

BLACKROCK MUNICIPAL INCOME TRUST II

Form N-CSR

November 08, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21126

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock Municipal Income Trust II, 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: 08/31/2010

Date of reporting period: 08/31/2010

Item 1 – Report to Stockholders

August 31, 2010

Annual Report

BlackRock Insured Municipal Income Trust (BYM)

BlackRock Insured Municipal Income Investment Trust (BAF)

BlackRock Municipal Bond Trust (BBK)

BlackRock Municipal Bond Investment Trust (BIE)

BlackRock Municipal Income Trust II (BLE)

BlackRock MuniHoldings Insured Investment Fund (MFL)

BlackRock MuniVest Fund, Inc. (MVF)

Not FDIC Insured § No Bank Guarantee § May Lose Value

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Dear Shareholder

The global economic recovery continues, although global and US economic statistics show that the pace of economic growth has slowed. The sovereign debt crisis in Europe, slowing growth in China and concerns over the possibility that the United States and other developed markets are heading for a double-dip recession have all acted to depress investor sentiment. Despite broadening evidence of a slowdown in global economic activity, market volatility has normalized from the extreme levels seen in recent months. In the United States, economic data continues to be mixed, but it is our view that the preponderance of data suggests that the recovery is continuing. The critical issue for investors remains the question of whether the economy will experience a double-dip recession. We are on the optimistic side of this debate and would point out that while the recovery has been slow, we have made significant progress.

Global equity markets have moved unevenly higher since bottoming out in early 2009 as investors were enticed by depressed valuations, improved corporate earnings, and their desire for higher yields. Several significant downturns, however, have occurred primarily as a result of mixed economic data and concerns about the possibility of prolonged deflation (especially in Europe). As the period drew to a close, equity markets lost ground on weaker-than-expected economic data, most notably from the United States. International equities posted negative returns on both a six- and 12-month basis while US equities posted negative returns over the six months, but were still showing positive returns on a 12-month basis as the domestic economic recovery had been more pronounced and credit-related issues held European markets down. Within the United States, smaller cap stocks continue to outperform large caps year-to-date.

In fixed income markets, yields have fluctuated significantly over the past year as economic data has been mixed. Risk aversion and credit issues have kept interest rates low and US Treasury yields have fallen significantly as investors favored safe haven assets. As the period drew to a close, Treasuries modestly outperformed the spread sectors of the market (those driven by changes in credit risk). Corporate credit spreads benefited from the low rate environment and high yield fixed income remains attractive due to low default rates and better-than-expected results on European bank stress tests. Meanwhile, tax-exempt municipal bonds slightly outperformed US investment grade bonds on a 12-month basis, but underperformed year-to-date as investors rotated to the relative safety of Treasuries.

Regarding cash investments, yields on money market securities remain near all-time lows (producing returns only marginally above zero percent), with the Federal Open Market Committee reiterating that economic circumstances are likely to necessitate an accommodative interest rate stance for an extended period.

Against this backdrop, the major market averages posted the following returns:

Total Returns as of August 31, 2010	6-month	12-month
US large cap equities (S&P 500 Index)	(4.04)%	4.91%
US small cap equities (Russell 2000 Index)	(3.60)	6.60
International equities (MSCI Europe, Australasia, Far East Index)	(3.04)	(2.34)
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.07	0.14
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	11.49	11.58
US investment grade bonds (Barclays Capital US Aggregate Bond Index)	5.81	9.18
Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index)	5.42	9.78
US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	6.62	21.40

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

Although conditions have improved over the past couple of years, investors across the globe continue to face uncertainty about the future direction of economic growth. Through periods of uncertainty, as ever, BlackRock's full resources are dedicated to the management of our clients' assets. For additional market perspective and investment insight, visit www.blackrock.com/shareholdermagazine, where you'll find the most recent issue of our award-winning *Shareholder*[®] magazine, as well as its quarterly companion newsletter, *Shareholder Perspectives*. We thank you for entrusting BlackRock with your investments, and we look forward to your continued partnership in the months and years ahead.

Sincerely,
Rob Kapito
President, BlackRock Advisors, LLC

THIS PAGE NOT PART OF YOUR FUND REPORT

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Trust Summary as of August 31, 2010

BlackRock Insured Municipal Income Trust

Trust Overview

BlackRock Insured Municipal Income Trust s (BYM) (the Trust) investment objective is to provide current income exempt from federal income taxes, including the alternative minimum tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its assets in municipal bonds exempt from federal income taxes, including the alternative minimum tax, and investing, under normal circumstances, at least 80% of its assets in municipal bonds that are covered by insurance guaranteeing the timely payment of principal at maturity and interest when due. The Trust also invests at least 80% of its assets in municipal bonds of the highest investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives. Due to the repeal of the Florida intangible personal property tax, the Board approved an amended policy in September 2008, allowing the Trust the flexibility to invest in municipal obligations regardless of geographical location.

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

Performance

For the 12 months ended August 31, 2010, the Trust returned 18.42% based on market price and 14.74% based on net asset value (NAV). For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 23.80% based on market price and 15.41% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. Given the attractiveness of municipal bonds coupled with low yields on cash equivalents, we maintained a low cash balance and fully invested posture. The Trust benefited from its modestly long duration as interest rates declined. The Trust s exposure to the longer end of the yield curve contributed to performance as yields generally declined in the 10- to 30-year range during the period. Holdings of insured bonds with lower quality underlying credits also aided results as credit spreads generally tightened over the period. The Trust s performance was negatively impacted by its exposure to certain lower quality Texas- and California-issued zero-coupon bonds as spreads widened in this sector. Holdings of bonds with shorter maturities and premium coupon bonds with short call dates also detracted as the shorter end of the yield curve underperformed longer-dated issues.

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.

Trust Information

Symbol on New York Stock Exchange (NYSE)	BYM
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of August 31, 2010 (\$15.26) ¹	5.82%
Tax Equivalent Yield ²	8.95%
Current Monthly Distribution per Common Share ³	\$0.074
Current Annualized Distribution per Common Share ³	\$0.888
Leverage as of August 31, 2010 ⁴	36%

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- 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 federal tax rate of 35%.
- ³ A change in the distribution rate was declared on September 1, 2010. The Monthly Distribution per Common Share was increased to \$0.077. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.
- ⁴ Represents Auction Market Preferred Shares (Preferred Shares) and tender option bond trusts (TOBs) as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 11.

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

	8/31/10	8/31/09	Change	High	Low
Market Price	\$ 15.26	\$ 13.69	11.47%	\$ 15.49	\$ 12.78
Net Asset Value	\$ 14.64	\$ 13.55	8.04%	\$ 14.72	\$ 13.54

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

Sector Allocations

	8/31/10	8/31/09
Utilities	24%	25%
County/City/Special District/School District	21	19
Transportation	21	25
State	15	15
Health	7	7
Tobacco	6	6
Education	3	2
Corporate	2	
Housing	1	1

Credit Quality Allocations⁵

	8/31/10	8/31/09
AAA/Aaa	57%	56%
AA/Aa	24	19
A	12	15
BBB/Baa	5	8
Not Rated ⁶	2	2

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- ⁵ Using the higher of Standard & Poor's (S&P's) or Moody's Investors Service (Moody's) ratings.
- ⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2010 and August 31, 2009, the market value of these securities was \$10,513,600 representing 2% and \$10,859,100 representing 2%, respectively, of the Trust's long-term investments.

Trust Summary as of August 31, 2010

BlackRock Insured Municipal Income Investment Trust

Trust Overview

BlackRock Insured Municipal Income Investment Trust s (BAF) (the Trust) investment objective is to provide current income exempt from federal income tax, including the alternative minimum tax and Florida intangible property tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its assets in municipal bonds exempt from federal income taxes, including the alternative minimum tax, and investing, under normal market conditions, at least 80% of its managed assets in municipal bonds that are covered by insurance guaranteeing the timely payment of principal at maturity and interest when due. The Trust also invests at least 80% of its assets in municipal bonds of the highest investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives. Due to the repeal of the Florida intangible personal property tax, the Board approved an amended policy in September 2008, allowing the Trust the flexibility to invest in municipal obligations regardless of geographical location.

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

Performance

For the 12 months ended August 31, 2010, the Trust returned 27.70% based on market price and 13.93% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 23.80% based on market price and 15.41% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust s exposure to premium coupon bonds with short call dates detracted from performance as securities on the shorter end of the yield curve underperformed longer-dated issues in the declining interest rate environment. Exposure to zero-coupon bonds also detracted as retail investors shunned them in favor of current coupon bonds. However, the Trust s holdings of health and utilities bonds with maturities of 20 years and longer contributed positively to performance as each of these sectors outperformed the broader market and bonds with longer maturities benefited from declining yields.

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Trust Information

Symbol on NYSE	BAF
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of August 31, 2010 (\$15.64) ¹	5.64%
Tax Equivalent Yield ²	8.68%
Current Monthly Distribution per Common Share ³	\$0.0735
Current Annualized Distribution per Common Share ³	\$0.8820
Leverage as of August 31, 2010 ⁴	36%

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

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- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution is not constant and is subject to change.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 11.

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

	8/31/10	8/31/09	Change	High	Low
Market Price	\$ 15.64	\$ 13.01	20.22%	\$ 15.76	\$ 12.67
Net Asset Value	\$ 15.08	\$ 14.06	7.25%	\$ 15.10	\$ 13.99

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

Sector Allocations

	8/31/10	8/31/09
County/City/Special District/School District	36%	46%
Utilities	27	27
Transportation	15	7
State	11	9
Health	10	10
Housing	1	1

Credit Quality Allocations⁵

	8/31/10	8/31/09
AAA/Aaa	59%	44%
AA/Aa	25	29
A	13	20
Not Rated ⁶	3	7

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2010 and August 31, 2009, the market value of these securities was \$5,171,100 representing 3% and \$7,552,594 representing 4%, respectively, of the Trust's long-term investments.

Trust Summary as of August 31, 2010

BlackRock Municipal Bond Trust

Trust Overview

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

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

Performance

For the 12 months ended August 31, 2010, the Trust returned 22.90% based on market price and 24.13% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 23.82% based on market price and 18.86% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust s high duration and low cash balance resulted in positive capital appreciation as interest rates declined. Many of the Trust s holdings began the period with depressed valuations resulting from their underperformance during the periods of dislocations in the credit market, which positioned them for more upward price movement potential as the market continued its recovery. Among these holdings were lower quality bonds, which outperformed as credit spreads tightened, and long-term bonds, which benefited from declining yields. We purchased a number of new issues structured with the goal of creating greater potential for price appreciation in response to declining interest rates. The Trust s increased exposure to the health and housing sectors also added to performance as these sectors performed well during the period. Conversely, the Trust s holdings on the shorter end of the yield curve, including premium coupon bonds with short call dates, pre-refunded bonds, and other short maturity issues, detracted from performance as they underperformed longer-dated issues. Exposure to zero-coupon bonds detracted from performance as investors favored current coupon bonds.

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Trust Information

Symbol on NYSE	BBK
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of August 31, 2010 (\$15.79) ¹	6.46%
Tax Equivalent Yield ²	9.94%
Current Monthly Distribution per Common Share ³	\$0.085
Current Annualized Distribution per Common Share ³	\$1.020
Leverage as of August 31, 2010 ⁴	35%

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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 federal tax rate of 35%.
- ³ A change in the distribution rate was declared on September 1, 2010. The Monthly Distribution per Share was increased to \$0.086. The Yield on Closing Market Price, Current Monthly Distribution per Share and Current Annualized Distribution per Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 11.

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

	8/31/10	8/31/09	Change	High	Low
Market Price	\$ 15.79	\$ 13.80	14.42%	\$ 15.83	\$ 13.25
Net Asset Value	\$ 15.29	\$ 13.23	15.57%	\$ 15.29	\$ 13.23

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

Sector Allocations

	8/31/10	8/31/09
Health	23%	31%
State	15	10
Housing	14	16
County/City/Special District/School District	13	13
Education	10	5
Transportation	9	7
Corporate	8	8
Utilities	5	7
Tobacco	3	3

Credit Quality Allocations⁵

	8/31/10	8/31/09
AAA/Aaa	26%	25%
AA/Aa	20	20
A	22	24
BBB/Baa	20	17
BB/Ba	1	1
B	3	4
CCC/Caa	1	-
Not Rated ⁶	7	9

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- ⁵ Using the higher of S&P's or Moody's ratings.
- ⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2010 and August 31, 2009, the market value of these securities was \$6,207,616 representing 3% and \$4,472,353 representing 2%, respectively, of the Trust's long-term investments.

Trust Summary as of August 31, 2010

BlackRock Municipal Bond Investment Trust

Trust Overview

BlackRock Municipal Bond Investment Trust s (BIE) (the Trust) investment objective is to provide current income exempt from regular federal income tax and Florida intangible personal property tax. The Trust seeks to achieve its investment objective by investing primarily in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Trust invests at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives. Due to the repeal of the Florida intangible personal property tax, the Board approved an amended policy in September 2008, allowing the Trust the flexibility to invest in municipal obligations regardless of geographical location.

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

Performance

For the 12 months ended August 31, 2010, the Trust returned 26.02% based on market price and 16.80% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 23.82% based on market price and 18.86% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust s exposure to premium coupon bonds with short call dates detracted from performance as securities on the shorter end of the yield curve underperformed longer dated issues in the declining interest rate environment. Exposure to zero-coupon bonds also detracted as retail investors shunned them in favor of current coupon bonds. However, the Trust s holdings of health, transportation and housing bonds with maturities of 20 years and longer contributed positively to performance as each of these sectors outperformed the broader market and bonds with longer maturities benefited from declining 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.

Trust Information

Symbol on NYSE	BIE
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of August 31, 2010 (\$15.60) ¹	6.06%
Tax Equivalent Yield ²	9.32%
Current Monthly Distribution per Common Share ³	\$0.0788
Current Annualized Distribution per Common Share ³	\$0.9456
Leverage as of August 31, 2010 ⁴	40%

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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 federal tax rate of 35%.
- ³ The distribution is not constant and is subject to change.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 11.

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

	8/31/10	8/31/09	Change	High	Low
Market Price	\$ 15.60	\$ 13.20	18.18%	\$ 15.77	\$ 12.65
Net Asset Value	\$ 15.51	\$ 14.16	9.53%	\$ 15.51	\$ 14.08

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

Sector Allocations

	8/31/10	8/31/09
Health	22%	22%
County/City/Special District/School District	19	20
Utilities	18	21
Transportation	18	13
Education	8	10
State	8	8
Housing	5	5
Corporate	1	1
Tobacco	1	

Credit Quality Allocations⁵

	8/31/10	8/31/09
AAA/Aaa	14%	16%
AA/Aa	64	45
A	17	27
BBB/Baa	4	3
BB/Ba		1
Not Rated	1	86

⁵ Using the higher of S&P's or Moody's ratings.

⁶

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The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2009, the market value of these securities was \$2,503,826 representing 3% of the Trust's long-term investments.

ANNUAL REPORT

AUGUST 31, 2010

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Trust Summary as of August 31, 2010

BlackRock Municipal Income Trust II

Trust Overview

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

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

Performance

For the 12 months ended August 31, 2010, the Trust returned 21.42% based on market price and 22.83% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 23.82% based on market price and 18.86% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust s high duration and low cash balance resulted in positive capital appreciation during the period. Many of the Trust s holdings began the period with depressed valuations resulting from their underperformance during the periods of dislocations in the credit market, which positioned them for more upward price movement potential as the market continued its recovery. Among these holdings were lower quality bonds, which outperformed as credit spreads tightened, and long-term bonds, which benefited from declining yields. The Trust s increased exposure to the health and transportation sectors also aided performance as these sectors performed well during the period. Conversely, the Trust s holdings on the shorter end of the yield curve, including premium coupon bonds with short call dates, pre-refunded bonds, and other short maturity issues, detracted from performance as they underperformed longer-dated issues. Exposure to zero-coupon bonds detracted from performance as retail investors shunned them in favor of current coupon bonds.

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.

Trust Information

Symbol on NYSE Amex	BLE
Initial Offering Date	July 30, 2002
Yield on Closing Market Price as of August 31, 2010 (\$15.22) ¹	6.39%
Tax Equivalent Yield ²	9.83%
Current Monthly Distribution per Common Share ³	\$0.081
Current Annualized Distribution per Common Share ³	\$0.972
Leverage as of August 31, 2010 ⁴	36%

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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 federal tax rate of 35%.
- ³ A change in the distribution rate was declared on September 1, 2010. The Monthly Distribution per Share was increased to \$0.082. The Yield on Closing Market Price, Current Monthly Distribution per Share and Current Annualized Distribution per Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to further change in the future.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 11.

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

	8/31/10	8/31/09	Change	High	Low
Market Price	\$ 15.22	\$ 13.45	13.16%	\$ 15.22	\$ 12.72
Net Asset Value	\$ 14.63	\$ 12.78	14.48%	\$ 14.63	\$ 12.78

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

Sector Allocations

	8/31/10	8/31/09
Health	19%	20%
State	17	15
County/City/Special District	12	8
Corporate	11	11
Transportation	11	12
Utilities	13	12
Education	7	10
Housing	6	8
Tobacco	4	4

Credit Quality Allocations⁵

	8/31/10	8/31/09
AAA/Aaa	18%	22%
AA/Aa	21	12
A	30	26
BBB/Baa	17	23
BB/Ba	1	1
B	6	6
CCC/Caa	1	1
Not Rated ⁶	6	9

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- ⁵ Using the higher of S&P's or Moody's ratings.
- ⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2010 and August 31, 2009, the market value of these securities was \$13,839,185 representing 3% and \$16,290,531 representing 4%, respectively, of the Trust's long-term investments.

Trust Summary as of August 31, 2010

BlackRock MuniHoldings Insured Investment Fund

Trust Overview

BlackRock MuniHoldings Insured Investment Fund s (MFL) (the Trust) investment objective is to provide shareholders with current income exempt from federal income tax and to provide shareholders with the opportunity to own shares the value of which is exempt from Florida intangible personal property tax. The Trust seeks to achieve its investment objective by investing primarily in long-term, investment grade municipal obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Trust invests at least 80% of its assets in municipal obligations with remaining maturities of one year or more that are covered by insurance guaranteeing the timely payment of principal at maturity and interest at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives. Due to the repeal of the Florida intangible personal property tax, the Board approved an amended policy in September 2008, allowing the Trust the flexibility to invest in municipal obligations regardless of geographical location.

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

Performance

For the 12 months ended August 31, 2010, the Trust returned 23.46% based on market price and 15.22% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 23.80% based on market price and 15.41% based on NAV. All returns reflect reinvestment of dividends. The Trust s discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust s exposure to premium coupon bonds with short call dates detracted from performance as securities on the shorter end of the yield curve underperformed longer-dated issues in the declining interest rate environment. However, the Trust s holdings of health, transportation and utility bonds with maturities of 20 years and longer contributed positively to performance as each of these sectors outperformed the broader market and bonds with longer maturities benefited from declining 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.

Trust Information

Symbol on NYSE	MFL
Initial Offering Date	September 26, 1997
Yield on Closing Market Price as of August 31, 2010 (\$14.65) ¹	5.98%
Tax Equivalent Yield ²	9.20%
Current Monthly Distribution per Common Share ³	\$0.073
Current Annualized Distribution per Common Share ³	\$0.876
Leverage as of August 31, 2010 ⁴	38%

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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 The equivalent yield assumes the maximum federal tax rate of 35%.
- ³ A change in the distribution rate was declared on September 1, 2010. The Monthly Distribution per Common Share was increased to \$0.075. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 11.

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

	8/31/10	8/31/09	Change	High	Low
Market Price	\$ 14.65	\$ 12.63	15.99%	\$ 14.76	\$ 12.24
Net Asset Value	\$ 14.69	\$ 13.57	8.25%	\$ 14.69	\$ 13.57

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

Sector Allocations

	8/31/10	8/31/09
Transportation	27%	21%
Utilities	26	32
County/City/Special District/School District	18	21
State	12	6
Health	11	10
Housing	4	4
Education	2	6

Credit Quality Allocations⁵

	8/31/10	8/31/09
AAA/Aaa	64%	56%
AA/Aa	24	16
A	11	25
Not Rated ⁶	1	3

⁵ Using the higher of S&P's or Moody's ratings.

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2010 and August 31, 2009, the market value of these securities was \$5,793,997 representing 1% and \$20,244,144 representing 3%, respectively, of the Trust's long-term investments.

Trust Summary as of August 31, 2010

BlackRock MuniVest Fund, Inc.

Trust Overview

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

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

Performance

For the 12 months ended August 31, 2010, the Trust returned 24.69% based on market price and 19.31% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 23.82% based on market price and 18.86% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust benefited from its overall high duration (sensitivity to interest rates) as bond prices appreciated as yields declined. The Trust s bias toward the longer end of the yield curve contributed to performance as falling interest rates had a greater positive effect on longer-dated issues. In addition, exposure to lower quality underlying credits aided performance as credit spreads generally tightened over the period. Conversely, the Trust s exposure to bonds structured with premium coupons, short calls and/or short maturities detracted from performance as the shorter end of the yield curve underperformed longer-dated issues.

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.

Trust Information

Symbol on NYSE Amex	MVF
Initial Offering Date	September 29, 1988
Yield on Closing Market Price as of August 31, 2010 (\$10.38) ¹	6.47%
Tax Equivalent Yield ²	9.95%
Current Monthly Distribution per Common Share ³	\$0.056
Current Annualized Distribution per Common Share ³	\$0.672
Leverage as of August 31, 2010 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.

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- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ A change in the distribution rate was declared on September 1, 2010. The Monthly Distribution per Common Share was increased to \$0.057. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 11.

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

	8/31/10	8/31/09	Change	High	Low
Market Price	\$ 10.38	\$ 8.91	16.50%	\$ 10.68	\$ 8.76
Net Asset Value	\$ 10.01	\$ 8.98	11.47%	\$ 10.01	\$ 8.98

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

Sector Allocations

	8/31/10	8/31/09
Health	22%	20%
Corporate	17	13
Transportation	13	11
Utilities	12	15
County/City/Special District/School District	10	10
State	8	15
Education	7	6
Housing	7	5
Tobacco	4	5

Credit Quality Allocations⁵

	8/31/10	8/31/09
AAA/Aaa	23%	26%
AA/Aa	35	28
A	23	28
BBB/Baa	15	15
B	1	1
Not Rated ⁶	3	2

⁵ Using the higher of S&P's or Moody's ratings.

⁶

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The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2010 and August 31, 2009, the market value of these securities was \$21,938,423 representing 2% and \$16,779,679 representing 2%, respectively, of the Trust's long-term investments.

The Benefits and Risks of Leveraging

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

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

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

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

Furthermore, the value of the Trust's portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Trust's Preferred Shares do not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Trust's NAV positively or negatively in addition to the impact on Trust performance from leverage from Preferred Shares discussed above.

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

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

Under the Investment Company Act of 1940, the Trusts are permitted to issue Preferred Shares in an amount up to 50% of their total managed assets at the time of issuance. Under normal circumstances, each Trust anticipates that the total economic leverage from Preferred Shares and/or TOBs will not exceed 50% of its total managed assets at the time such leverage is incurred. As of August 31, 2010, the Trusts had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

	Percent of Leverage
BYM	36%
BAF	36%
BBK	35%
BIE	40%
BLE	36%
MFL	38%
MVF	40%

Derivative Financial Instruments

The Trusts may invest in various derivative instruments, including financial futures contracts, as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative instrument. Each Trust's ability to successfully use a derivative instrument depends on the investment advisor's ability to accurately predict pertinent market movements, which cannot be assured. The use of derivative instruments may result in losses greater than if they had not been used, may require a Trust to sell or purchase portfolio securities at inopportune times or for distressed values, may limit the amount of appreciation a Trust can realize on an investment, may result in lower distributions paid to shareholders, or may cause the Trusts to hold a security that they might otherwise sell. The Trusts' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Schedule of Investments August 31, 2010

BlackRock Insured Municipal Income Trust (BYM)
 (Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 1.0%		
Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC), 6.00%, 6/01/39	\$ 1,495	\$ 1,673,503
County of Jefferson Alabama, RB, Series A, 4.75%, 1/01/25	2,800	2,202,172
		<u>3,875,675</u>
Arizona 0.6%		
State of Arizona, COP, Department of Administration, Series A (AGM):		
5.00%, 10/01/27	1,500	1,594,455
5.25%, 10/01/28	650	697,522
		<u>2,291,977</u>
California 28.6%		
Arcadia Unified School District California, GO, CAB, Election of 2006, Series A (AGM), 4.96%, 8/01/39 (a)	2,000	335,520
California Health Facilities Financing Authority, Refunding RB, St. Joseph Health System, Series A, 5.75%, 7/01/39	625	669,619
California Infrastructure & Economic Development Bank, RB, Bay Area Toll Bridges, First Lien, Series A (AMBAC), 5.00%, 1/01/28 (b)	10,100	12,580,661
Coast Community College District California, GO, Refunding, CAB, Election of 2002, Series C (AGM):		
5.58%, 8/01/31 (c)	7,450	6,525,604
5.40%, 8/01/36 (a)	4,200	896,154
Fresno Unified School District California, GO, Election of 2001, Series E (AGM), 5.00%, 8/01/30	1,100	1,155,044
Golden State Tobacco Securitization Corp. California, RB, Series 2003-A-1 (b):		
6.63%, 6/01/13	6,500	7,563,140
6.75%, 6/01/13	14,500	16,921,065
Los Angeles Municipal Improvement Corp., RB, Series B1 (NPFGC), 4.75%, 8/01/37	4,000	4,002,680
Metropolitan Water District of Southern California, RB, Series B-1 (NPFGC), 5.00%, 10/01/33	17,500	18,177,425
Monterey Peninsula Community College District, GO, CAB, Series C (AGM) (a):		
5.15%, 8/01/31	13,575	4,014,670
5.16%, 8/01/32	14,150	3,848,517
Orange County Sanitation District, COP, Series B (AGM), 5.00%, 2/01/31	2,500	2,689,975
Sacramento Unified School District California, GO, Election of 2002 (NPFGC), 5.00%, 7/01/30	2,700	2,812,617
San Francisco City & County Public Utilities Commission, Refunding RB, Series A (AGM), 5.00%, 11/01/31	15,000	15,226,800

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Municipal Bonds	Par (000)	Value
California (concluded)		
San Joaquin Hills Transportation Corridor Agency California, Refunding RB, CAB, Series A (NPFGC), 5.50%, 1/15/31 (a)	\$ 53,000	\$ 10,150,030
San Jose Unified School District Santa Clara County California, GO, Election of 2002, Series B (NPFGC), 5.00%, 8/01/29	2,350	2,478,545
		<hr/> 110,048,066
District of Columbia 2.5%		
District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.75%, 5/15/40	9,500	9,425,235
Florida 12.9%		
Broward County School Board Florida, COP, Series A (AGM), 5.25%, 7/01/33	2,000	2,110,140
City of Tallahassee Florida, RB (NPFGC), 5.00%, 10/01/32	3,000	3,145,620
County of Broward Florida, RB, Series A, 5.25%, 10/01/34	950	1,013,042
County of Duval Florida, COP, Master Lease Program (AGM), 5.00%, 7/01/33	2,800	2,871,456
County of Miami-Dade Florida, RB: CAB, Sub-Series A (NPFGC), 5.25%, 10/01/38 (a)	25,520	4,233,768
Jackson Health System (AGC), 5.75%, 6/01/39	2,300	2,498,260
Water & Sewer System (AGM), 5.00%, 10/01/39	10,100	10,690,143
County of Miami-Dade Florida, Refunding RB (AGM), 5.00%, 7/01/35	1,300	1,334,658
Florida Housing Finance Corp., RB, Homeowner Mortgage, Series 3 (Ginnie Mae), 5.45%, 7/01/33	4,320	4,514,616
Florida State Department of Environmental Protection, RB, Series B (NPFGC), 5.00%, 7/01/27	7,500	8,080,725
Miami-Dade County School Board, COP, Refunding, Series B (AGC), 5.25%, 5/01/31	2,385	2,534,706
Orange County School Board, COP, Series A (AGC), 5.50%, 8/01/34	5,590	6,108,249
Sarasota County Public Hospital District, RB, Sarasota Memorial Hospital Project, Series A, 5.63%, 7/01/39	300	318,291
		<hr/> 49,453,674
Georgia 0.2%		
Gwinnett County Hospital Authority, Refunding RB, Gwinnett Hospital System, Series D (AGM), 5.50%, 7/01/41	900	944,199

Portfolio Abbreviations

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

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ACA	ACA Financial Guaranty Corp.
AGC	Assured Guaranty Corp.
AGM	Assured Guaranty Municipal Corp.
AMBAC	American Municipal Bond Assurance Corp.
AMT	Alternative Minimum Tax (subject to)
ARB	Airport Revenue Bonds
ARS	Auction Rate Securities
BHAC	Berkshire Hathaway Assurance Corp.
CAB	Capital Appreciation Bonds
CIFG	CDC IXIS Financial Guaranty
COP	Certificates of Participation
EDA	Economic Development Authority
EDC	Economic Development Corp.
ERB	Education Revenue Bonds
FHA	Federal Housing Administration
GARB	General Airport Revenue Bonds
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
HRB	Housing Revenue Bonds
IDA	Industrial Development Authority
IDB	Industrial Development Board
IDRB	Industrial Development Revenue Bonds
ISD	Independent School District
MRB	Mortgage Revenue Bonds
NPFGC	National Public Finance Guarantee Corp.
PILOT	Payment in Lieu of Taxes
PSF-GTD	Permanent School Fund Guaranteed
RB	Revenue Bonds
SBPA	Stand-by Bond Purchase Agreement
S/F	Single Family
VRDN	Variable Rate Demand Notes

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Insured Municipal Income Trust (BYM)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Illinois 4.9%		
Chicago Board of Education Illinois, GO, Refunding, Chicago School Reform Board, Series A (NPFGC), 5.50%, 12/01/26	\$ 2,500	\$ 2,950,825
City of Chicago Illinois, RB, Series A (AGC), 5.00%, 1/01/38	7,310	7,609,856
County of Cook Illinois, GO, Refunding, Series A, 5.25%, 11/15/33	1,475	1,597,278
Illinois Municipal Electric Agency, RB, Series A (NPFGC), 5.25%, 2/01/27	4,800	5,144,880
State of Illinois, RB, Build Illinois, Series B, 5.25%, 6/15/34	1,400	1,480,640
		<u>18,783,479</u>
Indiana 0.7%		
Indiana Municipal Power Agency, RB: Series A (NPFGC), 5.00%, 1/01/37	2,050	2,113,796
Series B, 5.75%, 1/01/34	450	490,599
		<u>2,604,395</u>
Iowa 1.4%		
Iowa Finance Authority, RB, Series A (AGC), 5.63%, 8/15/37	5,000	5,511,450
Kentucky 0.4%		
Kentucky State Property & Buildings Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/29	1,500	1,680,600
Louisiana 2.1%		
State of Louisiana, RB, Series A (AGM), 5.00%, 5/01/31	7,500	8,005,800
Michigan 2.7%		
City of Detroit Michigan, RB: Senior Lien, Series A (NPFGC), 5.00%, 7/01/30	1,000	1,001,310
Senior Lien, Series A (NPFGC), 5.00%, 7/01/34	2,660	2,669,576
System, Second Lien, Series A (BHAC), 5.50%, 7/01/36	2,900	3,071,796
System, Second Lien, Series B (NPFGC), 5.00%, 7/01/36	400	402,992
City of Detroit Michigan, Refunding RB, Second Lien, Series E (BHAC), 5.75%, 7/01/31	3,000	3,282,330
		<u>10,428,004</u>

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Nevada 6.7%		
County of Clark Nevada, RB:		
Las Vegas-McCarran International Airport, Series A (AGC), 5.25%, 7/01/39	4,100	4,298,522
Subordinate Lien, Series A2 (BHAC), 5.00%, 7/01/30	2,500	2,596,900
System, Subordinate Lien, Series C (AGM), 5.00%, 7/01/26	1,650	1,781,884
Truckee Meadows Water Authority, RB, Series A (AGM) (b):		
5.00%, 7/01/11	10,000	10,397,700
5.13%, 7/01/11	6,500	6,765,265
		25,840,271

New York 0.4%		
New York State Dormitory Authority, ERB, Series B, 5.75%, 3/15/36	1,300	1,506,986

Ohio 0.3%		
Ohio Higher Educational Facility Commission, Refunding RB, Summa Health System, 2010 Project (AGC), 5.25%, 11/15/40	1,125	1,164,094

Pennsylvania 1.4%		
City of Philadelphia Pennsylvania, RB, Third Series (AGM), 5.13%, 8/01/11 (b)	5,200	5,424,692

Puerto Rico 1.6%		
Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.38%, 8/01/39	5,300	5,964,991

Municipal Bonds	Par (000)	Value
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Rhode Island 0.8%		
Rhode Island Health & Educational Building Corp., Refunding RB, Public Schools Financing Program, Series E (AGC), 6.00%, 5/15/29	\$ 2,625	\$ 2,991,004

South Carolina 2.7%		
South Carolina Transportation Infrastructure Bank, RB, Junior Lien, Series B (AMBAC), 5.13%, 10/01/11 (b)	10,000	10,513,600

Tennessee 5.5%		
Knox County Health Educational & Housing Facilities Board Tennessee, Refunding RB (AGM), Series A (a):		
CAB, 5.84%, 1/01/22	11,705	6,385,897
CAB, 5.88%, 1/01/23	9,260	4,736,768
CAB, 5.90%, 1/01/24	8,500	4,083,230
CAB, 5.91%, 1/01/25	6,850	3,094,761
CAB, 5.93%, 1/01/26	5,000	2,116,550
Covenant, 4.79%, 1/01/41	3,000	608,730
		21,025,936

Texas 27.6%		
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City of Houston Texas, RB, Senior Lien, Series A, 5.50%, 7/01/34	4,165	4,575,461
City of San Antonio Texas, Refunding RB (NPFGC):		
5.13%, 5/15/29	9,250	10,102,850
5.13%, 5/15/34	10,000	10,843,300
Coppell ISD Texas, GO, Refunding, CAB (PSF-GTD), 5.64%, 8/15/30 (a)	10,030	4,488,626
County of Harris Texas, GO (NPFGC) (a):		
5.56%, 8/15/25	7,485	4,467,946
5.59%, 8/15/28	10,915	5,542,637
County of Harris Texas, Refunding RB, Senior Lien, Toll Road (AGM), 5.00%, 8/15/30	5,510	5,819,552
Harris County-Houston Sports Authority, Refunding RB (NPFGC) (a):		
CAB, Junior Lien, Series H, 5.92%, 11/15/38	5,785	650,234
CAB, Junior Lien, Series H, 5.94%, 11/15/39	6,160	636,328
Third Lien, Series A-3, 5.97%, 11/15/38	26,890	3,022,436
Third Lien, Series A-3, 5.98%, 11/15/39	27,675	2,789,640
Lewisville ISD Texas, GO, Refunding, CAB, School Building (NPFGC), 4.67%, 8/15/24 (a)	5,315	2,861,118
Mansfield ISD Texas, GO, School Building (PSF-GTD), 5.00%, 2/15/33	2,980	3,214,794
North Texas Tollway Authority, Refunding RB, First Tier:		
CAB, System (AGC), 5.33%, 1/01/29 (a)	5,000	1,975,450
CAB, System (AGC), 5.45%, 1/01/30 (a)	955	352,643
Series A, 6.00%, 1/01/28	625	705,250
System (NPFGC), 5.75%, 1/01/40	23,050	24,476,334
Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.00%, 8/15/42	20,000	19,791,600
		106,316,199

Washington 6.4%

Chelan County Public Utility District No. 1, RB, Chelan Hydro System, Series C (AMBAC), 5.13%, 7/01/33	3,655	3,728,100
County of King Washington, Refunding RB (AGM), 5.00%, 1/01/36	2,200	2,317,568
Port of Seattle Washington, RB, Series A (NPFGC), 5.00%, 4/01/31	4,500	4,542,795
State of Washington, GO, Various Purpose, Series 02-A (AGM), 5.00%, 7/01/25	5,000	5,170,200
Washington Health Care Facilities Authority, RB:		
MultiCare Health Care, Series C (AGC), 5.50%, 8/15/43	6,600	6,964,848
Providence Health & Services, Series A, 5.00%, 10/01/39	1,000	1,038,540
Providence Health & Services, Series A, 5.25%, 10/01/39	675	714,028
		24,476,079

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Insured Municipal Income Trust (BYM)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Wisconsin 0.4%		
Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Senior Credit Group, 5.00%, 11/15/33	\$ 1,500	\$ 1,558,320
Total Municipal Bonds 111.8%		429,834,726
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
Arizona 0.4%		
Phoenix Civic Improvement Corp., RB, Junior Lien, Series A, 5.00%, 7/01/34	1,300	1,407,939
California 10.6%		
California State University, RB, Systemwide, Series A (AGM), 5.00%, 11/01/33	3,379	3,549,390
California State University, Refunding RB, Systemwide, Series A (AGM), 5.00%, 11/01/32	8,000	8,382,560
Foothill-De Anza Community College District, GO, Election of 1999, Series C (NPFGC), 5.00%, 8/01/36	7,500	7,770,525
Los Angeles Community College District California, GO, Election of 2001, Series A (AGM), 5.00%, 8/01/32	5,000	5,296,250
San Diego Community College District California, GO, Election of 2002, 5.25%, 8/01/33	449	491,913
San Diego County Water Authority, COP, Refunding, Series 2008-A (AGM), 5.00%, 5/01/33	4,870	5,181,924
University of California, RB, Series C (NPFGC), 4.75%, 5/15/37	10,000	10,152,000
		40,824,562
District of Columbia 0.3%		
District of Columbia, RB, Series A, 5.50%, 12/01/30	1,080	1,264,259
Florida 3.8%		
City of Tallahassee Florida, RB (NPFGC), 5.00%, 10/01/37	5,000	5,189,950
Florida State Board of Education, GO, Series D, 5.00%, 6/01/37	2,999	3,220,665
Orange County School Board, COP, Series A (NPFGC), 5.00%, 8/01/30	6,000	6,255,360

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14,665,975

Hawaii 2.7%		
Honolulu City & County Board of Water Supply, RB, Series A (NPFGC), 5.00%, 7/01/33	10,000	10,373,200

Illinois 7.7%		
Illinois State Toll Highway Authority, RB, Series B, 5.50%, 1/01/33	4,499	5,011,994
Metropolitan Pier & Exposition Authority, RB, McCormick Place Expansion Project, Series A (NPFGC), 5.00%, 12/15/28	24,010	24,648,906
		29,660,900

Massachusetts 3.7%		
Massachusetts School Building Authority, RB, Series A (AGM), 5.00%, 8/15/30	12,987	14,051,391

Nevada 1.8%		
City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/39	4,197	4,727,671
Clark County Water Reclamation District, GO, Series B, 5.75%, 7/01/34	2,024	2,313,216
		7,040,887

Municipal Bonds Transferred to Tender Option Bond Trusts (d)	Par (000)	Value
New York 4.5%		
Erie County Industrial Development Agency, RB, City School District of Buffalo Project, Series A (AGM), 5.75%, 5/01/28	\$ 4,494	\$ 5,048,871
Metropolitan Transportation Authority, RB, Series A (NPFGC), 5.00%, 11/15/31	7,002	7,466,053
Triborough Bridge & Tunnel Authority, RB, General, Series A-2, 5.25%, 11/15/34	4,500	4,956,030
		17,470,954

Ohio 0.2%		
State of Ohio, RB, Cleveland Clinic Health, Series B, 5.50%, 1/01/34	620	674,777

South Carolina 0.2%		
South Carolina State Public Service Authority, RB, Santee Cooper, Series A, 5.50%, 1/01/38	600	669,972

Texas 2.7%		
Northside ISD Texas, GO, School Building (PSF-GTD), 5.13%, 6/15/29	9,500	10,447,005

Utah 1.4%		
Utah Transit Authority, RB, Series A (AGM), 5.00%, 6/15/36	5,000	5,397,450

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Virginia 0.1%		
Fairfax County IDA Virginia, Refunding RB, Health Care, Inova Health System, Series A, 5.50%, 5/15/35	400	437,280
Washington 1.0%		
Central Puget Sound Regional Transit Authority, RB, Series A (AGM), 5.00%, 11/01/32	3,494	3,777,846
Total Municipal Bonds Transferred to Tender Option Bond Trusts 41.1%		158,164,397
Total Long-Term Investments (Cost \$568,697,435) 152.9%		587,999,123
Short-Term Securities		
New York 0.4%		
City of New York New York, GO, VRDN, Sub-Series A-6 (AGM Insurance, Dexia Credit Local SBPA), 0.28%, 9/01/10 (e)	1,700	1,700,000
		Shares
Money Market Fund 2.5%		
FFI Institutional Tax-Exempt Fund, 0.22% (f)(g)	9,416,737	9,416,737
Total Short-Term Securities (Cost \$11,116,737) 2.9%		11,116,737
Total Investments (Cost \$579,814,172*) 155.8%		599,115,860
Other Assets Less Liabilities 1.0%		3,666,478
Liability for Trust Certificates, Including Interest Expense and Fees Payable (21.1)%		(80,964,933)
Preferred Shares, at Redemption Value (35.7)%		(137,254,585)
Net Assets Applicable to Common Shares 100.0%		\$ 384,562,820

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock Insured Municipal Income Trust (BYM)

* The cost and unrealized appreciation (depreciation) of investments as of August 31, 2010, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 499,166,652
Gross unrealized appreciation	\$ 36,401,492
Gross unrealized depreciation	(17,366,796)
Net unrealized appreciation	\$ 19,034,696

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.
- (d) Securities represent bonds transferred to a tender option bond trust in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (e) Variable rate security. Rate shown is as of report date and maturity shown is the date the principal owed can be recovered through demand.
- (f) Investments in companies considered to be an affiliate of the Trust during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at August 31, 2009	Net Activity	Shares Held at August 31, 2010	Income
FFI Institutional Tax-Exempt Fund	4,401,744	5,014,993	9,416,737	\$7,910

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

Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 price quotations in active markets/exchanges for identical assets and liabilities

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

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

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

The following table summarizes the inputs used as of August 31, 2010 in determining the fair valuation of the Trust's investments:

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments in Securities:				
Long-Term Investments ¹		\$ 587,999,123		\$ 587,999,123
Short-Term Securities	\$ 9,416,737	1,700,000		11,116,737
Total	\$ 9,416,737	\$ 589,699,123		\$ 599,115,860

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

See Notes to Financial Statements.

Schedule of Investments August 31, 2010

BlackRock Insured Municipal Income Investment Trust (BAF)
 (Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 1.7%		
Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC):		
6.13%, 6/01/34	\$ 1,000	\$ 1,121,760
6.00%, 6/01/39	1,000	1,119,400
		<u>2,241,160</u>
Arizona 0.5%		
State of Arizona, COP, Department of Administration, Series A (AGM):		
5.25%, 10/01/28	465	498,996
5.00%, 10/01/29	125	130,848
		<u>629,844</u>
California 11.6%		
California State Public Works Board, RB, Various Capital Projects, Series G-1 (AGC), 5.25%, 10/01/24		
	2,000	2,147,780
County of Sacramento California, RB, Senior Series A (AGC), 5.50%, 7/01/41		
	1,400	1,506,778
Los Angeles Community College District California, GO, Election of 2001, Series A (NPFGC), 5.00%, 8/01/32		
	1,000	1,058,010
Los Angeles Municipal Improvement Corp., Refunding RB, Real Property, Series B (AGC), 5.50%, 4/01/39		
	3,810	4,112,400
Oxnard Union High School District, GO, Refunding, Election of 2004, Series A (AGM), 5.00%, 8/01/40		
	1,000	1,046,940
San Diego Public Facilities Financing Authority, Refunding RB, Series B (AGC), 5.38%, 8/01/34		
	1,125	1,237,365
San Jacinto Unified School District, GO, Election of 2006 (AGM), 5.25%, 8/01/32		
	1,000	1,049,570
State of California, GO, Various Purpose (AGM), 5.00%, 6/01/32		
	3,000	3,095,100
		<u>15,253,943</u>
Colorado 1.2%		
Colorado Health Facilities Authority, RB, Hospital, NMC Inc. Project, Series B (AGM), 6.00%, 5/15/26		
	1,425	1,647,428
Florida 14.8%		
City of Miami Florida, RB (NPFGC), 5.25%, 1/01/28		
	5,035	5,434,628
City of Sunrise Florida, Refunding RB (AMBAC), 5.00%, 10/01/28		
	5,000	5,171,100
Village Center Community Development District, RB, Series A (NPFGC), 5.00%, 11/01/32		
	10,000	8,891,900
		<u>19,497,628</u>

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Georgia 3.3%

Georgia Higher Education Facilities Authority, RB, USG Real Estate III, Series A (AGC), 5.00%, 6/15/38	850	883,975
Gwinnett County Hospital Authority, Refunding RB, Gwinnett Hospital System, Series D (AGM), 5.50%, 7/01/41	1,350	1,416,298
Metropolitan Atlanta Rapid Transit Authority, RB, Third Indenture, Series B (AGM), 5.00%, 7/01/34	1,890	2,024,095
		4,324,368

Illinois 12.8%

Chicago Board of Education Illinois, GO, Refunding, Chicago School Reform Board, Series A (NPFGC), 5.50%, 12/01/26	900	1,062,297
Chicago Transit Authority, RB, Federal Transit Administration Section 5309, Series A (AGC), 6.00%, 6/01/26	1,300	1,544,387
City of Chicago Illinois, GO, Refunding, Projects, Series A (AGM):		
5.00%, 1/01/28	920	1,007,538
5.00%, 1/01/29	1,425	1,546,567
5.00%, 1/01/30	570	614,927

Municipal Bonds	Par (000)	Value
Illinois (concluded)		
City of Chicago Illinois, General, Third Lien RB: Airport, Series A (NPFGC), 5.00%, 1/01/33	\$ 1,000	\$ 1,013,470
Series C (AGM), 5.25%, 1/01/30	1,000	1,074,730
Series C (AGM), 5.25%, 1/01/35	820	870,250
City of Chicago Illinois, Refunding RB, Second Lien (NPFGC), 5.50%, 1/01/30	1,000	1,153,140
Illinois Municipal Electric Agency, RB, Series A (NPFGC):		
5.25%, 2/01/28	1,560	1,670,261
5.25%, 2/01/35	1,250	1,305,950
State of Illinois, RB:		
(AGM), 5.00%, 6/15/27	1,000	1,045,790
Build Illinois, Series B, 5.25%, 6/15/28	1,750	1,916,075
Village of Schaumburg Illinois, GO, Series B (NPFGC), 5.00%, 12/01/38	1,000	1,028,430
		16,853,812

Indiana 2.0%

Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC), 5.50%, 1/01/38	2,415	2,689,344
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Iowa 0.9%

Iowa Finance Authority, Refunding RB, Iowa Health System (AGC), 5.25%, 2/15/29	1,125	1,229,243
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Kentucky 0.8%

Kentucky Municipal Power Agency, RB, Prairie State Project, Series A (BHAC), 5.25%, 9/01/42	1,000	1,056,280
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Louisiana 2.6%

Louisiana State Citizens Property Insurance Corp., RB, Series C-3 (AGC), 6.13%, 6/01/25	2,510	2,876,460
New Orleans Aviation Board Louisiana, Refunding RB (AGC), Restructuring GARB: Series A-1, 6.00%, 1/01/23	375	441,641
Series A-2, 6.00%, 1/01/23	150	176,657
		<hr/>
		3,494,758
