,		
5.00%, 9/01/45	2,000	2,234,940
University of the Sciences Philadelphia, 5.00%, 11/01/30	940	1,072,634
University of the Sciences Philadelphia, 5.00%, 11/01/31	775	880,826
University Properties, Inc. Student Housing Project, Series A, 5.00%, 7/01/35	300	323,706
Widener University, Series A,		
5.25%, 7/15/33	1,580	1,740,844
Widener University, Series A,		
5.50%, 7/15/38	385	428,031
Philadelphia Authority for Industrial Development, RB, University of Sciences, 5.00%, 11/01/42	2,710	3,043,194
Philadelphia Authority for Industrial Development, Refunding RB, 1st Series, 5.00%, 4/01/45	2,170	2,447,760
Reading School District, GO, Refunding, (AGM), 5.00%, 3/01/38	530	605,308
Swarthmore Borough Authority, Refunding RB, Swarthmore College Project, 5.00%, 9/15/38	830	976,976
Township of East Hempfield Pennsylvania IDA, RB, Student Services, Inc., Student Housing Project at Millersville University of Pennsylvania:		
5.00%, 7/01/35	485	512,669
5.00%, 7/01/35	435	464,254
5.00%, 7/01/45	300	314,208
5.00%, 7/01/47	820	864,329
University of Pittsburgh, RB, Commonwealth System of Higher Education Capital Project, Series B, 5.00%, 3/15/19 (b)	610	649,809
		44,250,432
Health 19.5%		
City of Pottsville Pennsylvania Hospital Authority, Refunding RB, Lehigh Valley Health, Series B, 5.00%, 7/01/41	3,000	3,373,650
County of Allegheny Pennsylvania Hospital Development Authority, RB, University of Pittsburgh Medical Center Health, Series B (NPFGC), 6.00%, 7/01/26	2,000	2,600,080
County of Berks Pennsylvania Municipal Authority, Refunding RB, Reading Hospital & Medical Center Project:		
Series A, 5.00%, 11/01/40	765	831,172
Series A3, 5.50%, 11/01/31	500	543,685
County of Centre Pennsylvania Hospital Authority, RB, Mount Nittany Medical Center Project, 7.00%, 11/15/21 (b)	2,410	2,989,725
County of Cumberland Pennsylvania Municipal Authority, Refunding RB:		
Asbury Pennsylvania Obligated Group, 5.25%, 1/01/41	210	213,921
	Par (000)	Value
Municipal Bonds		
Pennsylvania (continued)		
Health (continued)		
County of Cumberland Pennsylvania Municipal Authority, Refunding RB (continued):		
Diakon Lutheran Social Ministries, 5.00%, 1/01/38	\$ 2,600	\$ 2,815,644
County of Dauphin General Authority, Refunding RB, Pinnacle Health System Project, 6.00%, 6/01/19 (b)	240	261,818
County of Franklin Pennsylvania IDA, Refunding RB, Chambersburg Hospital Project, 5.38%, 7/01/42	415	451,039
County of Lancaster Pennsylvania Hospital Authority, Refunding RB, Masonic Villages of The Grand Lodge of Pennsylvania Project:		
5.00%, 11/01/28	575	666,097
5.00%, 11/01/35	425	476,191
County of Lehigh Pennsylvania, RB, Lehigh Valley Health Network, Series A (AGM), 5.00%, 7/01/18 (b)	7,995	8,287,537

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County of Montgomery Pennsylvania Higher Education & Health Authority, Refunding RB, Abington Memorial Hospital Obligated Group, Series A, 5.13%, 6/01/19 (b)	490	526,495
County of Montgomery Pennsylvania IDA, RB, Acts Retirement-Life Communities, Series A-1, 6.25%, 11/15/19 (b)	235	262,575
County of Montgomery Pennsylvania IDA, Refunding RB: Acts Retirement-Life Communities, 5.00%, 11/15/27	865	953,420
Acts Retirement-Life Communities, 5.00%, 11/15/28	555	609,051
Whitemarsh Continuing Care Retirement Community, 5.25%, 1/01/40	220	222,548
County of Union Pennsylvania Hospital Authority, Refunding RB, Evangelical Community Hospital Project, 7.00%, 8/01/41	460	525,702
Geisinger Authority Pennsylvania, RB, Health System, Series A, 5.25%, 6/01/19 (b)	1,000	1,077,510
Geisinger Authority Pennsylvania, Refunding RB, Health System, Series A-2, 5.00%, 2/15/39	4,050	4,688,442
Lancaster IDA, Refunding RB, Garden Spot Village Project: 5.38%, 5/01/28	520	572,255
5.75%, 5/01/35	865	950,393
Pennsylvania Higher Educational Facilities Authority, Refunding RB, University of Pittsburgh Medical Center, Series E, 5.00%, 5/15/31	1,000	1,075,310
Philadelphia Hospitals & Higher Education Facilities Authority, RB, The Children's Hospital of Philadelphia Project, Series C, 5.00%, 7/01/41	940	1,052,490
Philadelphia Hospitals & Higher Education Facilities Authority, Refunding RB, Presbyterian Medical Center, 6.65%, 12/01/19 (d)	1,310	1,403,351
South Fork Municipal Authority, Refunding RB, Conemaugh Valley Memorial Hospital, Series B (AGC), 5.38%, 7/01/20 (b)	2,055	2,307,087
Southcentral Pennsylvania General Authority, Refunding RB, Wellspan Health Obligation Group, Series A: 6.00%, 12/01/18 (b)	595	633,378
6.00%, 6/01/29	655	691,117
		41,061,683
Housing 8.5%		
City of Philadelphia Pennsylvania, GO, Refunding, Series A, 5.00%, 8/01/37 (e)	1,360	1,545,586

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

	Par (000)	Value
Municipal Bonds		
Pennsylvania (continued)		
Housing (continued)		
Pennsylvania HFA, RB:		
Brinton Manor Apartments & Brinton Towers, M/F Housing, Series A, 4.25%, 10/01/35	\$ 400	\$ 422,592
Brinton Manor Apartments & Brinton Towers, M/F Housing, Series A, 4.50%, 10/01/40	400	424,096
S/F Housing Mortgage, Series 114-C, 3.65%, 10/01/37	1,705	1,720,055
S/F Housing Mortgage, Series 118-B, 4.05%, 10/01/40	1,000	1,033,940
S/F Housing Mortgage, Series 2015-117-B, 4.05%, 10/01/40	1,600	1,643,024
Pennsylvania HFA, Refunding RB, S/F Housing Mortgage:		
Series 099-A, AMT, 5.15%, 4/01/38	1,065	1,121,594
Series 115-A, AMT, 4.20%, 10/01/33	730	770,450
Series 119, 3.50%, 10/01/36	1,515	1,524,075
Philadelphia Housing Authority, RB, Capital Fund Program, M/F Housing, Series A (AGM), 5.50%, 12/01/18	3,000	3,024,720
Philadelphia IDA, RB, Series A:		
3.50%, 12/01/36	790	776,870
4.00%, 12/01/46	2,970	2,999,878
4.00%, 12/01/51	790	791,801
		17,798,681
State 9.6%		
Commonwealth of Pennsylvania, GO, 1st Series:		
5.00%, 4/01/26	1,385	1,602,916
5.00%, 6/01/28	2,460	2,811,853
Pennsylvania Economic Development Financing Authority, RB, Pennsylvania Bridge Finco LP, AMT, 5.00%, 6/30/42		
	7,500	8,330,850
Pennsylvania Turnpike Commission, RB:		
Oil Franchise Tax, Remarketing, Series C (NPFGC), 5.00%, 12/01/18 (b)	4,600	4,847,756
Sub-Series B-1, 5.00%, 6/01/42	2,345	2,635,405
		20,228,780
Transportation 18.4%		
City of Philadelphia Pennsylvania, ARB, Series A:		
5.00%, 6/15/40	3,825	4,153,720
AMT (AGM), 5.00%, 6/15/37	5,900	5,915,576
Delaware River Joint Toll Bridge Commission, RB, Bridge System, 5.00%, 7/01/42	1,500	1,741,680
Delaware River Port Authority, RB:		
5.00%, 1/01/29	475	555,418
5.00%, 1/01/37	2,285	2,607,139
Series D, 5.00%, 1/01/40	750	810,757
Series D (AGM), 5.00%, 1/01/40	1,560	1,691,024
Pennsylvania Economic Development Financing Authority, Refunding RB, Amtrak Project, Series A, AMT, 5.00%, 11/01/41		
	6,025	6,545,018
Pennsylvania Turnpike Commission, RB:		
CAB, Sub-Series A-3, 0.00%, 12/01/42 (c)	4,760	1,660,764
CAB, Sub-Series A-3 (AGM), 0.00%, 12/01/40 (c)		
	1,275	522,495
Sub-Series A, 5.13%, 12/01/20 (b)	75	84,989
Sub-Series A, 5.13%, 12/01/20 (b)	25	28,303
Pennsylvania Turnpike Commission, Refunding RB:		
Sub-Series A-1, 5.25%, 12/01/45	3,270	3,728,552
Sub-Series B (AGM), 5.25%, 6/01/19 (b)	1,695	1,828,583
Sub-Series B (AGM), 5.25%, 6/01/19 (b)	1,805	1,944,563
	Par (000)	Value
Municipal Bonds		
Pennsylvania (continued)		
Transportation (continued)		
Southeastern Pennsylvania Transportation Authority, RB, Capital Grant Receipts:		
5.00%, 6/01/28	\$ 1,860	\$ 2,086,678
5.00%, 6/01/29	2,465	2,761,515

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		38,666,774
Utilities 7.1%		
City of Philadelphia Pennsylvania Gas Works, RB, 9th Series: 5.25%, 8/01/20 (b)	660	741,200
5.25%, 8/01/40	1,040	1,138,769
City of Philadelphia Pennsylvania Gas Works, Refunding RB: 5.00%, 8/01/30	800	916,168
5.00%, 8/01/31	600	684,330
5.00%, 8/01/32	800	909,392
5.00%, 8/01/33	400	453,180
5.00%, 8/01/34	700	790,419
City of Philadelphia Pennsylvania Water & Wastewater, RB: Series A, 5.25%, 1/01/19 (b)	800	848,640
Series A, 5.25%, 10/01/52	810	950,000
Series C (AGM), 5.00%, 8/01/40	3,350	3,655,118
County of Allegheny Pennsylvania Sanitary Authority, RB, Sewer Improvement (BAM), 5.25%, 12/01/41	1,410	1,603,015
County of Bucks Pennsylvania Water & Sewer Authority, RB, Water System (AGM), 5.00%, 12/01/41	30	33,384
County of Delaware Pennsylvania Regional Water Quality Control Authority, RB, Sewer Improvements, 5.00%, 5/01/33	420	470,635
Pennsylvania Economic Development Financing Authority, RB, Philadelphia Biosolids Facility, 6.25%, 1/01/32	1,605	1,704,831
		14,899,081
Total Municipal Bonds 118.2%		248,384,992

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

Pennsylvania 47.4%

Education 15.5%

Northampton County General Purpose Authority, Refunding RB, Lafayette College, 5.00%, 11/01/47	3,900	4,531,371
Pennsylvania Higher Educational Facilities Authority, RB, University of Pennsylvania Health System, Series A: 5.75%, 8/15/21 (b)	5,120	6,052,454
4.00%, 8/15/39	7,815	8,026,691
Pennsylvania Higher Educational Facilities Authority, Series AR, 4.00%, 6/15/38	11,335	11,713,784
University of Pittsburgh Pennsylvania, RB, The Commonwealth System of Higher Education, Capital Project, Series B, 5.00%, 3/15/19 (b)	2,202	2,345,367
		32,669,667

Health 13.4%

Geisinger Authority Pennsylvania, RB, Health System: Series A, 5.13%, 6/01/19 (b)	3,000	3,225,720
Series A, 5.25%, 6/01/19 (b)	3,128	3,370,750
Series A-1, 5.13%, 6/01/41	7,430	8,061,915

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

Municipal Bonds Transferred to Tender Option Bond Trusts (f)	Par (000)	Value
Pennsylvania (continued)		
Health (continued)		
Pennsylvania Economic Development Financing Authority, RB, University of Pittsburgh Medical Center, Series B, 4.00%, 3/15/40	\$ 8,000	\$ 8,195,040
Philadelphia Hospitals & Higher Education Facilities Authority, RB, The Children's Hospital of Philadelphia Project, Series C, 5.00%, 7/01/41	4,680	5,240,056
		28,093,481
Housing 2.8%		
Pennsylvania HFA, Refunding RB, S/F Mortgage, AMT: Series 114A, 3.70%, 10/01/42	2,835	2,916,682
Series 115A, 4.20%, 10/01/33	2,920	3,081,797
		5,998,479
State 11.8%		
Commonwealth of Pennsylvania, GO, 1st Series, 5.00%, 3/15/19 (b)	6,028	6,421,604
General Authority of Southcentral Pennsylvania, Refunding RB, Wellspan Health Obligated Group, Series A, 5.00%, 6/01/44	7,000	7,763,070
Pennsylvania Turnpike Commission, RB, Oil Franchise Tax, Remarketing, Series C (NPFGC), 5.00%, 12/01/18 (b)	10,000	10,538,600
		24,723,274
Transportation 2.0%		
Pennsylvania Turnpike Commission, RB, Sub-Series A, 5.50%, 12/01/42	1,680	1,991,052
Municipal Bonds Transferred to Tender Option Bond Trusts (f)		
Pennsylvania (continued)		
Transportation (continued)		
Pennsylvania Turnpike Commission, Refunding RB, Sub Series B-2 (AGM), 5.00%, 6/01/35	\$ 1,850	\$ 2,123,911
		4,114,963
Utilities 1.9%		
County of Westmoreland Pennsylvania Municipal Authority, Refunding RB, (BAM), 5.00%, 8/15/42	3,493	3,967,252
Total Municipal Bonds Transferred to Tender Option Bond Trusts 47.4%		99,567,116
Total Long-Term Investments (Cost \$329,700,906) 165.6%		347,952,108
Short-Term Securities		
BlackRock Liquidity Funds, MuniCash, Institutional Class, 0.64% (g)(h)	489,482	489,678
Total Short-Term Securities (Cost \$489,678) 0.2%		489,678
Total Investments (Cost \$330,190,584) 165.8%		348,441,786
Other Assets Less Liabilities 0.1%		10,320
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (26.6)%		(55,951,003)
VRDP Shares at Liquidation Value, Net of Deferred Offering Costs (39.3)%		(82,330,747)
Net Assets Applicable to Common Shares 100.0%		\$ 210,170,356

Notes to Schedule of Investments

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- (a) Variable rate security. Rate shown is the rate in effect as of period end.
- (b) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Zero-coupon bond.
- (d) Security is collateralized by municipal bonds or U.S. Treasury obligations.
- (e) When-issued security.
- (f) 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.
- (g) During the year ended July 31, 2017, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at July 31, 2016	Net Activity	Shares Held at July 31, 2017	Value at July 31, 2017	Income	Net Realized Gain ¹	Change in Unrealized Appreciation (Depreciation)
BlackRock Liquidity Funds, MuniCash, Institutional Class	455,980	33,502	489,482	\$ 489,678	\$ 16,035	\$ 1,122	

¹ Includes net capital gain distributions.

- (h) 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.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

Derivative Financial Instruments Outstanding as of Period End

Futures Contracts

Description	Number of Contracts	Expiration Date	Notional Amount (000)	Value/ Unrealized Appreciation (Depreciation)
Short Contracts				
5-Year U.S. Treasury Note	(10)	September 2017	\$ 1,181	\$ (107)
10-Year U.S. Treasury Note	(43)	September 2017	\$ 5,413	1,126
Long U.S. Treasury Bond	(30)	September 2017	\$ 4,589	(12,229)
Ultra U.S. Treasury Bond	(9)	September 2017	\$ 1,481	(12,224)
Total				\$ (23,434)

Derivative Financial Instruments Categorized by Risk Exposure

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

Assets	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
	Futures contracts		Net unrealized appreciation ¹			\$ 1,126		\$ 1,126
Liabilities	Derivative Financial Instruments	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
	Futures contracts		Net unrealized depreciation ¹			\$24,560		\$24,560

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, 2017, the effect of derivative financial instruments in the Statements of Operations was as follows:

	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) from:							
Futures contracts					\$ 715,588		\$ 715,588
Net Change in Unrealized Appreciation (Depreciation) on:							
Futures contracts					\$ 6,442		\$ 6,442

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Futures contracts:		
Average notional value of contracts - long		\$ 241,406 ¹
Average notional value of contracts - short		\$ 19,029,893

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

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.

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ANNUAL REPORT

JULY 31, 2017

Schedule of Investments (concluded)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

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		\$ 347,952,108		\$ 347,952,108
Short-Term Securities	\$ 489,678			489,678
Total	\$ 489,678	\$ 347,952,108		\$ 348,441,786
Derivative Financial Instruments ²				
Assets:				
Interest rate contracts	\$ 1,126			\$ 1,126
Liabilities:				
Interest rate contracts	(24,560)			(24,560)
Total	\$ (23,434)			\$ (23,434)

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

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

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

	Level 1	Level 2	Level 3	Total
Liabilities:				
TOB Trust Certificates		\$ (55,826,390)		\$ (55,826,390)
VRDP Shares at Liquidation Value		(82,600,000)		(82,600,000)
Total		\$ (138,426,390)		\$ (138,426,390)

During the year ended July 31, 2017, there were no transfers between levels.

See Notes to Financial Statements.

Statements of Assets and Liabilities

	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)
July 31, 2017					
Assets					
Investments at value unaffiliated	\$ 1,071,261,710	\$ 767,721,338	\$ 207,107,902	\$ 731,558,306	\$ 347,952,108
Investments at value affiliated	593,637	20,464,723	624,165	4,668,541	489,678
Cash pledged for futures contracts	443,500	376,000	114,550	553,950	181,800
Receivables:					
Interest unaffiliated	14,637,946	5,479,284	2,224,345	8,186,016	3,338,392
Investments sold	2,962,126		1,941,271		
Variation margin on futures contracts	24,125	21,828	6,211	31,062	10,172
Dividends affiliated	840	6,651	346	2,281	195
Prepaid expenses	23,722	34,065	15,637	33,810	16,505
Total assets	1,089,947,606	794,103,889	212,034,427	745,033,966	351,988,850
Accrued Liabilities					
Bank overdraft	380,930	324,275	88,573	320,848	114,282
Payables:					
Investments purchased	12,402,407	20,837,335	3,590,853		2,128,303
Income dividends Common Shares	2,521,653	2,035,386	567,838	1,893,009	831,852
Investment advisory fees	898,649	636,055	172,753	606,373	284,002
Interest expense and fees	555,044	102,851	54,293	108,975	124,613
Officers and Directors fees	337,467	6,503	1,759	6,392	10,980
Other accrued expenses	300,897	258,382	124,605	242,638	167,325
Total accrued liabilities	17,397,047	24,200,787	4,600,674	3,178,235	3,661,357
Other Liabilities					
TOB Trust Certificates	181,685,265	63,876,946	27,228,737	52,002,182	55,826,390
Loan for TOB Trust Certificates				499,875	
VRDP Shares, at liquidation value of \$100,000 per share, net of deferred offering costs ^{3,4}		236,608,821		231,466,131	82,330,747
VMTP Shares, at liquidation value of \$100,000 per share ^{3,4}	254,000,000		56,500,000		
Total other liabilities	435,685,265	300,485,767	83,728,737	283,968,188	138,157,137
Total liabilities	453,082,312	324,686,554	88,329,411	287,146,423	141,818,494
Net Assets Applicable to Common Shareholders	\$ 636,865,294	\$ 469,417,335	\$ 123,705,016	\$ 457,887,543	\$ 210,170,356
Net Assets Applicable to Common Shareholders Consist of					
Paid-in capital ^{5,6}	\$ 581,297,061	\$ 424,108,509	\$ 118,023,311	\$ 419,045,924	\$ 195,608,177
Undistributed net investment income	2,937,108	3,543,469	1,294,135	1,601,266	766,735
Accumulated net realized loss	(3,605,456)	(6,503,965)	(11,508,344)	(5,350,003)	(4,432,324)
Net unrealized appreciation (depreciation)	56,236,581	48,269,322	15,895,914	42,590,356	18,227,768
Net Assets Applicable to Common Shareholders	\$ 636,865,294	\$ 469,417,335	\$ 123,705,016	\$ 457,887,543	\$ 210,170,356
Net asset value per Common Share	\$ 15.53	\$ 15.57	\$ 14.60	\$ 15.48	\$ 15.74
¹ Investments at cost unaffiliated	\$ 1,014,967,853	\$ 719,420,402	\$ 191,201,236	\$ 688,902,693	\$ 329,700,906
² Investments at cost affiliated	\$ 593,637	\$ 20,463,427	\$ 624,103	\$ 4,667,566	\$ 489,678

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³ Preferred Shares outstanding:					
Par value \$0.05 per share			565		826
Par value \$0.10 per share	2,540	2,371		2,319	
⁴ Preferred Shares authorized	18,140	9,847	1,000,000	8,046	1,000,000
⁵ Common Shares outstanding, par value \$0.10 per share	41,002,483	30,153,865	8,475,189	29,578,269	13,352,365
⁶ Common Shares authorized	199,981,860	199,990,153	unlimited	199,991,954	unlimited

See Notes to Financial Statements.

Statements of Operations

Year Ended July 31, 2017	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)
Investment Income					
Interest unaffiliated	\$ 40,921,146	\$ 32,138,543	\$ 9,225,420	\$ 30,625,051	\$ 14,151,998
Dividends affiliated	45,495	26,061	3,597	25,925	16,035
Total investment income	40,966,641	32,164,604	9,229,017	30,650,976	14,168,033
Expenses					
Investment advisory	5,898,729	3,813,049	1,031,502	3,647,822	1,687,173
Accounting services	139,317	107,609	37,077	102,864	55,974
Professional	129,838	111,011	57,158	113,523	78,973
Officer and Directors	106,415	51,661	13,414	50,234	23,773
Custodian	42,118	33,997	12,134	33,982	16,996
Transfer agent	40,933	37,210	21,420	39,443	29,665
Registration	16,492	12,148	9,829	11,914	9,797
Printing	10,250	9,601	6,770	3,404	7,032
Liquidity fees		24,148			
Remarketing fees on Preferred Shares		23,710			
Rating agency	39,064	39,038	38,754	39,029	38,795
Miscellaneous	37,126	27,946	15,667	28,886	20,386
Total expenses excluding interest expense, fees and amortization of offering costs	6,460,282	4,291,128	1,243,725	4,071,101	1,968,564
Interest expense, fees and amortization of offering cost ¹	6,596,709	4,604,216	1,326,139	4,537,774	2,048,522
Total expenses	13,056,991	8,895,344	2,569,864	8,608,875	4,017,086
Less fees waived by the Manager	(493,644)	(4,419)	(581)	(4,232)	(2,624)
Total expenses after fees waived	12,563,347	8,890,925	2,569,283	8,604,643	4,014,462
Net investment income	28,403,294	23,273,679	6,659,734	22,046,333	10,153,571
Realized and Unrealized Gain (Loss)					
Net realized gain (loss) from:					
Investments unaffiliated	(1,674,185)	566,032	(118,546)	528,099	(253,035)
Investments affiliated	6,002	1,287	448	2,565	1,042
Capital gain distributions from investment companies affiliated	6	4,519	1,684	341	80
Futures contracts	1,586,520	1,470,052	399,173	1,647,826	715,588
	(81,657)	2,041,890	282,759	2,178,831	463,675
Net change in unrealized appreciation (depreciation) on:					
Investments unaffiliated	(38,391,090)	(30,867,568)	(7,965,935)	(27,730,772)	(14,209,089)
Investments affiliated		1,296	62	975	
Futures contracts	66,850	387,566	10,032	180,558	6,442
	(38,324,240)	(30,478,706)	(7,955,841)	(27,549,239)	(14,202,647)
Net realized and unrealized loss	(38,405,897)	(28,436,816)	(7,673,082)	(25,370,408)	(13,738,972)
	\$ (10,002,603)	\$ (5,163,137)	\$ (1,013,348)	\$ (3,324,075)	\$ (3,585,401)

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

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

See Notes to Financial Statements.

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Statements of Changes in Net Assets

Increase (Decrease) in Net Assets Applicable to Common Shareholders:	BlackRock MuniHoldings California Quality Fund, Inc. (MUC) Year Ended July 31,		BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ) Year Ended July 31,	
	2017	2016	2017	2016
Operations				
Net investment income	\$ 28,403,294	\$ 31,611,962	\$ 23,273,679	\$ 25,372,694
Net realized gain (loss)	(81,657)	1,171,517	2,041,890	(584,863)
Net change in unrealized appreciation (depreciation)	(38,324,240)	30,181,072	(30,478,706)	29,655,061
Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations	(10,002,603)	62,964,551	(5,163,137)	54,442,892
Distributions to Common Shareholders¹				
From net investment income	(30,259,832)	(32,734,127)	(24,477,822)	(26,330,988)
Net Assets Applicable to Common Shareholders				
Total increase (decrease) in net assets applicable to Common Shareholders	(40,262,435)	30,230,424	(29,640,959)	28,111,904
Beginning of year	677,127,729	646,897,305	499,058,294	470,946,390
End of year	\$ 636,865,294	\$ 677,127,729	\$ 469,417,335	\$ 499,058,294
Undistributed net investment income, end of year	\$ 2,937,108	\$ 5,007,780	\$ 3,543,469	\$ 4,730,530

¹ Distributions for annual periods determined in accordance with U.S. federal income tax regulations.

See Notes to Financial Statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets Applicable to Common Shareholders:	BlackRock MuniYield Investment Quality Fund (MFT) Year Ended July 31,		BlackRock MuniYield Michigan Quality Fund, Inc. (MIY) Year Ended July 31,	
	2017	2016	2017	2016
Operations				
Net investment income	\$ 6,659,734	\$ 7,023,158	\$ 22,046,333	\$ 22,416,196
Net realized gain (loss)	282,759	(38,686)	2,178,831	2,417,391
Net change in unrealized appreciation (depreciation)	(7,955,841)	5,278,415	(27,549,239)	25,732,406
Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations	(1,013,348)	12,262,887	(3,324,075)	50,565,993
Distributions to Common Shareholders¹				
From net investment income	(7,050,927)	(7,219,153)	(22,756,840)	(22,410,047)
Capital Share Transactions				
Reinvestment of common distributions	29,921			
Net proceeds from the issuance of common shares due to reorganization				173,278,358
Net Assets Applicable to Common Shareholders				
Total increase (decrease) in net assets applicable to Common Shareholders	(8,034,354)	5,043,734	(26,080,915)	201,434,304
Beginning of year	131,739,370	126,695,636	483,968,458	282,534,154
End of year	\$ 123,705,016	\$ 131,739,370	\$ 457,887,543	\$ 483,968,458
Undistributed net investment income, end of year	\$ 1,294,135	\$ 1,684,937	\$ 1,601,266	\$ 1,725,450

¹ Distributions for annual periods determined in accordance with U.S. federal income tax regulations.

Increase (Decrease) in Net Assets Applicable to Common Shareholders:	BlackRock MuniYield Pennsylvania Quality Fund (MPA) Year Ended July 31,	
	2017	2016
Operations		
Net investment income	\$ 10,153,571	\$ 10,740,639
Net realized gain	463,675	60,829
Net change in unrealized appreciation (depreciation)	(14,202,647)	13,470,414
Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations	(3,585,401)	24,271,882
Distributions to Common Shareholders¹		
From net investment income	(9,982,228)	(11,082,463)
Net Assets Applicable to Common Shareholders		
Total increase (decrease) in net assets applicable to Common Shareholders	(13,567,629)	13,189,419
Beginning of year	223,737,985	210,548,566
End of year	\$ 210,170,356	\$ 223,737,985

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Undistributed net investment income, end of year	\$	766,735	\$	601,817
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¹ Distributions for annual periods determined in accordance with U.S. federal income tax regulations.

See Notes to Financial Statements.

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Statements of Cash Flows

	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)
Year Ended July 31, 2017					
Cash Provided by (Used for) Operating Activities					
Net decrease in net assets resulting from operations	\$ (10,002,603)	\$ (5,163,137)	\$ (1,013,348)	\$ (3,324,075)	\$ (3,585,401)
Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided by (used for) operating activities:					
Proceeds from sales of long-term investments	194,182,499	60,305,715	72,171,839	94,282,577	55,877,157
Purchases of long-term investments	(213,395,807)	(66,010,074)	(77,967,536)	(99,756,857)	(64,905,188)
Net purchases of short-term securities	(599,639)	(4,893,603)	(420,541)	(574,065)	(34,740)
Amortization of premium and accretion of discount on investments and other fees	7,495,337	377,803	769,262	3,168,246	639,211
Net realized (gain) loss on investments	1,680,083	(567,319)	118,098	(530,664)	251,993
Net unrealized loss on investments	38,391,090	30,866,272	7,965,873	27,729,797	14,209,089
(Increase) Decrease in Assets:					
Cash pledged for futures contracts	(20,000)	135,000	(28,000)	(224,000)	(19,000)
Receivables:					
Interest unaffiliated	559,651	32,081	(49,918)	4,708	41,450
Dividends affiliated	(43)	(3,568)	(247)	(1,746)	(32)
Variation margin on futures contracts	(24,125)	(21,828)	(6,211)	(31,062)	(10,172)
Prepaid expenses	14,642	(45)	12,924	(122)	13,065
Increase (Decrease) in Liabilities:					
Payables:					
Investment advisory fees	411,725	301,437	84,347	287,444	137,688
Interest expense and fees	324,303	51,271	34,196	61,164	83,409
Officers and Directors fees	46,941	275	(240)	381	807
Variation margin on futures contracts	(137,797)	(167,767)	(28,078)	(107,485)	(52,563)
Other accrued expenses	111,991	101,989	47,815	166,157	52,658
Net cash provided by (used for) operating activities	19,038,248	15,344,502	1,690,235	21,150,398	2,699,431
Cash Provided by (Used for) Financing Activities					
Proceeds from TOB Trust Certificates	40,569,127	8,788,240	7,509,247	24,771,914	9,922,945
Repayments of TOB Trust Certificates	(28,582,591)		(2,233,795)	(23,996,790)	(2,806,336)
Proceeds from Loan for TOB Trust Certificates	5,405,131			18,776,790	
Repayments of Loan for TOB Trust Certificates	(5,405,131)			(18,276,915)	
Cash dividends paid to Common Shareholders	(30,259,832)	(24,477,822)	(7,054,764)	(22,756,840)	(9,982,229)
Increase (decrease) in bank overdraft	(764,952)	324,275	88,573	320,848	114,282
Amortization of deferred offering costs		19,039		9,584	11,131
Net cash used for financing activities	(19,038,248)	(15,346,268)	(1,690,739)	(21,151,409)	(2,740,207)
Cash					
Net increase (decrease) in cash		(1,766)	(504)	(1,011)	(40,776)
Cash at beginning of year		1,766	504	1,011	40,776
Cash at end of year					
Supplemental Disclosure of Cash Flow Information					
Cash paid during the year for interest expense	\$ 6,272,406	\$ 4,533,906	\$ 1,291,943	\$ 4,467,026	\$ 1,953,982
Non-Cash Financing Activities					
			\$ 29,921		

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Capital shares issued in reinvestment of distributions paid to Common Shareholders

See Notes to Financial Statements.

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Financial Highlights

BlackRock MuniHoldings California Quality Fund, Inc.
(MUC)

	Year Ended July 31,				
	2017	2016	2015	2014	2013
Per Share Operating Performance					
Net asset value, beginning of year	\$ 16.51	\$ 15.78	\$ 15.82	\$ 14.52	\$ 16.41
Net investment income ¹	0.69	0.77	0.78	0.82	0.86
Net realized and unrealized gain (loss)	(0.93)	0.76	(0.00) ²	1.34	(1.82)
Net increase (decrease) from investment operations	(0.24)	1.53	0.78	2.16	(0.96)
Distributions to Common Shareholders from net investment income ³	(0.74)	(0.80)	(0.82)	(0.86)	(0.93)
Net asset value, end of year	\$ 15.53	\$ 16.51	\$ 15.78	\$ 15.82	\$ 14.52
Market price, end of year	\$ 14.75	\$ 16.28	\$ 14.28	\$ 14.04	\$ 13.31
Total Return Applicable to Common Shareholders⁴					
Based on net asset value	(1.08)%	10.20%	5.52%	15.94%	(6.16)%
Based on market price	(4.73)%	20.08%	7.60%	12.25%	(13.71)%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	2.04%	1.60%	1.47%	1.57%	1.64%
Total expenses after fees waived and paid indirectly	1.96%	1.55%	1.45%	1.51%	1.56%
Total expenses after fees waived and paid indirectly and excluding interest expense, fees and amortization of offering costs ⁵	0.93%	0.93%	0.93%	0.93%	0.92%
Net investment income to Common Shareholders	4.44%	4.79%	4.88%	5.44%	5.27%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	\$ 636,865	\$ 677,128	\$ 646,897	\$ 648,837	\$ 595,269
VMTP Shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 254,000	\$ 254,000	\$ 254,000	\$ 254,000	\$ 254,000
Asset coverage per VMTP Shares at \$100,000 liquidation value, end of year	\$ 350,734	\$ 366,586	\$ 354,684	\$ 355,448	\$ 334,358
Borrowings outstanding, end of year (000)	\$ 181,685	\$ 169,699	\$ 161,571	\$ 88,271	\$ 172,316
Portfolio turnover rate	19%	21%	25%	25%	34%

¹ Based on average Common Shares outstanding.

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

³ Distributions for annual periods determined in accordance with U.S. federal income tax regulations.

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

⁵ Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VMTP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.

See Notes to Financial Statements.

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Financial Highlights

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

	Year Ended July 31,				
	2017	2016	2015	2014	2013
Per Share Operating Performance					
Net asset value, beginning of year	\$ 16.55	\$ 15.62	\$ 15.74	\$ 14.51	\$ 16.54
Net investment income ¹	0.77	0.84	0.84	0.86	0.86
Net realized and unrealized gain (loss)	(0.94)	0.96	(0.07)	1.27	(2.00)
Net increase (decrease) from investment operations	(0.17)	1.80	0.77	2.13	(1.14)
Distributions to Common Shareholders: ²					
From net investment income	(0.81)	(0.87)	(0.89)	(0.89)	(0.89)
From net realized gain				(0.01)	
Total distributions	(0.81)	(0.87)	(0.89)	(0.90)	(0.89)
Net asset value, end of year	\$ 15.57	\$ 16.55	\$ 15.62	\$ 15.74	\$ 14.51
Market price, end of year	\$ 14.88	\$ 16.12	\$ 13.55	\$ 14.11	\$ 13.30
Total Return Applicable to Common Shareholders³					
Based on net asset value	(0.57)%	12.39%	5.59%	15.79%	(7.19)%
Based on market price	(2.44)%	26.20%	2.18%	13.24%	(12.33)%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.89%	1.52%	1.62% ⁴	1.64%	1.61%
Total expenses after fees waived and/or reimbursed and paid indirectly	1.89%	1.52%	1.57% ⁴	1.57%	1.58%
Total expenses after fees waived and/or reimbursed and paid indirectly and excluding interest expense, fees and amortization of offering costs ⁵	0.91% ⁶	0.90% ⁶	1.02% ^{4,6}	1.25% ⁶	1.33% ⁶
Net investment income to Common Shareholders	4.95%	5.27%	5.27%	5.78%	5.28%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	\$ 469,417	\$ 499,058	\$ 470,946	\$ 335,425	\$ 309,165
VRDP Shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 237,100	\$ 237,100	\$ 237,100	\$ 172,700	\$ 172,700
Asset coverage per VRDP Shares at \$100,000 liquidation value, end of year	\$ 297,983	\$ 310,484	\$ 298,628	\$ 294,224	\$ 279,019
Borrowings outstanding, end of year (000)	\$ 63,877	\$ 55,089	\$ 52,744	\$ 34,699	\$ 38,231
Portfolio turnover rate	8%	9%	10%	16%	10%

¹ Based on average Common Shares outstanding.

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- ² Distributions for annual periods determined in accordance with U.S. federal income tax regulations.
- ³ Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions at actual reinvestment prices.
- ⁴ Includes reorganization costs associated with the Fund's reorganization. Without these costs, total expenses, total expenses after fees waived and/or reimbursed and/or paid indirectly and total expenses after fees waived and/or reimbursed and/or paid indirectly and excluding interest expense, fees and amortization of offering costs would have been 1.52%, 1.50% and 0.95%, respectively.
- ⁵ Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VRDP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.
- ⁶ For the years ended July 31, 2017, July 31, 2016, July 31, 2015, July 31, 2014 and July 31, 2013, the total expense ratio after fees waived and/or reimbursed and/or paid indirectly and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.91%, 0.89%, 1.01%, 0.95% and 0.93%, respectively.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniYield Investment Quality Fund (MFT)

	Year Ended July 31,				
	2017	2016	2015	2014	2013
Per Share Operating Performance					
Net asset value, beginning of year	\$ 15.55	\$ 14.95	\$ 14.83	\$ 13.61	\$ 15.73
Net investment income ¹	0.79	0.83	0.84	0.85	0.84
Net realized and unrealized gain (loss)	(0.91)	0.62	0.13	1.22	(2.11)
Net increase (decrease) from investment operations	(0.12)	1.45	0.97	2.07	(1.27)
Distributions to Common Shareholders from net investment income ²	(0.83)	(0.85)	(0.85)	(0.85)	(0.85)
Net asset value, end of year	\$ 14.60	\$ 15.55	\$ 14.95	\$ 14.83	\$ 13.61
Market price, end of year	\$ 14.67	\$ 16.09	\$ 13.37	\$ 13.26	\$ 12.20
Total Return Applicable to Common Shareholders³					
Based on net asset value	(0.51)%	10.31%	7.25%	16.40%	(8.41)%
Based on market price	(3.39)%	27.63%	7.27%	16.10%	(16.52)%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	2.07%	1.61%	1.56%	1.67%	1.72%
Total expenses after fees waived and/or reimbursed and paid indirectly	2.07%	1.61%	1.56%	1.67%	1.72%
Total expenses after fees waived and/or reimbursed and paid indirectly and excluding interest expense, fees and amortization of offering costs ⁴	1.00%	0.96%	0.98%	1.00%	1.00%
Net investment income to Common Shareholders	5.35%	5.45%	5.52%	6.04%	5.36%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	\$ 123,705	\$ 131,739	\$ 126,696	\$ 125,647	\$ 115,287
VMTP Shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 56,500	\$ 56,500	\$ 56,500	\$ 56,500	\$ 56,500
Asset coverage per VMTP Shares at \$100,000 liquidation value, end of year	\$ 318,947	\$ 333,167	\$ 324,240	\$ 322,384	\$ 304,049
Borrowings outstanding, end of year (000)	\$ 27,229	\$ 21,953	\$ 19,488	\$ 20,284	\$ 28,192
Portfolio turnover rate	34%	21%	13%	32%	51%

¹ Based on average Common Shares outstanding.

² Distributions for annual periods determined in accordance with U.S. federal income tax regulations.

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

- ⁴ Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VMTP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.

See Notes to Financial Statements.

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Financial Highlights

BlackRock MuniYield Michigan Quality Fund, Inc.
(MIY)

	Year Ended July 31,				
	2017	2016	2015	2014	2013
Per Share Operating Performance					
Net asset value, beginning of year	\$ 16.36	\$ 15.48	\$ 15.24	\$ 14.16	\$ 16.18
Net investment income ¹	0.75	0.79	0.83	0.86	0.90
Net realized and unrealized gain (loss)	(0.86)	0.92	0.27	1.12	(2.00)
Net increase (decrease) from investment operations	(0.11)	1.71	1.10	1.98	(1.10)
Distributions to Common Shareholders from net investment income ²	(0.77)	(0.83)	(0.86)	(0.90)	(0.92)
Net asset value, end of year	\$ 15.48	\$ 16.36	\$ 15.48	\$ 15.24	\$ 14.16
Market price, end of year	\$ 14.19	\$ 15.38	\$ 13.22	\$ 13.47	\$ 12.57
Total Return Applicable to Common Shareholders³					
Based on net asset value	(0.07)%	11.99%	8.08%	15.24%	(7.09)%
Based on market price	(2.56)%	23.28%	4.43%	14.74%	(16.86)%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.88%	1.54% ⁴	1.52% ⁵	1.54%	1.50%
Total expenses after fees waived and/or reimbursed and paid indirectly	1.88%	1.54% ⁴	1.48% ⁵	1.54%	1.50%
Total expenses after fees waived and/or reimbursed and paid indirectly and excluding interest expense, fees and amortization of offering costs ⁶	0.89%	0.93% ⁴	0.93% ⁵	0.93%	0.89%
Net investment income to Common Shareholders	4.81%	5.02%	5.30%	5.94%	5.62%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	\$ 457,888	\$ 483,968	\$ 282,534	\$ 278,143	\$ 258,341
VRDP Shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 231,900	\$ 231,900	\$ 144,600	\$ 144,600	\$ 144,600
Asset coverage per VRDP Shares at \$100,000 liquidation value, end of year	\$ 297,450	\$ 308,697	\$ 295,390	\$ 292,354	\$ 278,659
Borrowings outstanding, end of year (000)	\$ 52,002	\$ 51,227	\$ 23,487	\$ 23,487	\$ 34,876
Portfolio turnover rate	13%	19%	19%	16%	17%

¹ Based on average Common Shares outstanding.

² Distributions for annual periods determined in accordance with U.S. federal income tax regulations.

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

- ⁴ Includes reorganization costs associated with the Fund's reorganization. Without these costs total expenses, total expenses after fees waived and/or reimbursed and/or paid indirectly and total expenses after fees waived and/or reimbursed and/or paid indirectly and excluding interest expense, fees and amortization of offering costs would have been 1.49%, 1.49% and 0.88%, respectively.
- ⁵ Includes reorganization costs associated with the Fund's reorganization. Without these costs total expenses, total expenses after fees waived and/or reimbursed and/or paid indirectly and total expenses after fees waived and/or reimbursed and/or paid indirectly and excluding interest expense, fees and amortization of offering costs would have been 1.48%, 1.48% and 0.92%, respectively
- ⁶ Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VRDP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.

See Notes to Financial Statements.

Financial Highlights

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

	Year Ended July 31,				
	2017	2016	2015	2014	2013
Per Share Operating Performance					
Net asset value, beginning of year	\$ 16.76	\$ 15.77	\$ 15.77	\$ 14.59	\$ 16.57
Net investment income ¹	0.76	0.80	0.81	0.87	0.90
Net realized and unrealized gain (loss)	(1.03)	1.02	0.07	1.20	(1.99)
Net increase (decrease) from investment operations	(0.27)	1.82	0.88	2.07	(1.09)
Distributions to Common Shareholders from net investment income ²	(0.75)	(0.83)	(0.88)	(0.89)	(0.89)
Net asset value, end of year	\$ 15.74	\$ 16.76	\$ 15.77	\$ 15.77	\$ 14.59
Market price, end of year	\$ 14.69	\$ 16.07	\$ 13.50	\$ 13.89	\$ 13.07
Total Return Applicable to Common Shareholders³					
Based on net asset value	(1.20)%	12.38%	6.33%	15.39%	(6.78)%
Based on market price	(3.83)%	25.87%	3.34%	13.45%	(13.42)%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.91%	1.46%	1.54% ⁴	1.48%	1.53%
Total expenses after fees waived and/or reimbursed and paid indirectly	1.91%	1.46%	1.45% ⁴	1.48%	1.53%
Total expenses after fees waived and/or reimbursed and paid indirectly and excluding interest expense, fees and amortization of offering costs ⁵	0.94%	0.89%	0.96% ⁴	0.95%	0.94%
Net investment income to Common Shareholders	4.83%	4.98%	5.05%	5.79%	5.46%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	\$ 210,170	\$ 223,738	\$ 210,549	\$ 181,459	\$ 167,857
VRDP Shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 82,600	\$ 82,600	\$ 82,600	\$ 66,300	\$ 66,300
Asset coverage per VRDP Shares at \$100,000 liquidation value, end of year	\$ 354,444	\$ 370,869	\$ 354,901	\$ 373,693	\$ 353,178
Borrowings outstanding, end of year (000)	\$ 55,826	\$ 48,710	\$ 28,468	\$ 37,066	\$ 53,010
Portfolio turnover rate	15%	17%	21%	16%	8%

¹ Based on average Common Shares outstanding.

² Distributions for annual periods determined in accordance with U.S. federal income tax regulations.

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

- ⁴ Includes reorganization costs associated with the Fund's reorganization. Without these costs total expenses, total expenses after fees waived and/or reimbursed, and total expenses after fees waived and/or reimbursed and/or paid indirectly and excluding interest expense, fees and amortization of offering costs would have been 1.40%, 1.40% and 0.91%, respectively.
- ⁵ Interest expense, fees and amortization of offering costs related to TOB Trusts and/or VRDP Shares. See Note 4 and Note 10 of the Notes to Financial Statements for details.

See Notes to Financial Statements.

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Notes to Financial Statements

1. Organization:

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

Fund Name	Herein Referred To As	Organized	Diversification Classification
BlackRock MuniHoldings California Quality Fund, Inc.	MUC	Maryland	Diversified*
BlackRock MuniHoldings New Jersey Quality Fund, Inc.	MUJ	Maryland	Non-diversified
BlackRock MuniYield Investment Quality Fund, Inc.	MFT	Massachusetts	Diversified*
BlackRock MuniYield Michigan Quality Fund, Inc.	MIY	Maryland	Non-diversified
BlackRock MuniYield Pennsylvania Quality Fund, Inc.	MPA	Massachusetts	Non-diversified

* The Funds classification changed from non-diversified to diversified during the reporting period.

The Boards of Directors of the Funds are collectively referred to throughout this report as the Board of Directors or the Board, and the directors thereof are collectively referred to throughout this report as Directors. The Funds determine and make available for publication the NAVs of their Common Shares on a daily basis.

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

Reorganization: The Board and shareholders of MIY and the Board and shareholders of BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM) approved the reorganizations of MYM into MIY. As a result, MIY acquired substantially all of the assets and assumed substantially all of the liabilities of MYM in exchange for an equal aggregate value of newly-issued Common Shares and Preferred Shares of MIY.

Each MYM Common Shareholder received Common Shares of MIY in an amount equal to the aggregate NAV of such Common Shareholder's MYM Common Shares, as determined at the close of business on September 11, 2015, less the costs of the MYM's reorganization. Cash was distributed for any fractional Common Shares.

Each MYM VRDP Shareholder received on a one-for-one basis one newly issued VRDP Share of MIY, par value \$0.10 per share and with a liquidation preference of \$100,000 per share, in exchange for each MYM VRDP Share held by such MYM VRDP Shareholder.

The reorganizations were accomplished by a tax-free exchange of Common Shares and VRDP Shares of MIY in the following amounts and at the following conversion ratios:

Target Fund	Shares Prior to Reorganization	Conversion Ratio	Shares of MIY
MYM Common Shares	12,098,420	0.93643508	11,329,360
MYM VRDP Shares	873	1	873

MYM's common net assets and composition of common net assets on September 11, 2015, the valuation date of the reorganization, were as follows:

	MYM
Net assets Applicable to Common Shares	\$ 173,278,358
Paid-in-capital	\$ 162,329,528
Undistributed net investment income	\$ 63,895
Accumulated net realized loss	\$ (4,955,955)
Net unrealized appreciation (depreciation)	\$ 15,840,890

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For financial reporting purposes, assets received and shares issued by MIY were recorded at fair value. However, the cost basis of the investments received from MYM was carried forward to align ongoing reporting of MIY's realized and unrealized gains and losses with amounts distributable to shareholders for tax purposes.

The net assets of MIY before the acquisition were \$279,109,521. The aggregate net assets of MIY immediately after the acquisition amounted to \$452,388,270. MYM's fair value and cost of investments and derivative financial instruments prior to the reorganization were as follows:

	Fair Value of Investments and Derivative Financial Instruments	Cost of Investments	TOB Trust Certificate	Preferred Shares Value
MYM	\$ 268,842,773	\$ 253,001,883	\$ 14,792,998	\$ 87,300,000

The purpose of these transactions was to combine two funds managed by the Manager with the same or substantially similar (but not identical) investment objectives, investment policies, strategies, risks and restrictions. Each reorganization was a tax-free event and was effective on September 14, 2015.

Notes to Financial Statements (continued)

Assuming the acquisition had been completed on August 1, 2015, the beginning of the fiscal reporting period of MIY, the pro forma results of operations for the year ended July 31, 2016, are as follows:

Net investment income/loss: \$23,313,730

Net realized and change in unrealized gain/loss on investments: \$27,369,663

Net increase/decrease in net assets applicable to Common Shareholders resulting from operations: \$50,683,393

Because the combined investment portfolios have been managed as a single integrated portfolio since the acquisition was completed, it is not practicable to separate the amounts of revenue and earnings of MYM that have been included in MIY's Statement of Operations since September 14, 2015.

Reorganization costs incurred in connection with the reorganization were expensed by MIY.

2. Significant Accounting Policies:

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

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

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

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

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

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

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

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

In March 2017, the Financial Accounting Standards Board issued Accounting Standards Update Premium Amortization of Purchased Callable Debt Securities which amends the amortization period for certain purchased callable debt securities. Under the new guidance, the premium amortization of purchased callable debt securities that have explicit, non-contingent call features and are callable at fixed prices will be amortized to the earliest call date. The guidance will be applied on a modified retrospective basis and is effective for fiscal years, and their interim periods, beginning after December 15, 2018. Management is currently evaluating the impact of this guidance to the Funds.

Notes to Financial Statements (continued)

SEC Reporting Modernization: The U.S. Securities and Exchange Commission (SEC) adopted new rules and forms and amended other rules to enhance the reporting and disclosure of information by registered investment companies. As part of these changes, the SEC amended Regulation S-X to standardize and enhance disclosures in investment company financial statements. The compliance date for implementing the new or amended rules is August 1, 2017.

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

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

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

3. Investment Valuation and Fair Value Measurements:

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

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

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

Investments in open-end U.S. mutual funds are valued at net asset value (NAV) each business day.

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

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

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

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

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

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

Notes to Financial Statements (continued)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments classified within Level 3 have significant unobservable inputs used by the Global Valuation Committee in determining the price for Fair Valued Investments. Level 3 investments include equity or debt issued by privately-held companies or funds. There may not be a secondary market, and/or there are a limited number of investors. Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Global Valuation Committee in the absence of market information.

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

4. Securities and Other Investments:

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

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

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

TOB Trusts are supported by a liquidity facility provided by a third party bank or other financial institution (the Liquidity Provider) that allows the holders of the TOB Trust Certificates to tender their certificates in exchange for payment of par plus accrued interest on any business day. The tendered TOB Trust Certificates are remarketed by a Remarketing Agent. In the event of a failed remarketing, the TOB Trust may draw upon a loan from the Liquidity Provider to purchase the tendered TOB Trust Certificates. Any loans made by the Liquidity Provider will be secured by the purchased TOB Trust Certificates held by the TOB Trust and will be subject to an increased interest rate based on number of days the loan is outstanding.

The TOB Trust may be collapsed without the consent of a Fund, upon the occurrence of a termination event as defined in the TOB Trust agreement. Upon the occurrence of a termination event, a TOB Trust would be liquidated with the proceeds applied first to any accrued fees owed to the trustee of the TOB Trust, the Remarketing Agent and the Liquidity Provider. Upon certain termination events, TOB Trust Certificates holders will be paid before the TOB Residuals holders (i.e., the Funds) whereas in other termination events, TOB Trust Certificates holders and TOB Residuals holders will be paid pro rata.

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While a Fund's investment policies and restrictions expressly permit investments in inverse floating rate securities, such as TOB Residuals, they generally restrict the ability of a Fund to borrow money for purposes of making investments. The management of each of MFT, MIY and MPA believes that each Fund's restrictions on borrowings do not apply to the Funds' TOB Trust transactions. Each Fund's transfer of the municipal bonds to a TOB Trust is considered a secured borrowing for financial reporting purposes. The cash received by the TOB Trust from the sale of the TOB Trust Certificates, less certain transaction expenses, is paid to a Fund. A Fund typically invests the cash received in additional municipal bonds.

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

Notes to Financial Statements (continued)

Certificates or the Liquidity Provider, as reported in the Statements of Assets and Liabilities as TOB Trust Certificates or Loan for TOB Trust Certificates, approximates its fair value.

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

For the year ended July 31, 2017, the following table is a summary of each Fund's TOB Trusts:

	Underlying Municipal Bonds Transferred to TOB Trusts ¹	Liability for TOB Trust Certificates ²	Range of Interest Rates on TOB Trust Certificates at Period End	Average TOB Trust Certificates Outstanding	Daily Weighted Average Rate of Interest and Other Expenses on TOB Trusts
MUC	\$ 386,922,686	\$ 181,685,265	0.84% - 1.02%	\$ 179,258,205	1.36%
MUJ	\$ 119,548,406	\$ 63,876,946	0.82% - 1.02%	\$ 55,570,254	1.44%
MFT	\$ 49,838,927	\$ 27,228,737	0.84% - 1.17%	\$ 25,454,120	1.41%
MIY	\$ 101,334,689	\$ 52,002,182	0.85% - 1.04%	\$ 52,703,140	1.42%
MPA	\$ 99,567,116	\$ 55,826,390	0.84% - 1.07%	\$ 51,758,175	1.37%

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

² TOB Trusts may be structured on a non-recourse or recourse basis. When a Fund invests in TOB Trusts on a non-recourse basis, the Liquidity Provider may be required to make a payment under the liquidity facility to allow the TOB Trust to repurchase TOB Trust Certificates. The Liquidity Provider will be reimbursed from the liquidation of bonds held in the TOB Trust. If a Fund invests in a TOB Trust on a recourse basis, a Fund enters into a reimbursement agreement with the Liquidity Provider where a Fund is required to reimburse the Liquidity Provider for any shortfall between the amount paid by the Liquidity Provider and proceeds received from liquidation of municipal bonds held in the TOB Trust (the "Liquidation Shortfall"). As a result, if a Fund invests in a recourse TOB Trust, a Fund will bear the risk of loss with respect to any Liquidation Shortfall. If multiple funds participate in any such TOB Trust, these losses will be shared ratably, including the maximum potential amounts owed by a Fund at July 31, 2017, in proportion to their participation in the TOB Trust. The recourse TOB Trusts are identified in the Schedules of Investments including the maximum potential amounts owed by a Fund at July 31, 2017.

For the year ended July 31, 2017, the following table is a summary of each Fund's Loan for TOB Trust Certificates:

Loan Outstanding at Period End	Interest Rate on Loan at Period End	Average Loans Outstanding	Daily Weighted Average Rate of Interest and Other Expenses on Loans
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MUC			\$	162,894	0.78%		
MIY	\$	499,875		0.25%	\$	1,682,098	0.82%

5. Derivative Financial Instruments:

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

Futures Contracts: Futures contracts are purchased or sold to gain exposure to, or manage exposure to, changes in interest rates (interest rate risk), changes in the value of equity securities (equity risk) or foreign currencies (foreign currency exchange rate risk).

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

Securities deposited as initial margin are designated in the Schedules of Investments and cash deposited, if any, is shown as cash pledged for futures contracts in the Statements of Assets and Liabilities. Pursuant to the contract, the Funds agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in market value of the contract (variation margin). Variation margin is recorded as unrealized appreciation (depreciation)

Notes to Financial Statements (continued)