

BLACKROCK MUNICIPAL INCOME TRUST  
Form N-CSRS  
January 08, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM N-CSRS**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT  
INVESTMENT COMPANIES**

Investment Company Act file number 811-10339

Name of Fund: BlackRock Municipal Income Trust (BFK)

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, 55 East 52<sup>nd</sup> Street, New York, NY 10055.

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

Date of fiscal year end: 04/30/2010

Date of reporting period: 10/31/2009

Item 1 Report to Stockholders

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EQUITIES FIXED INCOME REAL ESTATE LIQUIDITY ALTERNATIVES BLACKROCK SOLUTIONS

## Semi-Annual Report

OCTOBER 31, 2009 | (UNAUDITED)

[BlackRock Investment Quality Municipal Trust Inc. \(BKN\)](#)

[BlackRock Long-Term Municipal Advantage Trust \(BTA\)](#)

[BlackRock Municipal 2020 Term Trust \(BKK\)](#)

[BlackRock Municipal Income Trust \(BFK\)](#)

[BlackRock Pennsylvania Strategic Municipal Trust \(BPS\)](#)

[BlackRock Strategic Municipal Trust \(BSD\)](#)

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

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## Dear Shareholder

Over the past 12 months, we have witnessed a seismic shift in market sentiment from fear and pessimism during the worst economic decline and crisis

of confidence in financial markets since The Great Depression to increasing optimism amid emerging signs of recovery. The period began in the midst of an

intense deterioration in global economic activity and financial markets in the final months of 2008 and the early months of 2009. The collapse of confi-

dence resulted in massive government policy intervention on a global scale in the financial system and the economy. The tide turned dramatically in March

2009, however, on the back of new US government initiatives, as well as better-than-expected economic data and upside surprises in corporate earnings.

Not surprisingly, global equity markets endured extreme volatility over the past 12 months, starting with steep declines and heightened risk aversion in the

early part of the reporting period, which eventually gave way to an impressive rally that began in March. Although there have been fits and starts along the

way and a few modest corrections, the new bull market has pushed all major US indices well into positive territory for 2009. The experience in international

markets was similar to that in the United States. In particular, emerging markets (which were less affected by the global credit crunch and are experiencing

faster economic growth rates when compared to the developed world) have posted impressive gains since the rally began.

In fixed income markets, the flight-to-safety premium in Treasury securities prevailed during the equity market downturn, which drove yields sharply lower,

but concerns about deficit spending, debt issuance, inflation and dollar weakness have kept Treasury yields range bound in recent months. As economic

and market conditions began to improve in early 2009, near-zero interest rates on risk-free assets prompted many investors to reallocate money from cash

investments into higher-yielding and riskier non-Treasury assets. The high yield sector was the greatest beneficiary of this move, having decisively outpaced

all other taxable asset classes since the start of 2009. Similarly, the municipal bond market is on pace for its best performance year ever in 2009, following

one of its worst years in 2008. Investor demand remains strong for munis, helping to create a highly favorable technical backdrop. Municipal bond mutual

funds are seeing record inflows, reflecting the renewed investor interest in the asset class.

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As a result of the rebound in sentiment and global market conditions, most major benchmark indexes are now in positive territory for both the

6- and 12-month periods.

| <b>Total Returns as of October 31, 2009</b>  | <b>6-month</b> | <b>12-month</b> |
|--|----------------|-----------------|
| US equities (S&P 500 Index)  | 20.04%         | 9.80%           |
| Small cap US equities (Russell 2000 Index)   | 16.21          | 6.46            |
| International equities (MSCI Europe, Australasia, Far East Index)                  | 31.18          | 27.71           |
| US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index*)             | (0.79)         | 8.12            |
| Taxable fixed income (Barclays Capital US Aggregate Bond Index)                    | 5.61           | 13.79           |
| Tax-exempt fixed income (Barclays Capital Municipal Bond Index)                    | 4.99           | 13.60           |
| High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index) | 27.72          | 48.65           |

\* Formerly a Merrill Lynch index.

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

The market environment has visibly improved since the beginning of the year, but a great deal of uncertainty and risk remain. Through periods of market turbulence, as ever, BlackRock's full resources are dedicated to the management of our clients' assets. For additional market perspective and investment insight, visit the most recent issue of our award-winning Shareholder® magazine at [www.blackrock.com/shareholdermagazine](http://www.blackrock.com/shareholdermagazine). As always, we thank you for entrusting BlackRock with your investments, and we look forward to continuing to serve you in the months and years ahead.

### Announcement to Shareholders

On December 1, 2009, BlackRock, Inc. and Barclays Global Investors, N.A. combined to form one of the world's preeminent investment management firms.

The new company, operating under the BlackRock name, manages \$3.19 trillion in assets\*\* and offers clients worldwide a full complement of active man-

agement, enhanced and index investment strategies and products, including individual and institutional separate accounts, mutual funds and other pooled

investment vehicles, and the industry-leading iShares platform of exchange traded funds.

\*\* Data is as of September 30, 2009, is subject to change, and is based on a pro forma estimate of assets under management and other data at BlackRock, Inc. and Barclays Global Investors.

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## Trust Summary as of October 31, 2009 BlackRock Investment Quality Municipal Trust Inc.

### Investment Objective

BlackRock Investment Quality Municipal Trust Inc. (BKN) (the Trust) seeks to provide high current income which, in the opinion of bond counsel to the issuer, is exempt from regular federal income tax consistent with the preservation of capital.

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

### Performance

For the six months ended October 31, 2009, the Trust returned 23.85% based on market price and 15.88% based on net asset value (NAV). For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 16.28% on a market price basis and 14.93% on a NAV basis. All returns reflect reinvestment of dividends. During the period, the Trust moved from a discount to a premium to NAV, which accounts for the difference between performance based on price and performance based on NAV. During the period, the Trust maintained heavy exposure to A and BBB-rated credits. Additionally, the Trust was positioned with a longer duration relative to its Lipper peers, and its holdings primarily comprised longer-dated bonds. These factors benefited total return as credit spreads narrowed and there was a combined curve flattening with an overall rally in prices. On a sector basis, the Trust's significant holdings in housing and health contributed positively as these sectors outperformed. Lastly, fund management was active in the new-issue market, adding attractively-structured bonds at a discount to where similar credits were trading in the secondary market. Conversely, the Trust held fewer discount-coupon bonds, which saw the most price appreciation as municipal yields fell during the period; this detracted from results. Moreover, the Trust's dividend to the shareholder was below the average of its Lipper peers.

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)                                    | BKN               |
| Initial Offering Date   | February 19, 1993 |
| Yield on Closing Market Price as of October 31, 2009 (\$13.56) <sup>1</sup> | 7.21%             |
| Tax Equivalent Yield <sup>2</sup>   | 11.09%            |
| Current Monthly Distribution per Common Share <sup>3</sup>                  | \$0.0815          |
| Current Annualized Distribution per Common Share <sup>3</sup>               | \$0.9780          |
|   | 38%               |

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Leverage as of October 31,  
2009<sup>4</sup>

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum federal tax rate of 35%.

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

<sup>4</sup> Represents 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 10.

The table below summarizes the changes in the Trust s market price and net asset value per share:

|                 | 10/31/09 | 4/30/09 | Change | High    | Low     |
|-----------------|----------|---------|--------|---------|---------|
| Market Price    | \$13.56  | \$11.35 | 19.47% | \$14.24 | \$11.21 |
| Net Asset Value | \$13.00  | \$11.63 | 11.78% | \$13.86 | \$11.63 |

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

| Sector Allocations                               | Credit Quality Allocations <sup>5</sup> |         |                        |          |         |
|--|---|---------|------------------------|----------|---------|
|  | 10/31/09                                | 4/30/09 |                        | 10/31/09 | 4/30/09 |
| Health   | 28%                                     | 25%     | AAA/Aaa                | 19%      | 22%     |
| County/City/Special District/<br>School District | 16                                      | 20      | AA/Aa                  | 23       | 30      |
|  |   |         | A                      | 33       | 26      |
| State  | 12                                      | 12      | BBB/Baa                | 13       | 9       |
| Utilities  | 10                                      | 8       | BB/Ba                  | 1        | 3       |
| Housing  | 10                                      | 11      | B                      | 3        | 1       |
| Transportation                                   | 9                                       | 10      | CCC/Caa                |          | 1       |
| Education  | 7                                       | 7       | Not Rated <sup>6</sup> | 8        | 8       |
| Corporate  | 6                                       | 5       |                        |          |         |
| Tobacco  | 2                                       | 2       |                        |          |         |

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

Service ( Moody s ) ratings.

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2009 and April 30,

2009, the market value of these securities was \$20,636,430 representing 6% and \$12,511,098 representing 4%, respectively, of the Trust's long-term investments.

OCTOBER 31,

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SEMI-ANNUAL REPORT

2009

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## Trust Summary as of October 31, 2009 **BlackRock Long-Term Municipal Advantage Trust**

### Investment Objective

BlackRock Long-Term Municipal Advantage Trust (BTA) (the Trust) seeks to provide current income which, in the opinion of bond counsel to the issuer, is exempt from regular federal income tax.

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

### Performance

For the six months ended October 31, 2009, the Trust returned 16.37% based on market price and 16.69% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 16.28% on a market price basis and 14.93% on a NAV basis. All returns reflect reinvestment of dividends. The Trust's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. Positive performance factors included concentrations in education, health, tobacco and corporate-related debt. Renewed risk appetite was also beneficial, given the Trust's focus on lower-rated credits. In addition, the Trust's long duration stance and emphasis on longer-dated bonds were significant positive contributors as yields on the long end of the curve fell substantially. Negative factors included less exposure to the tax-backed and essential services sectors.

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  | BTA               |
| Initial Offering Date   | February 28, 2006 |
| Yield on Closing Market Price as of October 31, 2009<br>(\$9.88) <sup>1</sup> | 6.98%             |
| Tax Equivalent Yield <sup>2</sup>   | 10.74%            |
| Current Monthly Distribution per Common Share <sup>3</sup>                    | \$0.0575          |
| Current Annualized Distribution per Common Share <sup>3</sup>                 | \$0.6900          |
| Leverage as of October 31, 2009 <sup>4</sup>                                  | 37%               |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum federal tax rate of 35%.

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

<sup>4</sup> Represents TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to 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 10.

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

|                 | 10/31/09 | 4/30/09 | Change | High    | Low    |
|-----------------|----------|---------|--------|---------|--------|
| Market Price    | \$9.88   | \$8.79  | 12.40% | \$10.72 | \$8.65 |
| Net Asset Value | \$10.73  | \$9.52  | 12.71% | \$11.40 | \$9.52 |

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

| Sector Allocations                               | Credit Quality Allocations <sup>5</sup> |         |                        |          |         |
|--|---|---------|------------------------|----------|---------|
|  | 10/31/09                                | 4/30/09 |                        | 10/31/09 | 4/30/09 |
| Health   | 17%                                     | 12%     | AAA/Aaa                | 15%      | 18%     |
| Education  | 15                                      | 16      | AA/Aa                  | 43       | 37      |
| County/City/Special District/<br>School District | 14                                      | 15      | A                      | 10       | 8       |
| Housing  | 10                                      | 12      | BBB/Baa                | 10       | 15      |
| Utilities  | 10                                      | 8       | BB/Ba                  | 2        | 1       |
| State  | 10                                      | 9       | B                      | 4        | 3       |
| Transportation                                   | 10                                      | 10      | Not Rated <sup>6</sup> | 16       | 18      |
| Tobacco  | 7                                       | 13      |                        |          |         |
| Corporate  | 7                                       | 5       |                        |          |         |

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

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2009 and April 30, 2009, the market value of these securities was \$1,737,913 representing 1% and \$1,468,107 representing 1%, respectively, of the Trust's long-term investments.

## Trust Summary as of October 31, 2009 **BlackRock Municipal 2020 Term Trust**

### Investment Objective

BlackRock Municipal 2020 Term Trust (BKK) (the Trust) seeks to provide current income exempt from regular federal income tax and to return \$15 per share (the initial public offering price) on or about December 31, 2020.

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

### Performance

For the six months ended October 31, 2009, the Trust returned 17.06% based on market price and 17.08% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 16.28% on a market price basis and 14.93% on a NAV basis. All returns reflect reinvestment of dividends. The Trust's premium to NAV, which remained substantially unchanged during the period, accounts for the difference between performance based on price and performance based on NAV. The Trust's allocation to lower-rated issues with longer maturities benefited performance as the high yield sector outperformed, with credit spreads contracting as the overall market improved and yields declined. Conversely, the Trust's short-duration bias detracted from performance in an environment where yields fell. The Trust is managed to meet a 2020 termination date, and as such, maintains a generally shorter duration than that of its Lipper category, which comprises longer-duration funds. Accordingly, the Trust did not fully benefit from the price appreciation that occurred amongst longer-dated securities.

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| Trust Information   |                    |
|---|--------------------|
| Symbol on NYSE  | BKK                |
| Initial Offering Date   | September 30, 2003 |
| Termination Date (on or about)  | December 31, 2020  |
| Yield on Closing Market Price as of October 31, 2009 (\$14.47) <sup>1</sup> | 5.16%              |
| Tax Equivalent Yield <sup>2</sup>   | 7.94%              |
| Current Monthly Distribution per Common Share <sup>3</sup>                  | \$0.06225          |
| Current Annualized Distribution per Common Share <sup>3</sup>               | \$0.74700          |
| Leverage as of October 31, 2009 <sup>4</sup>                                | 39%                |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

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Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum federal tax rate of 35%.

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

<sup>4</sup> Represents 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 10.

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

|                 | 10/31/09 | 4/30/09 | Change | High    | Low     |
|-----------------|----------|---------|--------|---------|---------|
| Market Price    | \$14.47  | \$12.70 | 13.94% | \$14.76 | \$12.42 |
| Net Asset Value | \$13.72  | \$12.04 | 13.95% | \$14.26 | \$12.04 |

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

| Sector Allocations                               | Credit Quality Allocations <sup>5</sup> |         |                        |         |     |
|--|---|---------|------------------------|---------|-----|
|  | 10/31/09                                | 4/30/09 | 10/31/09               | 4/30/09 |     |
| Corporate  | 18%                                     | 17%     | AAA/Aaa                | 17%     | 22% |
| County/City/Special District/<br>School District | 15                                      | 17      | AA/Aa                  | 10      | 16  |
|  |   |         | A                      | 24      | 17  |
| Health   | 15                                      | 15      | BBB/Baa                | 27      | 27  |
| Transportation                                   | 11                                      | 9       | BB/Ba                  | 3       | 1   |
| State  | 10                                      | 9       | B                      | 4       | 3   |
| Utilities  | 9                                       | 8       | CC/Ca                  |         | 1   |
| Education  | 9                                       | 9       | Not Rated <sup>6</sup> | 15      | 13  |
| Tobacco  | 7                                       | 10      |                        |         |     |
| Housing  | 6                                       | 6       |                        |         |     |

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

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2009 and April 30, 2009, the market value of these securities was \$6,099,320 representing 1% and \$5,768,611 representing 1%, respectively, of the

Trust's long-term  
investments.

## Trust Summary as of October 31, 2009 BlackRock Municipal Income Trust

### Investment Objective

BlackRock Municipal Income Trust (BFK) (the Trust) seeks to provide high current income which, in the opinion of bond counsel to the issuer, is exempt from regular federal income tax.

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

### Performance

For the six months ended October 31, 2009, the Trust returned 16.99% based on market price and 21.79% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 16.28% on a market price basis and 14.93% on a NAV basis. All returns reflect reinvestment of dividends. The Trust moved from a premium to a discount to NAV by period-end, which accounts for the difference between performance based on price and performance based on NAV. Positive performance factors included concentrations in education, health, transportation and corporate-related debt. Renewed risk appetite was also beneficial, given the Trust's focus on lower-rated credits. In addition, the Trust's long duration stance and emphasis on longer-dated bonds were significant positive contributors as yields on the long end of the curve fell substantially. Negative factors included less exposure to the tax-backed and essential services sectors.

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  | BFK           |
| Initial Offering Date   | July 27, 2001 |
| Yield on Closing Market Price as of October 31, 2009 (\$12.50) <sup>1</sup> | 7.55%         |
| Tax Equivalent Yield <sup>2</sup>   | 11.62%        |
| Current Monthly Distribution per Common Share <sup>3</sup>                  | \$0.0786      |
| Current Annualized Distribution per Common Share <sup>3</sup>               | \$0.9432      |
| Leverage as of October 31, 2009 <sup>4</sup>                                | 38%           |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum federal tax rate of 35%.

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

<sup>4</sup> 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 10.

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

|                 | 10/31/09 | 4/30/09 | Change | High    | Low     |
|-----------------|----------|---------|--------|---------|---------|
| Market Price    | \$12.50  | \$11.10 | 12.61% | \$14.25 | \$10.68 |
| Net Asset Value | \$12.59  | \$10.74 | 17.23% | \$13.34 | \$10.74 |

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

| Sector Allocations                               | Credit Quality Allocations <sup>5</sup> |         |                                   |         |        |
|--|---|---------|-----------------------------------|---------|--------|
|  | 10/31/09                                | 4/30/09 | 10/31/09                          | 4/30/09 |        |
| Health   | 20%                                     | 22%     | AAA/Aaa                           | 18%     | 34%    |
| Corporate  | 13                                      | 12      | AA/Aa                             | 19      | 15     |
| Transportation                                   | 13                                      | 11      | A                                 | 30      | 21     |
| Utilities  | 12                                      | 13      | BBB/Baa                           | 18      | 14     |
| Education  | 12                                      | 11      | BB/Ba                             | 1       | 3      |
| State  | 9                                       | 9       | B                                 | 7       | 4      |
| County/City/Special District/<br>School District | 9                                       | 8       | CCC/Caa<br>Not Rated <sup>6</sup> | 1<br>6  | 1<br>8 |
| Housing  | 7                                       | 9       |                                   |         |        |
| Tobacco  | 5                                       | 5       |                                   |         |        |

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

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2009 and April 30, 2009, the market value of these securities was \$21,665,391 representing 2% and \$17,649,155 representing 2%, respectively, of the Trust's long-term investments.

## Trust Summary as of October 31, 2009 **BlackRock Pennsylvania Strategic Municipal Trust**

### Investment Objective

BlackRock Pennsylvania Strategic Municipal Trust (BPS) (the Trust) seeks to provide monthly income which, in the opinion of bond counsel to the issuer, is exempt from regular federal and Pennsylvania income taxes.

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

### Performance

For the six months ended October 31, 2009, the Trust returned 24.45% based on market price and 16.96% based on NAV. For the same period, the closed-end Lipper Pennsylvania Municipal Debt Funds category posted an average return of 16.92% on a market price basis and 12.05% on a NAV basis.

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. A higher concentration in interest-rate-sensitive bonds benefited Trust performance as rates steadily

declined through the period. Certain sector allocations also contributed to the Trust's performance, specifically the long-term care and continuing care retire-

ment communities sector, bonds escrowed to maturity, and US territories (i.e., Puerto Rico, Guam and the Virgin Islands).

Conversely, low exposure to both

the corporate and non-investment-grade credit sectors detracted from the Trust's performance as credit spreads tightened and these issues outperformed.

The Trust's moderate cash level had no impact on 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.

| Trust Information  |                 |
|--|-----------------|
| Symbol on NYSE Amex  | BPS             |
| Initial Offering Date  | August 25, 1999 |
| Yield on Closing Market Price as of October 31, 2009<br>(\$11.92) <sup>1</sup> | 6.44%           |
| Tax Equivalent Yield <sup>2</sup>  | 9.91%           |
| Current Monthly Distribution per Common Share <sup>3</sup>                     | \$0.064         |
| Current Annualized Distribution per Common Share <sup>3</sup>                  | \$0.768         |
| Leverage as of October 31, 2009 <sup>4</sup>                                   | 38%             |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

Past performance does not guarantee future results.



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<sup>2</sup> Tax equivalent yield assumes the maximum federal tax rate of 35%.

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

<sup>4</sup> Represents 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 10.

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

|                 | 10/31/09 | 4/30/09 | Change | High    | Low     |
|-----------------|----------|---------|--------|---------|---------|
| Market Price    | \$11.92  | \$ 9.85 | 21.02% | \$13.03 | \$ 9.84 |
| Net Asset Value | \$13.50  | \$11.87 | 13.73% | \$14.03 | \$11.86 |

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

| Sector Allocations                               | Credit Quality Allocations <sup>5</sup> |         |                        |          |         |
|--|---|---------|------------------------|----------|---------|
|  | 10/31/09                                | 4/30/09 |                        | 10/31/09 | 4/30/09 |
| Health   | 27%                                     | 24%     | AAA/Aaa                | 19%      | 23%     |
| Housing  | 17                                      | 14      | AA/Aa                  | 42       | 46      |
| State  | 16                                      | 15      | A                      | 16       | 17      |
| County/City/Special District/<br>School District |   |         | BBB/Baa                | 18       | 7       |
| Education  | 12                                      | 15      | BB/Ba                  | 1        | 1       |
|  | 11                                      | 9       | Not Rated <sup>6</sup> | 4        | 6       |
| Transportation                                   | 9                                       | 11      |                        |          |         |
| Utilities  | 6                                       | 8       |                        |          |         |
| Corporate  | 2                                       | 4       |                        |          |         |

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

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2009 and April 30, 2009, the market value of these securities was \$1,605,730 representing 4% and \$1,623,020 representing 4%, respectively, of the Trust's long-term investments.

## Trust Summary as of October 31, 2009 BlackRock Strategic Municipal Trust

### Investment Objective

BlackRock Strategic Municipal Trust (BSD) (the Trust) seeks to provide high current income, which, in the opinion of bond counsel to the issuer, is exempt from regular federal income tax, consistent with the preservation of capital.

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

### Performance

For the six months ended October 31, 2009, the Trust returned 20.81% based on market price and 16.91% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 16.28% on a market price basis and 14.93% on a NAV basis. 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. Positive performance factors included concentrations in education, health, transportation and corporate-related debt. Renewed risk appetite was also beneficial, given the Trust's focus on lower-rated credits. In addition, the Trust's long duration stance and emphasis on longer-dated bonds were significant positive contributors as yields on the long end of the curve fell substantially. Negative factors included less exposure to the tax-backed, essential services and tobacco sectors. The Trust's cash reserves had no impact on 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.

### Trust Information

|   |                 |
|---|-----------------|
| Symbol on NYSE  | BSD             |
| Initial Offering Date   | August 25, 1999 |
| Yield on Closing Market Price as of October 31, 2009 (\$11.83) <sup>1</sup> | 7.10%           |
| Tax Equivalent Yield <sup>2</sup>   | 10.92%          |
| Current Monthly Distribution per Common Share <sup>3</sup>                  | \$0.07          |
| Current Annualized Distribution per Common Share <sup>3</sup>               | \$0.84          |
| Leverage as of October 31, 2009 <sup>4</sup>                                | 38%             |

<sup>1</sup> Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price.

Past performance does not guarantee future results.

<sup>2</sup> Tax equivalent yield assumes the maximum federal tax rate of 35%.

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

<sup>4</sup> 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 10.

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

|                 | 10/31/09 | 4/30/09 | Change | High    | Low     |
|-----------------|----------|---------|--------|---------|---------|
| Market Price    | \$11.83  | \$10.15 | 16.55% | \$12.79 | \$10.06 |
| Net Asset Value | \$12.35  | \$10.95 | 12.79% | \$13.15 | \$10.95 |

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

| Sector Allocations                               | Credit Quality Allocations <sup>5</sup> |         |                        |          |         |
|--|---|---------|------------------------|----------|---------|
|  | 10/31/09                                | 4/30/09 |                        | 10/31/09 | 4/30/09 |
| Health   | 19%                                     | 19%     | AAA/Aaa                | 26%      | 31%     |
| County/City/Special District/<br>School District | 16                                      | 16      | AA/Aa                  | 23       | 29      |
|  |   |         | A                      | 24       | 20      |
| Transportation                                   | 14                                      | 13      | BBB/Baa                | 13       | 5       |
| Education  | 12                                      | 10      | BB/Ba                  | 2        | 4       |
| Corporate  | 11                                      | 10      | B                      | 5        | 5       |
| Utilities  | 11                                      | 8       | CCC/Caa                | 2        | 1       |
| Housing  | 8                                       | 10      | Not Rated <sup>6</sup> | 5        | 5       |
| State  | 8                                       | 13      |                        |          |         |
| Tobacco  | 1                                       | 1       |                        |          |         |

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

<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2009 and April 30, 2009, the market value of these securities was \$3,804,164 representing 3% and \$2,678,936 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, except for BTA, issue Preferred Shares, which pay dividends at prevailing short-term interest rates, and invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the cost of assets to be obtained from leverage will be based on short-term interest rates, which normally will be lower than the income earned by each 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 Preferred Shares issuance earn the income based on long-term interest rates. In this case, the dividends paid to Preferred Shareholders are significantly lower than the income earned on the 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 rates whereas the Trust's total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of the Trusts' 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 Trusts' Preferred Shares do not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Trusts' 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 income 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 the Trusts' NAV, market price and dividend rate than a comparable portfolio without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Trusts' 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, each Trust's 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 Trusts. Each Trust will incur expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares.

Under the Investment Company Act of 1940, the Trusts are permitted to issue Preferred Shares in an amount of 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 October 31, 2009, the Trusts had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

|     | <b>Percent of<br/>Leverage</b> |
|-----|--------------------------------|
| BKN | 38%                            |
| BTA | 37%                            |
| BKK | 39%                            |
| BFK | 38%                            |
| BPS | 38%                            |
| BSD | 38%                            |

## 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 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 and illiquidity of the derivative instrument. The Trusts' ability to successfully use a derivative instrument depends on the investment advisor's ability to accu-

ately 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 the Trusts to sell or purchase portfolio securities at inopportune times or for distressed values, may limit the amount of appreciation the Trusts can realize on an investment 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.

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**Schedule of Investments** October 31, 2009 (Unaudited) **BlackRock Investment Quality Municipal Trust Inc. (BKN)**  
 (Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Municipal Bonds</b>  |              |              |
| <b>Alabama 3.1%</b>   |              |              |
| Birmingham Alabama Special Care Facilities Financing Authority, RB, Health Care Facilities, Children s Hospital (AGC), 6.00%, 6/01/39 | \$ 1,100     | \$ 1,167,078 |
| Birmingham Special Care Facilities Financing Authority, RB, Childrens Hospital (AGC), 6.00%, 6/01/34                                  | 1,745        | 1,858,739    |
| Cosa Valley Water Supply District Inc., RB (AGC):   |              |              |
| 4.50%, 10/01/34   | 900          | 848,484      |
| 4.50%, 10/01/36   | 2,045        | 1,894,549    |
| 4.50%, 10/01/39   | 1,200        | 1,098,648    |
|   |              | 6,867,498    |
| <b>Arizona 5.2%</b>   |              |              |
| City of Goodyear Arizona, GO (FSA), 4.25%, 7/01/36  | 1,125        | 1,027,676    |
| Glendale Municipal Property Corp., Arizona, RB, Series A (FSA), 4.50%, 7/01/32  | 1,150        | 1,108,738    |
| Mohave County Unified School District No. 20, Kingman, GO, School Improvement, Project 2006, Series C (AGC), 5.00%, 7/01/26           | 1,800        | 1,908,954    |
| Salt Verde Financial Corp., RB, Senior:   |              |              |
| 5.00%, 12/01/32   | 1,035        | 925,497      |
| 5.00%, 12/01/37   | 4,585        | 3,900,001    |
| San Luis Facility Development Corp., RB, Senior Lien Project, Regional Detention Center:  |              |              |
| 6.25%, 5/01/15  | 490          | 454,681      |
| 7.00%, 5/01/20  | 490          | 452,682      |
| 7.25%, 5/01/27  | 980          | 894,025      |
| University Medical Center Corp., Arizona, RB, 6.50%, 7/01/39  | 750          | 791,205      |
|   |              | 11,463,459   |
| <b>California 26.2%</b>   |              |              |
| California County Tobacco Securitization Agency, RB, CAB, Stanislaus, Sub-Series C, 6.30%, 6/01/55 (a)                                | 7,090        | 86,994       |
| California Health Facilities Financing Authority, RB, Cedars-Sinai Medical Center, 5.00%, 8/15/39                                     | 880          | 818,242      |
| California State Department of Veterans Affairs, California, RB, Series B, AMT, 5.25%, 12/01/37                                       | 5,000        | 4,499,750    |



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|  |              |              |
|--|--------------|--------------|
| Carlsbad Unified School District, GO, Election, Series B,<br>6.09%, 5/01/34 (b)  | 1,500        | 901,545      |
| County of Sacramento California, RB, Senior, Series A<br>(FSA), 5.00%, 7/01/41   | 2,000        | 1,965,520    |
| Dinuba Unified School District, GO, Election of 2006 (FSA):  |              |              |
| 5.63%, 8/01/31   | 250          | 259,187      |
| 5.75%, 8/01/33   | 535          | 554,340      |
| Foothill Eastern Transportation Corridor Agency, California,<br>Refunding RB:  |              |              |
| 5.75%, 1/15/40   | 3,495        | 3,189,118    |
| CAB, 5.88%, 7/15/28 (b)  | 7,000        | 6,797,560    |
|  | <b>Par</b>   |              |
| <b>Municipal Bonds</b>   | <b>(000)</b> | <b>Value</b> |
| <b>California (concluded)</b>  |              |              |
| Golden State Tobacco Securitization Corp., California, RB,<br>Asset-Backed, Senior, Series A-1, 5.13%, 6/01/47                         | \$ 805       | \$ 532,145   |
| Hartnell Community College District, California, GO,<br>Premium Capital Appreciation Election of 2002,<br>Series D, 7.17%, 8/01/34 (a) | 2,475        | 1,163,027    |
| Los Altos School District, California, GO, CAB, Election<br>of 1998, Series B (MBIA), 5.93%, 8/01/13 (a)(c)                            | 10,945       | 5,492,310    |
| Norwalk-La Mirada Unified School District<br>California, GO, CAB, Election 2002, Series E (AGC),<br>6.47%, 8/01/38 (a)                 | 12,000       | 2,022,240    |
| San Diego Community College District, California, GO,<br>CAB, Election of 2002, 6.14%, 8/01/19 (b)                                     | 4,200        | 2,505,426    |
| State of California, GO:   |              |              |
| 5.00%, 2/01/32   | 5,340        | 5,031,882    |
| Refunding (CIFG), 4.50%, 8/01/28   | 3,000        | 2,670,840    |
| Various Purpose, 5.75%, 4/01/31  | 3,000        | 3,078,810    |
| Various Purpose, 5.00%, 6/01/32  | 4,545        | 4,280,936    |
| Various Purpose, 6.50%, 4/01/33  | 2,900        | 3,205,109    |
| Various Purpose (CIFG), 5.00%, 3/01/33   | 5,000        | 4,691,950    |
| University of California, RB, Limited Project, Series B,<br>4.75%, 5/15/38   | 4,185        | 3,984,036    |
|  |              | 57,730,967   |
| <b>Colorado 2.5%</b>   |              |              |
| City of Colorado Springs Colorado, RB, Subordinate Lien,<br>Improvement, Series C (FSA), 5.00%, 11/15/45                               | 1,030        | 1,041,742    |
| Colorado Health Facilities Authority, RB, Series B (FSA),  |              |              |

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|  |        |           |
|--|--------|-----------|
| 5.25%, 3/01/36   | 1,750  | 1,752,730 |
| Colorado Health Facilities Authority, Refunding RB,<br>Catholic Healthcare, Series A, 5.00%, 7/01/39 (d) | 3,000  | 2,823,270 |
|  |        | 5,617,742 |
| <b>Connecticut 0.7%</b>  |        |           |
| Mashantucket Western Pequot Tribe, RB, Sub-Series A,<br>5.50%, 9/01/28                                   | 3,000  | 1,571,910 |
| <b>District of Columbia 2.1%</b>   |        |           |
| District of Columbia Tobacco Settlement Financing Corp.,<br>RB, Asset-Backed Bonds, 6.50%, 5/15/33       | 4,960  | 4,675,643 |
| <b>Florida 12.1%</b>   |        |           |
| County of Miami-Dade Florida, RB, CAB, Sub-Series A<br>(MBIA) (a):                                       |        |           |
| 5.20%, 10/01/32  | 4,225  | 899,629   |
| 5.21%, 10/01/33  | 4,000  | 792,640   |
| 5.21%, 10/01/34  | 4,580  | 846,155   |
| 5.22%, 10/01/35  | 5,000  | 863,850   |
| 5.23%, 10/01/36  | 10,000 | 1,578,800 |
| 5.24%, 10/01/37  | 10,000 | 1,467,500 |

### Portfolio Abbreviations

To simplify the listings of portfolio holdings in each Trust's Schedule of Investments, the names and descriptions of many of the securities have been abbreviated according to the following list:

|              |  |              |   |
|--------------|--|--------------|---|
| <b>ACA</b>   | American Capital Access Corp.  | <b>HDA</b>   | Housing Development Authority                           |
| <b>AGC</b>   | Assured Guaranty Corp.   | <b>HFA</b>   | Housing Finance Agency                                  |
| <b>AMBAC</b> | American Municipal Bond Assurance Corp.  | <b>IDA</b>   | Industrial Development Authority                        |
| <b>AMT</b>   | Alternative Minimum Tax (subject to)   | <b>IDB</b>   | Industrial Development Board                            |
| <b>ARB</b>   | Airport Revenue Bonds  | <b>ISD</b>   | Independent School District<br>Municipal Bond Investors |
| <b>CAB</b>   | Capital Appreciation Bonds   | <b>MBIA</b>  | Assurance<br>(National Public Finance Guaranty Corp.)   |
| <b>CIFG</b>  | CDC IXIS Financial Guaranty  | <b>PILOT</b> | Payment in Lieu of Taxes                                |
| <b>COP</b>   | Certificates of Participation  | <b>RB</b>    | Revenue Bonds   |
| <b>EDA</b>   | Economic Development Authority   | <b>S/F</b>   | Single-Family   |
| <b>FGIC</b>  | Financial Guaranty Insurance Co.<br>Federal National Mortgage<br>Association     | <b>SO</b>    | Special Obligation                                      |
| <b>FNMA</b>  | Association  | <b>TAN</b>   | Tax Anticipation Notes                                  |
| <b>FSA</b>   | Financial Security Assurance Inc.<br>Government National Mortgage<br>Association | <b>VRDN</b>  | Variable Rate Demand Notes                              |
| <b>GNMA</b>  | Association  |              |   |
| <b>GO</b>    | General Obligation Bonds   |              |   |

See Notes to Financial Statements.

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## Schedule of Investments (continued) BlackRock Investment Quality Municipal Trust Inc. (BKN)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Florida (concluded)</b>   |              |              |
| County of Orange Florida, Refunding RB (Syncora),<br>4.75%, 10/01/32   | \$ 5,000     | \$ 4,790,950 |
| Fishhawk Community Development District II, TAN,<br>Series A, 6.13%, 5/01/34   | 1,990        | 1,696,992    |
| Hillsborough County IDA, RB, National Gypsum, Series A,<br>AMT, 7.13%, 4/01/30   | 3,700        | 2,551,409    |
| Miami Beach Health Facilities Authority, Refunding RB,<br>Mount Sinai Medical Center Florida, 6.75%, 11/15/21                      | 1,960        | 1,972,270    |
| Sumter Landing Community Development District, Florida,<br>RB, Sub-Series B, 5.70%, 10/01/38                                       | 3,635        | 2,619,635    |
| Village Community Development District No. 6, Special<br>Assessment, 5.63%, 5/01/22  | 7,205        | 6,659,365    |
|  |              | 26,739,195   |
| <b>Georgia 1.5%</b>  |              |              |
| City of Atlanta Georgia, RB (FSA), 5.00%, 11/01/34   | 1,500        | 1,466,505    |
| Milledgeville & Baldwin County Development Authority,<br>RB, Georgia College & State University Foundation,<br>6.00%, 9/01/14 (c)  | 1,500        | 1,799,850    |
|  |              | 3,266,355    |
| <b>Hawaii 1.1%</b>   |              |              |
| Hawaii State Department of Budget & Finance,<br>Refunding RB, Hawaiian Electric Co. Inc., Series D, AMT<br>(AMBAC), 6.15%, 1/01/20 | 2,500        | 2,506,150    |
| <b>Idaho 1.7%</b>  |              |              |
| Idaho Health Facilities Authority, RB, Trinity Health Group,<br>Series B, 6.25%, 12/01/33  | 2,500        | 2,704,975    |
| Idaho Housing & Finance Association, RB, Grant &<br>Anticipation, Federal Highway Trust, Series A,<br>5.00%, 7/15/27               | 900          | 956,124      |
|  |              | 3,661,099    |
| <b>Illinois 7.4%</b>   |              |              |
| CenterPoint Intermodal Center Program Trust, Tax<br>Allocation Bonds, Class A, 10.00%, 6/15/23 (e)                                 | 1,920        | 1,010,035    |
| Chicago Public Building Commission Building, Illinois, RB,<br>Series A (MBIA), 7.00%, 1/01/20 (f)                                  | 5,000        | 6,435,850    |

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### Illinois Finance Authority, RB:

|   |       |            |
|---|-------|------------|
| Friendship Village Schaumburg, Series A,<br>5.63%, 2/15/37            | 345   | 272,923    |
| Illinois Rush University Medical Center, Series C,<br>6.63%, 11/01/39 | 1,200 | 1,294,272  |
| MJH Education Assistance IV, Sub-Series B,<br>5.38%, 6/01/35 (g)(h)   | 700   | 49,700     |
| Monarch Landing Inc. Facilities, Series A,<br>7.00%, 12/01/37         | 1,155 | 577,500    |
| Northwestern Memorial Hospital, Series A,<br>5.50%, 8/15/14 (c)       | 5,800 | 6,710,890  |
|   |       | 16,351,170 |

### Iowa 1.7%

|   |       |           |
|---|-------|-----------|
| Iowa Finance Authority, RB, Series A (AGC),<br>5.63%, 8/15/37 | 3,600 | 3,704,796 |
|---|-------|-----------|

### Kentucky 4.0%

#### Kentucky Economic Development Finance Authority, Kentucky, RB:

|   |        |           |
|---|--------|-----------|
| Louisville Arena, Sub-Series A-1 (AGC),<br>6.00%, 12/01/38  | 700    | 741,832   |
| Norton Healthcare Inc., Series B (MBIA),<br>6.19%, 10/01/23 (a)   | 13,500 | 5,623,020 |
| Louisville, Jefferson County Metropolitan Government,<br>RB, Jewish Hospital Saint Mary's Healthcare,<br>6.13%, 2/01/37 | 2,250  | 2,351,160 |
|   |        | 8,716,012 |

|                        |              |              |
|------------------------|--------------|--------------|
| <b>Municipal Bonds</b> | <b>Par</b>   | <b>Value</b> |
|                        | <b>(000)</b> |              |

### Maryland 1.0%

|  |          |              |
|--|----------|--------------|
| Maryland Community Development Administration, RB,<br>Residential, Series A, AMT, 4.80%, 9/01/42 | \$ 2,500 | \$ 2,280,325 |
|--|----------|--------------|

### Michigan 4.8%

|  |       |           |
|--|-------|-----------|
| Michigan State Building Authority, Refunding RB, Facilities<br>Program, Series I, 6.25%, 10/15/38                            | 1,875 | 2,021,475 |
| Michigan State Hospital Finance Authority, Michigan,<br>Refunding RB, Henry Ford Health System, Series A,<br>5.25%, 11/15/46 | 1,670 | 1,448,458 |
| Michigan State Hospital Finance Authority, Refunding RB,<br>Hospital, Henry Ford Health, 5.75%, 11/15/39 (d)                 | 4,110 | 3,940,051 |
| Royal Oak Hospital Finance Authority, Michigan, RB,  |       |           |

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|  |       |            |
|--|-------|------------|
| William Beaumont Hospital, 8.25%, 9/01/39  | 2,750 | 3,193,823  |
|  |       | 10,603,807 |
| <b>Minnesota 1.8%</b>  |       |            |
| City of Minneapolis Minnesota, RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38         | 3,500 | 3,940,405  |
| <b>Mississippi 3.7%</b>  |       |            |
| Mississippi Development Bank SO, RB (AGC):   |       |            |
| Jackson County Limited Tax Note, 5.50%, 7/01/32  | 2,655 | 2,761,811  |
| Jones Co. Junior College, 5.13%, 3/01/39   | 1,500 | 1,498,755  |
| University of Southern Mississippi, RB, Campus Facilities Improvement Project, 5.38%, 9/01/36        | 3,750 | 3,956,363  |
|  |       | 8,216,929  |
| <b>Missouri 1.1%</b>   |       |            |
| Missouri Joint Municipal Electric Utility Commission, RB, Plum Point Project (MBIA), 4.60%, 1/01/36  | 2,820 | 2,320,465  |
| <b>Multi-State 4.6%</b>  |       |            |
| Charter Mac Equity Issuer Trust, 7.60%, 11/30/50 (e)(i)  | 7,000 | 7,274,050  |
| MuniMae TE Bond Subsidiary LLC, 7.75%, 6/30/50 (e)(i)  | 4,000 | 2,799,920  |
|  |       | 10,073,970 |
| <b>Nebraska 1.0%</b>   |       |            |
| Omaha Public Power District, RB, System, Series A, 4.75%, 2/01/44                                    | 2,265 | 2,234,649  |
| <b>Nevada 0.5%</b>   |       |            |
| County of Clark Nevada, Refunding RB, Alexander Dawson School, Nevada Project, 5.00%, 5/15/29        | 1,065 | 1,039,035  |
| <b>New Jersey 6.9%</b>   |       |            |
| Middlesex County Improvement Authority, RB, Heldrich Center Hotel, Sub-Series B, 6.25%, 1/01/37      | 1,510 | 277,780    |
| New Jersey EDA, RB:  |       |            |
| Cigarette Tax, 5.75%, 6/15/29  | 7,000 | 6,736,800  |
| Motor Vehicle Surcharge, Series A (MBIA), 5.00%, 7/01/27   | 1,150 | 1,164,720  |
| New Jersey Educational Facilities Authority, Refunding RB, University Medical & Dentistry, Series B: |       |            |
| 7.13%, 12/01/23  | 950   | 1,069,805  |
| 7.50%, 12/01/32  | 1,225 | 1,379,289  |
| New Jersey Health Care Facilities Financing Authority, RB, Virtual Health (AGC), 5.50%, 7/01/38      | 2,250 | 2,323,057  |
| New Jersey State Housing & Mortgage Finance Agency, RB, Series AA, 6.50%, 10/01/38                   | 1,165 | 1,265,004  |
| University of Medicine & Dentistry of New Jersey,  |       |            |

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|   |       |            |
|---|-------|------------|
| New Jersey, RB, Series A (AMBAC), 5.50%, 12/01/27                         | 1,000 | 1,003,600  |
|   |       | 15,220,055 |
| <b>New York 8.7%</b>  |       |            |
| Albany Industrial Development Agency, RB, New Covenant                    |       |            |
| Charter School Project, Series A, 7.00%, 5/01/35                          | 725   | 459,374    |
| Hudson Yards Infrastructure Corp., RB, Series A (FGIC),<br>5.00%, 2/15/47 | 1,400 | 1,272,642  |

See Notes to Financial Statements.

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## Schedule of Investments (continued) BlackRock Investment Quality Municipal Trust Inc. (BKN)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>New York (concluded)</b>  |              |              |
| Long Island Power Authority, RB:                                     |              |              |
| General, Series C (CIFG), 5.25%, 9/01/29                             | \$ 2,000     | \$ 2,162,380 |
| Series A, 6.25%, 4/01/33   | 480          | 548,650      |
| Series A, 5.75%, 4/01/39   | 2,475        | 2,652,928    |
| New York City Industrial Development Agency, RB:                     |              |              |
| American Airlines, JFK International Airport, AMT,<br>7.63%, 8/01/25 | 2,600        | 2,499,614    |
| Queens Baseball Stadium, PILOT (AGC),<br>6.50%, 1/01/46              | 1,100        | 1,256,607    |
| New York Liberty Development Corp., RB, Goldman Sachs                |              |              |
| Headquarters, 5.25%, 10/01/35  | 2,000        | 1,956,680    |
| New York State Dormitory Authority, RB:                              |              |              |
| 5.83%, 7/01/39 (b)   | 1,825        | 1,448,429    |
| Rochester Institute Technology, Series A,<br>6.00%, 7/01/33          | 1,625        | 1,775,085    |
| University Rochester, Series A, 5.13%, 7/01/39                       | 550          | 564,091      |
| Yeshiva University, 5.00%, 9/01/38                                   | 500          | 506,950      |
| Port Authority of New York & New Jersey, RB,                         |              |              |
| Consolidated, 152nd, AMT, 5.75%, 11/01/30                            | 1,000        | 1,062,820    |
| State of New York, GO, Series A, 5.00%, 2/15/39                      | 950          | 986,414      |
|  |              | 19,152,664   |
| <b>North Carolina 2.0%</b>   |              |              |
| Gaston County Industrial Facilities & Pollution Control              |              |              |
| Financing Authority, North Carolina, RB, Exempt                      |              |              |
| Facilities, National Gypsum Co. Project, AMT,<br>5.75%, 8/01/35      |              |              |
|  | 2,425        | 1,432,981    |
| North Carolina Medical Care Commission, North                        |              |              |
| Carolina, RB:  |              |              |
| University Health System, Series D, 6.25%, 12/01/33                  | 1,750        | 1,908,077    |
| WakeMed, Series A (AGC), 5.88%, 10/01/38                             | 1,000        | 1,042,120    |
|  |              | 4,383,178    |
| <b>Ohio 6.8%</b>   |              |              |
| County of Cuyahoga Ohio, Refunding RB, Series A:                     |              |              |
| 6.00%, 1/01/20   | 3,485        | 3,766,170    |
| 6.00%, 1/01/21   | 5,000        | 5,382,000    |



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|   |              |              |
|---|--------------|--------------|
| County of Montgomery Ohio, Refunding RB, Catholic         |              |              |
| Healthcare, Series A, 5.00%, 5/01/39 (d)                  | 3,000        | 2,836,590    |
| Kent State University, RB, Series B (AGC), 4.25%, 5/01/31 | 2,750        | 2,486,852    |
| Ohio Air Quality Development Authority, Refunding RB,     |              |              |
| Pollution, Dayton, Series B (FGIC), 4.80%, 1/01/34        | 400          | 407,688      |
|   |              | 14,879,300   |
| <b>Oklahoma 1.3%</b>                                      |              |              |
| Tulsa Municipal Airport Trust Trustees, Oklahoma,         |              |              |
| Refunding RB, Series A, AMT, 7.75%, 6/01/35               | 2,900        | 2,763,642    |
| <b>Oregon 1.1%</b>  |              |              |
| Oregon Health & Science University, RB, Series A,         |              |              |
| 5.75%, 7/01/39  | 2,250        | 2,349,877    |
| <b>Pennsylvania 5.8%</b>                                  |              |              |
| Delaware River Port Authority, RB, Port District Project, |              |              |
| Series B (FSA), 5.70%, 1/01/22                            | 2,000        | 2,004,580    |
| McKeesport Area School District, GO, CAB (FGIC) (a):      |              |              |
| 5.53%, 10/01/31   | 2,435        | 662,149      |
| 5.53%, 10/01/31 (f)                                       | 870          | 319,681      |
| Pennsylvania Economic Development Financing Authority,    |              |              |
| RB, AMT:  |              |              |
| Amtrak Project, Series A, 6.25%, 11/01/31                 | 2,000        | 2,017,440    |
| Amtrak Project, Series A, 6.38%, 11/01/41                 | 3,100        | 3,132,364    |
| Reliant Energy, Series A-12-22-04, 6.75%, 12/01/36        | 4,645        | 4,741,941    |
|   |              | 12,878,155   |
|   | <b>Par</b>   |              |
|   | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>                                    |              |              |
| <b>Puerto Rico 4.4%</b>                                   |              |              |
| Puerto Rico Electric Power Authority, Refunding RB,       |              |              |
| Series UU (FSA), 5.00%, 7/01/23                           | \$ 2,900     | \$ 2,989,204 |
| Puerto Rico HFA, RB, Subordinate, Capital Fund            |              |              |
| Modernization, 5.13%, 12/01/27                            | 2,500        | 2,495,500    |
| Puerto Rico Sales Tax Financing Corp., RB:                |              |              |
| CAB, Series A (MBIA), 5.78%, 8/01/41 (a)                  | 7,500        | 1,149,075    |
| First Sub-Series A, 5.75%, 8/01/37                        | 3,000        | 3,103,800    |
|   |              | 9,737,579    |
| <b>Rhode Island 3.2%</b>                                  |              |              |
| Rhode Island Health & Educational Building Corp., RB,     |              |              |
| Hospital, Lifespan:                                       |              |              |
| Financing, Obligation, Series A (AGC),                    |              |              |
| 7.00%, 5/15/39  | 3,000        | 3,488,940    |

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|   |       |            |
|---|-------|------------|
| (MBIA), 5.50%, 5/15/16  | 200   | 200,188    |
| Rhode Island Housing & Mortgage Finance Corp.,<br>Rhode Island, RB, Homeownership Opportunity,<br>Series 54, AMT, 4.85%, 10/01/41       | 2,165 | 1,957,311  |
| Rhode Island State & Providence Plantations, COP,<br>Series C, School For the Deaf (AGC), 5.38%, 4/01/28                                | 1,330 | 1,393,507  |
|   |       | 7,039,946  |
| <b>South Carolina 5.3%</b>  |       |            |
| South Carolina Jobs-EDA, RB, Palmetto Health, Series C,<br>6.88%, 8/01/13 (c)   | 4,000 | 4,709,231  |
| South Carolina Jobs-EDA, Refunding RB, Palmetto Health<br>Alliance, Series A, 6.25%, 8/01/31  | 2,185 | 2,216,748  |
| South Carolina State Housing Finance & Development<br>Authority, South Carolina, RB, Series A-2, AMT (AMBAC),<br>5.15%, 7/01/37         | 4,975 | 4,824,805  |
|   |       | 11,750,784 |
| <b>Tennessee 3.2%</b>   |       |            |
| Memphis-Shelby County Airport Authority, RB, Series D,<br>AMT (AMBAC), 6.00%, 3/01/24   | 4,865 | 4,905,477  |
| Memphis-Shelby County Sports Authority Inc.,<br>Refunding RB, Memphis Arena Project, Series A:<br>5.25%, 11/01/27                       | 1,135 | 1,131,073  |
| 5.38%, 11/01/28   | 1,000 | 1,004,990  |
|   |       | 7,041,540  |
| <b>Texas 9.0%</b>   |       |            |
| Harris County Health Facilities Development Corp.,<br>Refunding RB, Memorial Hermann Healthcare System,<br>Series B:<br>7.13%, 12/01/31 | 1,000 | 1,118,720  |
| 7.25%, 12/01/35   | 2,650 | 2,961,905  |
| Harris County-Houston Sports Authority, Refunding RB,<br>CAB, Senior Lien, Series A (MBIA), 6.17%, 11/15/38 (a)                         | 5,000 | 607,550    |
| Lower Colorado River Authority, Refunding RB &<br>Improvement (MBIA), 5.00%, 5/15/13 (c)  | 20    | 22,392     |
| Lower Colorado River Authority, Refunding RB:<br>(AMBAC), 4.75%, 5/15/36  | 3,595 | 3,408,024  |
| Series A (MBIA), 5.00%, 5/15/13 (c)   | 5     | 5,598      |
| Matagorda County Navigation District No. 1, Texas,<br>Refunding RB, Central Power & Light Co. Project,<br>Series A, 6.30%, 11/01/29     | 2,200 | 2,355,188  |
| San Antonio Energy Acquisition Public Facility Corp., RB,   |       |            |

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|   |        |            |
|---|--------|------------|
| Gas Supply, 5.50%, 8/01/24                  | 2,550  | 2,575,475  |
| Texas State Turnpike Authority, RB (AMBAC): |        |            |
| CAB, 6.05%, 8/15/31 (a)                     | 15,000 | 3,745,050  |
| First Tier, Series A, 5.00%, 8/15/42        | 3,325  | 3,012,882  |
|   |        | 19,812,784 |

See Notes to Financial Statements.

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## Schedule of Investments (continued) BlackRock Investment Quality Municipal Trust Inc. (BKN)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value                  |
|--|--------------|------------------------|
| <b>Municipal Bonds</b>   |              |                        |
| <b>Virginia 0.9%</b>   |              |                        |
| Tobacco Settlement Financing Corp., Virginia, RB, Senior,<br>Series B-1, 5.00%, 6/01/47                                    | \$ 2,900     | \$ 1,975,567           |
| <b>Washington 1.1%</b>   |              |                        |
| County of King Washington, Refunding RB (FSA),<br>5.00%, 1/01/36   | 200          | 203,920                |
| Washington Health Care Facilities Authority, Washington,<br>RB, MultiCare Health System, Series B (AGC),<br>6.00%, 8/15/39 | 2,100        | 2,214,912<br>2,418,832 |
| <b>West Virginia 0.7%</b>  |              |                        |
| West Virginia Hospital Finance Authority, West Virginia,<br>Refunding RB, Series A, 5.63%, 9/01/32                         | 1,500        | 1,470,585              |
| <b>Wisconsin 2.0%</b>  |              |                        |
| Wisconsin Health & Educational Facilities Authority, RB,<br>Aurora Health Care, 6.40%, 4/15/33                             | 3,220        | 3,279,634              |
| Wisconsin Housing EDA, Wisconsin, RB, Series A, AMT,<br>4.75%, 9/01/33   | 1,250        | 1,160,675<br>4,440,309 |
| <b>Wyoming 1.7%</b>  |              |                        |
| County of Sweetwater, Wyoming, Refunding RB, Idaho<br>Power Co. Project, 5.25%, 7/15/26                                    | 1,800        | 1,862,820              |
| Wyoming Community Development Authority, Wyoming,<br>RB, Series 3, AMT, 4.75%, 12/01/37                                    | 2,145        | 1,953,151<br>3,815,971 |
| <b>Total Municipal Bonds 151.9%</b>  |              | 334,712,349            |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (j)</b>  |              |                        |
| <b>Colorado 2.4%</b>   |              |                        |
| Colorado Health Facilities Authority, RB, Catholic Health,<br>Series C7 (FSA), 5.00%, 9/01/36                              | 5,250        | 5,293,418              |
| <b>Illinois 1.5%</b>   |              |                        |
| Chicago New Public Housing Authority, Illinois,<br>Refunding RB (FSA), 5.00%, 7/01/24                                      | 3,194        | 3,275,453              |
| <b>Massachusetts 1.4%</b>  |              |                        |
| Massachusetts Water Resources Authority, Refunding RB,   |              |                        |

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|   |               |               |
|---|---------------|---------------|
| Generation, Series A, 5.00%, 8/01/41                        | 3,070         | 3,111,906     |
| <b>New York 2.3%</b>  |               |               |
| New York City Municipal Water Finance Authority, RB:        |               |               |
| Fiscal 2009, Series A, 5.75%, 6/15/40                       | 810           | 877,775       |
| Series FF-2, 5.50%, 6/15/40                                 | 690           | 760,787       |
| New York State Dormitory Authority, RB, New York            |               |               |
| University, Series A, 5.00%, 7/01/38                        | 3,359         | 3,439,548     |
|   |               | 5,078,110     |
| <b>Ohio 2.0%</b>  |               |               |
| County of Montgomery, Ohio, RB, Catholic Health,            |               |               |
| Series C-1 (FSA), 5.00%, 10/01/41                           | 1,740         | 1,728,934     |
| Ohio State Higher Educational Facility Commission,          |               |               |
| Refunding RB, Hospital Cleveland Clinic Health,             |               |               |
| Series A, 5.25%, 1/01/33                                    | 2,600         | 2,674,594     |
|   |               | 4,403,528     |
| <b>Total Municipal Bonds Transferred to</b>                 |               |               |
| <b>Tender Option Bond Trusts 9.6%</b>                       |               | 21,162,415    |
| <b>Total Long-Term Investments</b>                          |               |               |
| <b>(Cost \$364,664,985) 161.5%</b>                          |               | 355,874,764   |
| <b>Short-Term Securities</b>                                | <b>Shares</b> | <b>Value</b>  |
| FFI Institutional Tax-Exempt Fund, 0.23% (k)(l)             | 6,700,551     | \$ 6,700,551  |
| <b>Total Short-Term Securities</b>                          |               |               |
| <b>(Cost \$6,700,551) 3.1%</b>                              |               | 6,700,551     |
| <b>Total Investments (Cost \$371,365,536*) 164.6%</b>       |               | 362,575,315   |
| <b>Liabilities in Excess of Other Assets (2.3)%</b>         |               | (5,116,260)   |
| <b>Liability for Trust Certificates, Including Interest</b> |               |               |
| <b>Expense and Fees Payable (5.1)%</b>                      |               | (11,148,737)  |
| <b>Preferred Shares, at Redemption Value (57.2)%</b>        |               | (125,957,367) |
| <b>Net Assets Applicable to Common Shares 100.0%</b>        |               | \$220,352,951 |

\* The cost and unrealized appreciation (depreciation) of investments as of October 31,

2009, as computed for federal income tax purposes, were as follows:

|                               |                |
|-------------------------------|----------------|
| Aggregate cost                | \$ 359,617,413 |
| Gross unrealized appreciation | \$ 13,767,103  |
| Gross unrealized depreciation | (21,946,602)   |
| Net unrealized depreciation   | \$ (8,179,499) |

(a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(b) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.

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

(d) When-issued security.

| <b>Counterparty</b>                  | <b>Value</b> | <b>Unrealized<br/>Depreciation</b> |
|--------------------------------------|--------------|------------------------------------|
| Citibank NA                          | \$3,940,051  | \$ (27,578)                        |
| Morgan Stanley Capital Services Inc. | \$5,659,860  | \$ (115,920)                       |

(e) Security exempt from registration under Rule 144A of the Securities Act of 1933.

These securities may be resold in transactions exempt from registration to qualified institutional investors.

(f) Security is collateralized by Municipal or US Treasury Obligations.

(g) Issuer filed for bankruptcy and/or is in default of interest payments.

(h) Non-income producing security.

(i) Security represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity and is subject to mandatory redemption at maturity.

(j) 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.

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

| <b>Affiliate</b>                  | <b>Net<br/>Activity</b> | <b>Income</b> |
|-----------------------------------|-------------------------|---------------|
| FFI Institutional Tax-Exempt Fund | \$(4,699,449)           | \$ 16,128     |

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

See Notes to Financial Statements.

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**Schedule of Investments (concluded) BlackRock Investment Quality Municipal Trust Inc. (BKN)**

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

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 methodology 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 October 31, 2009 in determining the fair valuation of the Trust's investments:

| <b>Valuation Inputs</b>                    | <b>Investments in<br/>Securities<br/>Assets</b> |
|--|---|
| Level 1 Short-Term Securities              | \$ 6,700,551                                    |
| Level 2 Long-Term Investments <sup>1</sup> | 355,874,764                                     |
| Level 3                                    |   |
| <b>Total</b>                               | <b>\$362,575,315</b>                            |

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

See Notes to Financial Statements.

**Schedule of Investments** October 31, 2009 (Unaudited) **BlackRock Long-Term Municipal Advantage Trust (BTA)**  
 (Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Arizona 5.2%</b>  |              |              |
| Phoenix & Pima County IDA, RB, Series 2007-1, AMT<br>(GNMA), 5.25%, 8/01/38  | \$ 1,456     | \$ 1,473,244 |
| Pima County IDA, RB, American Charter Schools<br>Foundation, Series A, 5.63%, 7/01/38  | 1,700        | 1,337,815    |
| Pima County IDA, RB, Arizona Charter Schools Project,<br>Series O, 5.25%, 7/01/31  | 1,000        | 722,970      |
| Salt Verde Financial Corp., RB, Senior:<br>5.00%, 12/01/32   | 1,850        | 1,654,270    |
| 5.00%, 12/01/37  | 2,590        | 2,203,054    |
|  |              | 7,391,353    |
| <b>California 10.0%</b>  |              |              |
| California HFA, RB, Home Mortgage, AMT:<br>Series G, 5.50%, 8/01/42  | 2,825        | 2,765,590    |
| Series K, 5.50%, 2/01/42   | 1,040        | 1,025,752    |
| California Health Facilities Financing Authority, RB, Series A:<br>California, Catholic Healthcare West, 6.00%, 7/01/39                    | 680          | 710,878      |
| Cedars-Sinai Medical Center, 5.00%, 8/15/39  | 645          | 599,733      |
| Saint Joseph Health System, 5.75%, 7/01/39   | 385          | 399,125      |
| California State, GO, Refunding, 4.50%, 10/01/36   | 2,000        | 1,681,260    |
| California Statewide Communities Development<br>Authority, RB, Senior Living Southern California<br>Presbyterian Homes:<br>6.25%, 11/15/19 | 1,000        | 1,060,420    |
| 6.63%, 11/15/24  | 540          | 571,007      |
| San Francisco City & County Public Utilities Commission,<br>RB, Series B, 5.00%, 11/01/39  | 3,225        | 3,273,214    |
| State of California, GO, Various Purpose, 6.50%, 4/01/33   | 2,000        | 2,210,420    |
|  |              | 14,297,399   |
| <b>Colorado 1.1%</b>   |              |              |
| Colorado Health Facilities Authority, Refunding RB,<br>Catholic Healthcare, Series A, 5.50%, 7/01/34 (a)                                   | 865          | 814,043      |
| North Range Metropolitan District No. 2, GO, Limited Tax,<br>5.50%, 12/15/37   | 1,200        | 818,964      |
|  |              | 1,633,007    |
| <b>District of Columbia 7.8%</b>   |              |              |



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District of Columbia Tobacco Settlement Financing Corp.,

RB, Asset Backed Bonds:

|                |       |           |
|----------------|-------|-----------|
| 6.25%, 5/15/24 | 5,395 | 5,403,578 |
| 6.50%, 5/15/33 | 5,700 | 5,373,219 |

Metropolitan Washington DC Airports Authority Dulles

Toll Road RB, First Senior Lien, Series A:

|                 |     |            |
|-----------------|-----|------------|
| 5.00%, 10/01/39 | 170 | 169,810    |
| 5.25%, 10/01/44 | 270 | 276,809    |
|                 |     | 11,223,416 |

### Florida 3.2%

Orange County Health Facilities Authority, RB,

|  |       |         |
|--|-------|---------|
| 1st Mortgage, Orlando Lutheran Tower, 5.50%, 7/01/38 | 1,150 | 862,109 |
|--|-------|---------|

Sarasota County Health Facilities Authority, Refunding RB,

|   |     |         |
|---|-----|---------|
| Village On The Isle Project, 5.50%, 1/01/32 | 520 | 383,848 |
|---|-----|---------|

Sumter Landing Community Development District, Florida,

|                                   |       |           |
|-----------------------------------|-------|-----------|
| RB, Sub-Series B, 5.70%, 10/01/38 | 1,415 | 1,019,748 |
|-----------------------------------|-------|-----------|

Tolomato Community Development District, Special

|                            |       |           |
|----------------------------|-------|-----------|
| Assessment, 6.65%, 5/01/40 | 1,750 | 1,332,835 |
|----------------------------|-------|-----------|

Watergrass Community Development District, Special

|                                      |       |           |
|--------------------------------------|-------|-----------|
| Assessment, Series A, 5.38%, 5/01/39 | 1,850 | 928,201   |
|                                      |       | 4,526,741 |

### Georgia 0.9%

Rockdale County Development Authority, RB, Visy Paper

|  |       |           |
|--|-------|-----------|
| Project, Series A, AMT, 6.13%, 1/01/34 | 1,600 | 1,283,968 |
|--|-------|-----------|

|  |              |              |
|--|--------------|--------------|
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |

### Municipal Bonds

#### Guam 0.7%

Territory of Guam, GO, Series A:

|                 |        |            |
|-----------------|--------|------------|
| 6.00%, 11/15/19 | \$ 200 | \$ 208,258 |
| 6.75%, 11/15/29 | 365    | 390,528    |
| 7.00%, 11/15/39 | 375    | 405,315    |
|                 |        | 1,004,101  |

#### Illinois 0.2%

Illinois Finance Authority, RB, Monarch Landing Inc.,

|  |     |         |
|--|-----|---------|
| Facilities, Series A, 7.00%, 12/01/37 (b)(c) | 580 | 290,000 |
|--|-----|---------|

#### Indiana 3.1%

Delaware County Hospital Authority, Indiana, RB, Cardinal

|  |       |           |
|--|-------|-----------|
| Health System Obligation Group, 5.25%, 8/01/36 | 2,000 | 1,597,360 |
|--|-------|-----------|

Indiana Finance Authority Hospital, RB, Parkview Health

|  |       |           |
|--|-------|-----------|
| Systems, Refunding, Series A, 5.75%, 5/01/31 | 1,100 | 1,120,141 |
|--|-------|-----------|

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|  |       |           |
|--|-------|-----------|
| Indiana Finance Authority, RB, Sisters of St. Francis Health, 5.25%, 11/01/39 (a)  | 290   | 281,062   |
| Indiana Finance Authority Refunding RB, Duke Energy, Series C, 4.95%, 10/01/40   | 1,165 | 1,110,758 |
| Indiana Municipal Power Agency, Indiana, RB, Indiana Muni Power Agency Series B, 6.00%, 1/01/39  | 350   | 375,463   |
|  |       | 4,484,784 |
| <b>Kansas 0.3%</b>   |       |           |
| City of Lenexa Kansas, Refunding RB & Improvement, 5.50%, 5/15/39  | 650   | 465,186   |
| <b>Louisiana 1.3%</b>  |       |           |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp. Projects, 6.75%, 11/01/32 | 2,000 | 1,916,840 |
| <b>Maryland 0.5%</b>   |       |           |
| Maryland Health & Higher Educational Facilities Authority, RB, King Farm Presbyterian Community, Series B, 5.00%, 1/01/17                    | 875   | 790,396   |
| <b>Michigan 2.2%</b>   |       |           |
| City of Detroit Michigan, RB, Senior Lien, Series B (FSA), 7.50%, 7/01/33  | 560   | 691,488   |
| Garden City Hospital Finance Authority, Michigan, Refunding RB, Garden City Hospital Obligation, Series A, 5.00%, 8/15/38                    | 1,540 | 889,504   |
| Royal Oak Hospital Finance Authority, Michigan, RB, William Beaumont Hospital, 8.25%, 9/01/39  | 1,400 | 1,625,946 |
|  |       | 3,206,938 |
| <b>Montana 0.4%</b>  |       |           |
| Two Rivers Authority, RB, Senior Lien (b)(c):  |       |           |
| 7.25%, 11/01/21  | 1,500 | 232,395   |
| 7.38%, 11/01/27  | 2,600 | 402,844   |
|  |       | 635,239   |
| <b>New Jersey 1.8%</b>   |       |           |
| New Jersey EDA, RB, Cigarette Tax, 5.50%, 6/15/24  | 2,670 | 2,548,515 |
| <b>New York 8.0%</b>   |       |           |
| Nassau County Tobacco Settlement Corp., RB, Asset Backed, Senior Convertible, Series A-2, 5.25%, 6/01/26 (d)                                 | 1,500 | 1,391,670 |
| New York City Industrial Development Agency, RB, American Airlines, JFK International Airport, AMT, 7.63%, 8/01/25                           | 7,600 | 7,306,564 |

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New York Liberty Development Corp., RB, Goldman Sachs

Headquarters, 5.25%, 10/01/35

740

723,972

New York State Dormitory Authority, RB, New York

University, Series A, 5.25%, 7/01/48

2,000

2,050,520

11,472,726

See Notes to Financial Statements.

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## Schedule of Investments (continued) BlackRock Long-Term Municipal Advantage Trust (BTA)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>Municipal Bonds</b>   |              |            |
| <b>North Carolina 1.3%</b>   |              |            |
| North Carolina Eastern Municipal Power Agency,<br>North Carolina, RB, Series B, 5.00%, 1/01/26                         | \$ 765       | \$ 779,031 |
| North Carolina Medical Care Commission, RB,<br>Duke University Health System, Series A (a):                            |              |            |
| 5.00%, 6/01/39   | 220          | 217,644    |
| 5.00%, 6/01/42   | 480          | 470,894    |
| North Carolina Municipal Power Agency, RB, Number 1<br>Catawba, North Carolina, Series A, 5.00%, 1/01/30               | 365          | 368,183    |
|  |              | 1,835,752  |
| <b>Ohio 0.6%</b>   |              |            |
| County of Montgomery Ohio, Refunding RB, Catholic<br>Healthcare, Series A, 5.00%, 5/01/39 (a)                          | 865          | 817,883    |
| <b>Pennsylvania 3.7%</b>   |              |            |
| Allegheny County Hospital Development Authority, RB,<br>Health System, West Pennsylvania, Series A,<br>5.38%, 11/15/40 | 2,080        | 1,598,896  |
| Pennsylvania Economic Development Financing<br>Authority, RB, Aqua Pennsylvania Inc. Project,<br>5.00%, 11/15/40 (a)   | 650          | 645,522    |
| Pennsylvania HFA, RB, Series 97A, AMT, 4.60%, 10/01/27   | 450          | 422,046    |
| Pennsylvania Higher Educational Facilities Authority, RB,<br>Allegheny Delaware Valley Obligation, Series A (MBIA):    |              |            |
| 5.88%, 11/15/16  | 1,345        | 1,190,527  |
| 5.88%, 11/15/21  | 1,810        | 1,449,104  |
|  |              | 5,306,095  |
| <b>Puerto Rico 1.3%</b>  |              |            |
| Puerto Rico Sales Tax Financing Corp., RB, First<br>Sub-Series A, 6.50%, 8/01/44                                       | 1,705        | 1,843,958  |
| <b>South Carolina 2.8%</b>   |              |            |
| South Carolina Jobs-EDA, RB, Senior Lien, Burroughs &<br>Chapin, Series A (Radian), 4.70%, 4/01/35                     | 2,500        | 1,890,875  |
| South Carolina Jobs-EDA, Refunding RB, First Mortgage,<br>Lutheran Homes:  |              |            |
| 5.50%, 5/01/28   | 600          | 500,892    |
| 5.63%, 5/01/42   | 1,000        | 785,250    |

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South Carolina Jobs-EDA, Refunding RB, Palmetto Health:

|                |     |           |
|----------------|-----|-----------|
| 5.50%, 8/01/26 | 565 | 558,254   |
| 5.75%, 8/01/39 | 225 | 219,040   |
|                |     | 3,954,311 |

### South Dakota 0.5%

South Dakota Health & Educational Facilities Authority,

|   |     |         |
|---|-----|---------|
| South Dakota, RB, Sanford Health, 5.50%, 11/01/40 | 680 | 690,982 |
|---|-----|---------|

### Texas 4.0%

Brazos River Authority, Refunding RB, TXU Electric Co.

Project, AMT:

|                           |       |         |
|---------------------------|-------|---------|
| Series A, 8.25%, 10/01/30 | 1,500 | 894,345 |
| Series C, 5.75%, 5/01/36  | 225   | 202,646 |

HFDC of Central Texas Inc., RB, Village at Gleannloch

|                                 |       |         |
|---------------------------------|-------|---------|
| Farms, Series A, 5.50%, 2/15/27 | 1,150 | 929,994 |
|---------------------------------|-------|---------|

Houston Texas Airport Systems, Refunding ARB,

|                                       |     |         |
|---------------------------------------|-----|---------|
| Senior Lien, Series A, 5.50%, 7/01/39 | 510 | 528,992 |
|---------------------------------------|-----|---------|

Matagorda County Navigation District No. 1, Texas,

|   |     |         |
|---|-----|---------|
| Refunding RB, Central Power & Light Co. Project,<br>Series A, 6.30%, 11/01/29 | 700 | 749,378 |
|---|-----|---------|

North Texas Tollway Authority, Refunding RB, Second Tier,

|                          |       |           |
|--------------------------|-------|-----------|
| Series F, 6.13%, 1/01/31 | 2,290 | 2,378,348 |
|                          |       | 5,683,703 |

### Utah 0.6%

City of Riverton Utah, RB, IHC Health Services Inc.,

|                    |     |         |
|--------------------|-----|---------|
| 5.00%, 8/15/41 (a) | 955 | 925,376 |
|--------------------|-----|---------|

|                        |              |              |
|------------------------|--------------|--------------|
|                        | <b>Par</b>   |              |
| <b>Municipal Bonds</b> | <b>(000)</b> | <b>Value</b> |

### Vermont 2.0%

Vermont HFA, Vermont, RB, Series 27, AMT (FSA),

|                |          |              |
|----------------|----------|--------------|
| 4.90%, 5/01/38 | \$ 3,020 | \$ 2,818,204 |
|----------------|----------|--------------|

### Virginia 2.3%

Fairfax County EDA, RB, Goodwin House Inc.,

|                 |     |         |
|-----------------|-----|---------|
| 5.13%, 10/01/42 | 850 | 718,165 |
|-----------------|-----|---------|

Peninsula Ports Authority, Refunding RB, Virginia Baptist

|                                  |       |           |
|----------------------------------|-------|-----------|
| Homes, Series C, 5.38%, 12/01/26 | 2,600 | 1,620,034 |
|----------------------------------|-------|-----------|

Reynolds Crossing Community Development Authority,

|  |       |         |
|--|-------|---------|
| Special Assessment, Reynolds Crossing Project,<br>5.10%, 3/01/21 | 1,000 | 923,870 |
|--|-------|---------|

3,262,069

### Wisconsin 3.8%

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|  |                |             |
|--|----------------|-------------|
| Wisconsin Health & Educational Facilities Authority,<br>RB, Ascension Health Senior Credit, Series A,<br>5.00%, 11/15/31 | 5,335          | 5,401,154   |
| <b>Wyoming 0.8%</b>  |                |             |
| County of Sweetwater, Wyoming, Refunding RB, Idaho<br>Power Co. Project, 5.25%, 7/15/26                                  | 1,030          | 1,065,947   |
| Wyoming Municipal Power Agency, Wyoming, RB, Series A,<br>5.00%, 1/01/42   | 100            | 95,980      |
|  |                | 1,161,927   |
| <b>Total Municipal Bonds 70.4%</b>   |                | 100,872,023 |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (e)</b>  |                |             |
| <b>California 14.7%</b>  |                |             |
| Bay Area Toll Authority, RB, San Francisco Bay Area,<br>Series F-1, 5.63%, 4/01/44                                       | 1,085          | 1,168,501   |
| California Educational Facilities Authority, RB, University of<br>Southern California, Series A, 5.25%, 10/01/18         | 835            | 879,931     |
| Golden State Tobacco Securitization Corp., California<br>Custodial Receipts, Series 1271, 5.00%, 6/01/45                 | 5,000          | 4,281,000   |
| San Diego Community College District, California, GO,<br>Election of 2002, 5.25%, 8/01/33                                | 545            | 572,108     |
| University of California, RB, Series B (MBIA),<br>4.75%, 5/15/38   | 15,000         | 14,171,700  |
|  |                | 21,073,240  |
| <b>Colorado 0.5%</b>   |                |             |
| Colorado Health Facilities Authority, Refunding RB,<br>Catholic Healthcare, Series A, 5.00%, 7/01/39 (a)                 | 735            | 748,737     |
| <b>Georgia 0.8%</b>  |                |             |
| Metropolitan Atlanta Rapid Transit Authority, RB,<br>3rd Series, 5.00%, 7/01/39  | 1,190          | 1,215,549   |
| <b>Illinois 10.5%</b>  |                |             |
| City of Chicago Illinois Custodial Receipts, Series 1284,<br>5.00%, 1/01/33  | 15,000         | 14,998,950  |
| <b>Indiana 9.6%</b>  |                |             |
| Carmel Redevelopment Authority, RB, Performing<br>Arts Center:   |                |             |
|  | 4.75%, 2/01/33 | 7,230       |
|  | 5.00%, 2/01/33 | 6,580       |
|  |                | 7,109,548   |
|  |                | 6,674,752   |
|  |                | 13,784,300  |
| <b>Massachusetts 8.3%</b>  |                |             |
| Massachusetts HFA, Massachusetts, RB, Housing,   |                |             |

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|   |        |            |
|---|--------|------------|
| Series D, AMT, 5.45%, 6/01/37   | 11,855 | 11,906,806 |
| <b>Nebraska 3.5%</b>  |        |            |
| Omaha Public Power District, RB, System, Sub-Series B<br>(MBIA), 4.75%, 2/01/36 | 5,000  | 4,955,200  |

See Notes to Financial Statements.

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## Schedule of Investments (concluded) BlackRock Long-Term Municipal Advantage Trust (BTA)

(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to   | Par           | Value       |
|--|---------------|-------------|
| Tender Option Bond Trusts (e)  | (000)         |             |
| <b>New Hampshire 0.5%</b>  |               |             |
| New Hampshire Health & Education Facilities Authority,<br>RB, Dartmouth College, 5.25%, 6/01/39                            | \$ 660        | \$ 706,134  |
| <b>New York 14.4%</b>  |               |             |
| New York City Municipal Water Finance Authority, RB:   |               |             |
| Series D, 5.00%, 6/15/39   | 7,500         | 7,628,250   |
| Series FF-2, 5.50%, 6/15/40  | 500           | 541,975     |
| New York State Dormitory Authority, RB, Education,<br>Series B, 5.75%, 3/15/36   | 11,250        | 12,424,050  |
|  |               | 20,594,275  |
| <b>North Carolina 10.8%</b>  |               |             |
| University of North Carolina at Chapel Hill, Refunding RB,<br>General, Series A, 4.75%, 12/01/34                           | 15,170        | 15,377,374  |
| <b>Ohio 3.3%</b>   |               |             |
| State of Ohio, Refunding RB, Cleveland Clinic Health,<br>Series A, 5.50%, 1/01/39  | 4,630         | 4,777,651   |
| <b>South Carolina 2.1%</b>   |               |             |
| South Carolina State Housing Finance & Development<br>Authority South Carolina, RB, Series B-1,<br>5.55%, 7/01/39          | 3,000         | 3,062,910   |
| <b>Texas 8.1%</b>  |               |             |
| County of Harris Texas, RB, Senior Lien, Toll Road,<br>Series A, 5.00%, 8/15/38  | 2,130         | 2,191,344   |
| New Caney ISD, Texas, GO, School Building,<br>5.00%, 2/15/35   | 9,150         | 9,417,912   |
|  |               | 11,609,256  |
| <b>Wisconsin 1.4%</b>  |               |             |
| Wisconsin Health & Educational Facilities Authority,<br>Refunding RB, Froedtert & Community Health Inc.,<br>5.25%, 4/01/39 | 1,990         | 1,954,797   |
| <b>Total Municipal Bonds Transferred to</b>  |               |             |
| <b>Tender Option Bond Trusts 88.5%</b>   |               | 126,765,179 |
| <b>Total Long-Term Investments</b>   |               |             |
| <b>(Cost \$243,267,919) 158.9%</b>   |               | 227,637,202 |
| <b>Short-Term Securities</b>   | <b>Shares</b> |             |
| FFI Institutional Tax-Exempt Fund, 0.23% (f)(g)  | 2,200,175     | 2,200,175   |



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**Total Short-Term Securities**

|   |                      |
|---|----------------------|
| (Cost \$2,200,175) 1.6%                                     | 2,200,175            |
| <b>Total Investments (Cost \$245,468,094*) 160.5%</b>       | <b>229,837,377</b>   |
| <b>Liabilities in Excess of Other Assets (1.3)%</b>         | <b>(1,631,347)</b>   |
| <b>Liability for Trust Certificates, Including Interest</b> |                      |
| <b>Expense and Fees Payable (59.2)%</b>                     | <b>(85,005,873)</b>  |
| <b>Net Assets 100.0%</b>                                    | <b>\$143,200,157</b> |

\* The cost and unrealized appreciation (depreciation) of investments as of October 31,

2009, as computed for federal income tax purposes, were as follows:

|                               |                 |
|-------------------------------|-----------------|
| Aggregate cost                | \$160,453,848   |
| Gross unrealized appreciation | \$ 2,670,216    |
| Gross unrealized depreciation | (18,001,687)    |
| Net unrealized depreciation   | \$ (15,331,471) |

(a) When-issued security.

| <b>Counterparty</b>                   | <b>Value</b> | <b>Unrealized<br/>Depreciation</b> |
|---------------------------------------|--------------|------------------------------------|
| Citibank NA                           | \$ 688,538   | \$ (4,343)                         |
| JPMorgan Securities, Inc.             | \$ 925,376   | \$ (14,602)                        |
| Jeffries & Co.                        | \$ 645,522   | \$ (10,842)                        |
| Merrill Lynch & Co.                   | \$ 281,062   | \$ (415)                           |
| Morgan Stanley Capital Services, Inc. | \$2,380,663  | \$ (38,988)                        |

(b) Issuer filed for bankruptcy and/or is in default of interest payments.

(c) Non-income producing security.

(d) 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.

(e) 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.

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

| <b>Affiliate</b>                  | <b>Net<br/>Activity</b> | <b>Income</b> |
|-----------------------------------|-------------------------|---------------|
| FFI Institutional Tax-Exempt Fund | \$799,990               | \$ 4,862      |

(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 methodology 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 October 31, 2009 in determining the fair valuation of the Trust's investments:

| <b>Valuation Inputs</b>                    | <b>Investments in<br/>Securities<br/>Assets</b> |
|--|---|
| Level 1 Short-Term Securities              | \$ 2,200,175                                    |
| Level 2 Long-Term Investments <sup>1</sup> | 227,637,202                                     |
| Level 3                                    |   |
| Total                                      | \$ 229,837,377                                  |

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

See Notes to Financial Statements.

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## Schedule of Investments October 31, 2009 (Unaudited) BlackRock Municipal 2020 Term Trust (BKK)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Alabama 0.4%</b>  |              |              |
| Courtland IDB, Alabama, Refunding RB, International Paper Co. Projects, Series A, 4.75%, 5/01/17                   | \$ 1,165     | \$ 1,137,005 |
| <b>Arizona 3.5%</b>  |              |              |
| Phoenix Civic Improvement Corp., RB, Junior Lien, Series A, 5.00%, 7/01/21   | 5,585        | 6,203,986    |
| Pima County IDA, Refunding RB, Tucson Electric Power Co., San Juan, Series A, 4.95%, 10/01/20                      | 1,015        | 1,017,172    |
| Salt Verde Financial Corp., RB, Senior:  |              |              |
| 5.00%, 12/01/18  | 1,500        | 1,458,015    |
| 5.25%, 12/01/20  | 1,000        | 973,500      |
|  |              | 9,652,673    |
| <b>California 19.4%</b>  |              |              |
| California Statewide Communities Development Authority, RB, John Muir Health, Series A, 5.00%, 8/15/22             | 7,050        | 7,193,326    |
| Foothill Eastern Transportation Corridor Agency, California, Refunding RB, CAB (a):                                |              |              |
| 5.95%, 1/15/21   | 12,500       | 5,774,625    |
| 5.86%, 1/15/22   | 10,000       | 4,312,200    |
| Golden State Tobacco Securitization Corp., California, RB (b):   |              |              |
| Enhanced, Asset Backed, Series B, 5.38%, 6/01/28   | 4,000        | 4,115,000    |
| Series 2003-A-1, 6.75%, 6/01/39  | 12,010       | 14,042,572   |
| Series 2003-A-1, 6.63%, 6/01/40  | 3,000        | 3,494,760    |
| Series A-3, 7.88%, 6/01/42   | 975          | 1,175,821    |
| Series A-5, 7.88%, 6/01/42   | 1,470        | 1,772,776    |
| Los Angeles Unified School District, California, GO, Series I, 5.00%, 7/01/20                                      | 3,750        | 4,090,500    |
| Riverside County Asset Leasing Corp., California, RB, Riverside County Hospital Project (MBIA), 5.74%, 6/01/25 (a) | 6,865        | 2,765,222    |
| State of California, GO, Various Purpose, 5.00%, 11/01/22  | 5,000        | 5,039,700    |
|  |              | 53,776,502   |
| <b>Colorado 1.8%</b>   |              |              |
| E-470 Public Highway Authority, Colorado, RB, CAB,   |              |              |

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|  |       |           |
|--|-------|-----------|
| Senior, Series B (MBIA), 5.50%, 9/01/22 (a)  | 4,500 | 1,997,865 |
| Park Creek Metropolitan District, Colorado, Refunding RB,<br>Senior, Limited Tax Property Tax, 5.25%, 12/01/25 | 3,000 | 2,855,880 |
|  |       | 4,853,745 |

### District of Columbia 5.1%

|   |       |            |
|---|-------|------------|
| District of Columbia, RB, Friendship Public Charter<br>School Inc. (ACA):                           |       |            |
| 5.75%, 6/01/18  | 2,680 | 2,533,994  |
| 5.00%, 6/01/23  | 3,320 | 2,738,635  |
| District of Columbia Tobacco Settlement Financing Corp.,<br>RB, Asset Backed Bonds, 6.50%, 5/15/33  |       |            |
|   | 4,215 | 3,973,354  |
| Metropolitan Washington Airports Authority, Refunding RB,<br>Series C-2, AMT (FSA), 5.00%, 10/01/24 |       |            |
|   | 5,000 | 5,019,250  |
|   |       | 14,265,233 |

### Florida 11.6%

|   |       |           |
|---|-------|-----------|
| Bellalago Educational Facilities Benefit District, Special<br>Assessment, Series A, 5.85%, 5/01/22          |       |           |
|   | 4,110 | 3,660,736 |
| Broward County School Board, Florida, COP, Series A<br>(FSA), 5.25%, 7/01/22                                |       |           |
|   | 1,250 | 1,312,937 |
| City of Jacksonville Florida, RB, Better Jacksonville,<br>5.00%, 10/01/22                                   |       |           |
|   | 5,160 | 5,474,141 |
| Grand Hampton Community Development District,<br>Special Assessment, Capital Improvement,<br>6.10%, 5/01/24 |       |           |
|   | 3,860 | 3,310,992 |

| <b>Municipal Bonds</b>  | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|----------------------|--------------|
| <b>Florida (concluded)</b>  |                      |              |
| Habitat Community Development District, Special<br>Assessment, 5.80%, 5/01/25                                 |                      |              |
|   | \$ 3,635             | \$ 3,007,454 |
| Miami Beach Health Facilities Authority, Refunding RB,<br>Mount Sinai Medical Center Florida, 6.75%, 11/15/21 |                      |              |
|   | 2,470                | 2,485,462    |
| Middle Village Community Development District, Special<br>Assessment, Series A, 5.80%, 5/01/22                |                      |              |
|   | 3,955                | 3,272,525    |
| Pine Island Community Development District, RB,<br>5.30%, 11/01/10  |                      |              |
|   | 250                  | 242,347      |
| Stevens Plantation Community Development District,<br>Special Assessment, Series B, 6.38%, 5/01/13            |                      |              |
|   | 3,530                | 2,860,536    |
| Village Community Development District No. 5, Florida,<br>Special Assessment, Series A, 6.00%, 5/01/22        |                      |              |
|   | 2,560                | 2,560,000    |
| Westchester Community Development District No. 1,   |                      |              |

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|   |        |            |
|---|--------|------------|
| Special Assessment, Community Infrastructure,<br>6.00%, 5/01/23   | 5,140  | 3,975,276  |
|   |        | 32,162,406 |
| <b>Georgia 0.8%</b>   |        |            |
| Richmond County Development Authority, RB, Series A,<br>Environmental, AMT, 5.75%, 11/01/27                                 | 2,350  | 2,216,826  |
| <b>Illinois 13.0%</b>   |        |            |
| CenterPoint Intermodal Center Program Trust, Tax<br>Allocation Bonds, Class A, 10.00%, 6/15/23 (c)                          | 2,155  | 1,133,659  |
| City of Chicago Illinois, RB, General Airport Third Lien,<br>Series A (AMBAC):  |        |            |
| 5.00%, 1/01/21  | 5,000  | 5,220,650  |
| 5.00%, 1/01/22  | 7,000  | 7,278,040  |
| Illinois Educational Facilities Authority, RB, Northwestern<br>University, 5.00%, 12/01/21                                  | 4,800  | 5,070,816  |
| Illinois Finance Authority, RB:   |        |            |
| DePaul University, Series C, 5.25%, 10/01/24  | 5,000  | 5,084,200  |
| MJH Education Assistance IV, Senior Series A,<br>5.50%, 6/01/19 (d)(e)  | 3,250  | 1,625,000  |
| MJH Education Assistance IV, Sub-Series B,<br>5.00%, 6/01/24 (d)(e)   | 1,075  | 76,325     |
| Illinois State Toll Highway Authority, RB, Senior Priority,<br>Series A (FSA), 5.00%, 1/01/19 (e)                           | 2,250  | 2,425,680  |
| Lake Cook-Dane & McHenry Counties Community Unit<br>School District 220, Illinois, GO, Refunding (FSA),<br>5.25%, 12/01/20  | 1,000  | 1,162,220  |
| Metropolitan Pier & Exposition Authority, Illinois,<br>Refunding RB, CAB, McCormick, Series A (MBIA),<br>5.40%, 6/15/22 (a) | 13,455 | 7,135,052  |
|   |        | 36,211,642 |
| <b>Indiana 5.6%</b>   |        |            |
| City of Lawrence Indiana, Refunding RB, Housing,<br>Pinnacle Apartments Project, AMT (FNMA),<br>5.15%, 6/01/24              | 2,000  | 2,001,380  |
| Indianapolis Airport Authority, Refunding RB, Special<br>Facilities, Federal Express Corp. Project, AMT,<br>5.10%, 1/15/17  | 10,000 | 9,898,300  |
| Vincennes Indiana, Refunding RB & Improvement,<br>Southwest Indiana Regional, 6.25%, 1/01/24                                | 4,620  | 3,600,505  |
|   |        | 15,500,185 |
| <b>Kansas 2.2%</b>  |        |            |

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|  |       |           |
|--|-------|-----------|
| Kansas Development Finance Authority, RB, Adventist<br>Health, 5.25%, 11/15/20                                       | 2,500 | 2,629,450 |
| Wyandotte County-Kansas City Unified Government,<br>RB, Kansas International Speedway (MBIA),<br>5.20%, 12/01/20 (a) | 6,440 | 3,457,443 |
|  |       | 6,086,893 |

See Notes to Financial Statements.

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## Schedule of Investments (continued) BlackRock Municipal 2020 Term Trust (BKK)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Kentucky 0.7%</b>   |              |              |
| Kentucky Housing Corp., RB, Series C, AMT,<br>4.63%, 7/01/22   | \$ 2,000     | \$ 1,989,460 |
| <b>Louisiana 0.7%</b>  |              |              |
| Parish of DeSoto Louisiana, RB, Series A, AMT,<br>5.85%, 11/01/27  | 2,000        | 1,908,040    |
| <b>Maryland 4.5%</b>   |              |              |
| County of Frederick Maryland, Special Tax, Urbana<br>Community Development Authority:<br>6.63%, 7/01/25                        | 3,000        | 2,796,540    |
| Series A, 5.80%, 7/01/20   | 4,453        | 4,061,759    |
| Maryland Health & Higher Educational Facilities Authority,<br>Refunding RB, MedStar Health, 5.38%, 8/15/24                     | 5,500        | 5,659,610    |
|  |              | 12,517,909   |
| <b>Massachusetts 1.7%</b>  |              |              |
| Massachusetts Development Finance Agency, RB,<br>Waste Management Inc. Project, AMT, 5.45%, 6/01/14                            | 4,500        | 4,694,130    |
| Massachusetts State Water Pollution Abatement, RB,<br>MWRA Program, Sub-Series A, 6.00%, 8/01/23                               | 140          | 141,931      |
|  |              | 4,836,061    |
| <b>Michigan 1.6%</b>   |              |              |
| Michigan State Hospital Finance Authority, Michigan,<br>Refunding RB, Hospital, Sparrow Obligated,<br>4.50%, 11/15/26          | 1,500        | 1,375,875    |
| State of Michigan, Refunding RB (f):<br>5.00%, 11/01/20  | 1,000        | 1,069,180    |
| 5.00%, 11/01/21  | 2,000        | 2,119,860    |
|  |              | 4,564,915    |
| <b>Minnesota 0.5%</b>  |              |              |
| Minnesota Higher Education Facilities Authority,<br>Minnesota, RB, University Saint Thomas, Series Five,<br>Y, 5.00%, 10/01/24 | 1,250        | 1,293,988    |
| <b>Mississippi 1.0%</b>  |              |              |
| County of Warren Mississippi, RB, Series A, AMT,<br>5.85%, 11/01/27  | 3,000        | 2,862,060    |
| <b>Missouri 3.8%</b>   |              |              |

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|   |       |            |
|---|-------|------------|
| Missouri Development Finance Board, Missouri, RB,<br>Branson Landing Project, Series A, 5.50%, 12/01/24                   | 5,000 | 5,013,800  |
| Missouri State Health & Educational Facilities Authority,<br>Missouri, RB, BJC Health System, Series A,<br>5.00%, 5/15/20 | 5,500 | 5,679,740  |
|   |       | 10,693,540 |

**Multi-State 7.7%**

Charter Mac Equity Issuer Trust (c)(g):

|                |       |           |
|----------------|-------|-----------|
| 5.75%, 5/15/15 | 1,000 | 1,021,590 |
| 6.00%, 5/15/15 | 4,000 | 4,128,960 |
| 6.00%, 5/15/19 | 2,500 | 2,573,275 |
| 6.30%, 5/15/19 | 2,500 | 2,585,250 |

MuniMae TE Bond Subsidiary LLC (c)(g)(h):

|                 |       |           |
|-----------------|-------|-----------|
| 5.40%           | 5,000 | 3,258,400 |
| 5.80%           | 5,000 | 3,249,500 |
| Series D, 5.90% | 2,000 | 1,099,180 |

San Manuel Entertainment Authority Series 04-C,

|                     |       |            |
|---------------------|-------|------------|
| 4.50%, 12/01/16 (c) | 4,000 | 3,539,320  |
|                     |       | 21,455,475 |

**Nevada 2.1%**

City of Henderson Nevada, Special Assessment,

|                          |       |         |
|--------------------------|-------|---------|
| No. T-18, 5.15%, 9/01/21 | 1,765 | 792,626 |
|--------------------------|-------|---------|

County of Clark Nevada, Refunding RB, Alexander

|   |       |           |
|---|-------|-----------|
| Dawson School, Nevada Project, 5.00%, 5/15/20 | 5,000 | 5,117,450 |
|   |       | 5,910,076 |

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

**Municipal Bonds**

**New Hampshire 5.2%**

New Hampshire Business Finance Authority,

|   |           |              |
|---|-----------|--------------|
| Refunding RB, Public Service Co. New Hampshire<br>Project, Series B, AMT (MBIA), 4.75%, 5/01/21 | \$ 10,000 | \$ 9,581,500 |
|---|-----------|--------------|

New Hampshire Health & Education Facilities Authority,

|  |       |            |
|--|-------|------------|
| RB, Elliot Hospital, Series B, 5.60%, 10/01/22 | 4,755 | 4,819,763  |
|  |       | 14,401,263 |

**New Jersey 13.3%**

Middlesex County Improvement Authority, RB, Street

|   |       |           |
|---|-------|-----------|
| Student Housing Project, Series A, 5.00%, 8/15/23 | 1,000 | 1,026,470 |
|---|-------|-----------|

New Jersey EDA, RB:

|   |        |           |
|---|--------|-----------|
| Cigarette Tax, 5.50%, 6/15/24           | 10,000 | 9,545,000 |
| Continental Airlines Inc. Project, AMT, |        |           |



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|  |        |            |
|--|--------|------------|
| 7.00%, 11/15/30  | 5,000  | 4,642,800  |
| Continental Airlines Inc. Project, AMT,                    |        |            |
| 9.00%, 6/01/33   | 1,500  | 1,565,640  |
| Kapkowski Road Landfill, Series B, AMT,                    |        |            |
| 6.50%, 4/01/31   | 7,500  | 5,908,800  |
| New Jersey EDA, Refunding RB, First Mortgage,              |        |            |
| Winchester, Series A, 4.80%, 11/01/13                      | 1,000  | 1,010,260  |
| New Jersey Educational Facilities Authority, Refunding RB, |        |            |
| University Medical & Dentistry, Series B,                  |        |            |
| 6.25%, 12/01/18  | 2,500  | 2,680,550  |
| New Jersey Health Care Facilities Financing Authority,     |        |            |
| RB, Capital Health System Obligation Group, Series A,      |        |            |
| 5.75%, 7/01/13 (b)   | 4,000  | 4,541,720  |
| New Jersey Health Care Facilities Financing Authority,     |        |            |
| Refunding RB, AtlantiCare Regional Medical Center,         |        |            |
| 5.00%, 7/01/20   | 2,110  | 2,183,196  |
| New Jersey State Housing & Mortgage Finance Agency,        |        |            |
| RB, S/F Housing, Series T, AMT, 4.55%, 10/01/22            | 2,500  | 2,468,675  |
| Newark Housing Authority, RB, South Ward Police Facility   |        |            |
| (AGC), 5.00%, 12/01/21                                     | 1,250  | 1,314,262  |
|  |        | 36,887,373 |
| <b>New York 8.5%</b>                                       |        |            |
| New York City Industrial Development Agency, RB,           |        |            |
| American Airlines, JFK International Airport, AMT:         |        |            |
| 7.63%, 8/01/25   | 5,635  | 5,417,433  |
| 7.75%, 8/01/31   | 5,000  | 4,826,350  |
| New York State Energy Research & Development               |        |            |
| Authority, RB, Brooklyn Union Gas, Keyspan, Series A,      |        |            |
| AMT (FGIC), 4.70%, 2/01/24                                 | 8,500  | 8,182,950  |
| Tobacco Settlement Financing Corp., New York, RB,          |        |            |
| Series B-1C, 5.50%, 6/01/20                                | 5,000  | 5,270,450  |
|  |        | 23,697,183 |
| <b>North Carolina 0.6%</b>                                 |        |            |
| North Carolina Eastern Municipal Power Agency,             |        |            |
| North Carolina, RB, Series B, 5.00%, 1/01/21               | 1,550  | 1,598,205  |
| <b>Ohio 7.3%</b>   |        |            |
| American Municipal Power-Ohio Inc., RB, Prairie State      |        |            |
| Energy Campus Project, Series A, 5.25%, 2/15/23            | 5,000  | 5,338,800  |
| County of Cuyahoga Ohio, Refunding RB, Series A:           |        |            |
| 6.00%, 1/01/19   | 3,000  | 3,248,460  |
| 6.00%, 1/01/20   | 10,000 | 10,806,800 |

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Pinnacle Community Infrastructure Financing Authority,

RB, Facilities, Series A, 6.00%, 12/01/22

1,015

832,787

20,226,847

### **Oklahoma 1.2%**

Tulsa Municipal Airport Trust Trustees, Oklahoma,

Refunding RB, Series A, AMT, 7.75%, 6/01/35

3,350

3,192,483

See Notes to Financial Statements.

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## Schedule of Investments (continued) BlackRock Municipal 2020 Term Trust (BKK)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Pennsylvania 6.2%</b>   |              |              |
| Lancaster County Hospital Authority, RB, General<br>Hospital Project, 5.75%, 3/15/20 (b)                   | \$ 7,500     | \$ 8,588,400 |
| Montgomery County IDA, Pennsylvania, RB, Mortgage,<br>Whitemarsh Continuing Care, 6.00%, 2/01/21           | 1,275        | 989,795      |
| Pennsylvania Higher Educational Facilities Authority, RB,<br>La Salle University, 5.50%, 5/01/26           | 6,680        | 6,531,303    |
| Pennsylvania Turnpike Commission, RB, Sub-Series A<br>(AGC), 5.00%, 6/01/22                                | 1,000        | 1,053,280    |
|  |              | 17,162,778   |
| <b>Puerto Rico 4.9%</b>  |              |              |
| Commonwealth of Puerto Rico, GO, Public Improvement,<br>Series B, 5.25%, 7/01/17                           | 3,300        | 3,395,040    |
| Puerto Rico Electric Power Authority, RB, Series NN,<br>5.13%, 7/01/13 (b)                                 | 9,000        | 10,184,490   |
|  |              | 13,579,530   |
| <b>Tennessee 3.5%</b>  |              |              |
| Tennessee Energy Acquisition Corp., Tennessee, RB,<br>Series A, 5.25%, 9/01/20                             | 10,000       | 9,821,100    |
| <b>Texas 9.9%</b>  |              |              |
| Brazos River Authority, Refunding RB, TXU Energy Co. LLC<br>Project, Series A, AMT, 6.75%, 4/01/38         | 1,100        | 793,650      |
| City of Dallas Texas, Refunding RB & Improvement (AGC),<br>5.00%, 8/15/21                                  | 2,500        | 2,631,750    |
| North Texas Toll Highway Authority, RB, Dallas North<br>Toll Highway System, Series C:<br>5.25%, 1/01/20   | 1,000        | 1,050,410    |
| 5.38%, 1/01/21   | 5,000        | 5,241,150    |
| Port Corpus Christi Industrial Development Corp., Texas,<br>Refunding RB, Valero, Series C, 5.40%, 4/01/18 | 3,500        | 3,454,955    |
| Texas State Turnpike Authority, RB, CAB, First Tier, Series A<br>(AMBAC) (a):<br>5.38%, 8/15/21            | 7,990        | 4,191,314    |
| 5.53%, 8/15/24   | 8,450        | 3,618,882    |
| Weatherford ISD, GO, CAB, Refunding (a):<br>5.75%, 2/15/11 (b)   | 4,040        | 2,007,920    |

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|   |               |              |
|---|---------------|--------------|
| 5.77%, 2/15/11 (b)  | 4,040         | 1,895,972    |
| 5.75%, 2/15/23  | 2,905         | 1,376,708    |
| 5.77%, 2/15/24  | 2,905         | 1,298,535    |
|   |               | 27,561,246   |
| <b>U.S. Virgin Islands 0.4%</b>   |               |              |
| Virgin Islands Public Finance Authority, RB, Senior Lien,<br>Matching Fund Loan Note, Series A, 5.25%, 10/01/17                             | 1,000         | 1,030,950    |
| <b>Virginia 7.8%</b>  |               |              |
| Celebrate North Community Development Authority,<br>Special Assessment Bonds, Celebrate Virginia North<br>Project, Series B, 6.60%, 3/01/25 | 4,993         | 4,183,784    |
| Charles City County EDA, RB, Waste Management, AMT,<br>5.13%, 8/01/27   | 10,000        | 10,006,900   |
| Mecklenburg County IDA, Virginia, Refunding RB, Exempt<br>Facilities, UAE LP Project, AMT, 6.50%, 10/15/17                                  | 7,500         | 7,318,275    |
|   |               | 21,508,959   |
| <b>Wisconsin 3.1%</b>   |               |              |
| State of Wisconsin, RB, Series A, 5.25%, 5/01/20  | 1,000         | 1,110,290    |
| Wisconsin Health & Educational Facilities Authority, RB,<br>Wheaton Franciscan Services, Series A:  |               |              |
| 5.50%, 8/15/17  | 2,880         | 2,843,885    |
| 5.50%, 8/15/18  | 3,190         | 3,124,509    |
| Wisconsin Health & Educational Facilities Authority,<br>Refunding RB, Froedtert & Community Health Inc.,<br>5.00%, 4/01/20                  | 1,515         | 1,543,437    |
|   |               | 8,622,121    |
| <b>Total Municipal Bonds 159.6%</b>   |               | 443,184,672  |
| <b>Municipal Bonds Transferred to</b>   | <b>Par</b>    |              |
| <b>Tender Option Bond Trusts (i)</b>  | <b>(000)</b>  | <b>Value</b> |
| City of Chicago, Illinois, Refunding RB, Second Lien<br>(FSA), 5.00%, 11/01/20  | \$ 5,000 \$   | 5,446,700    |
| <b>Total Municipal Bonds Transferred to</b>   |               |              |
| <b>Tender Option Bond Trusts 2.0%</b>   |               | 5,446,700    |
| <b>Total Long-Term Investments</b>  |               |              |
| <b>(Cost \$463,678,046) 161.6%</b>  |               | 448,631,372  |
| <b>Short-Term Securities</b>  |               |              |
| <b>Pennsylvania 0.0%</b>  |               |              |
| City of Philadelphia Pennsylvania, Refunding RB, VRDN<br>(FSA), 0.29%, 11/06/09 (j)   | 90            | 90,000       |
|   | <b>Shares</b> |              |

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**Money Market Funds 1.2%**

|   |           |               |
|---|-----------|---------------|
| FFI Institutional Tax-Exempt Fund, 0.23% (k)(l)             | 3,400,644 | 3,400,644     |
| <b>Total Short-Term Securities</b>                          |           |               |
| <b>(Cost \$3,490,644) 1.2%</b>                              |           | 3,490,644     |
| <b>Total Investments (Cost \$467,168,690*) 162.8%</b>       |           | 452,122,016   |
| <b>Other Assets Less Liabilities 1.2%</b>                   |           | 3,151,618     |
| <b>Liability for Trust Certificates, Including Interest</b> |           |               |
| <b>Expense and Fees Payable (1.4)%</b>                      |           | (3,750,032)   |
| <b>Preferred Shares, at Redemption Value (62.6)%</b>        |           | (173,861,498) |
| <b>Net Assets Applicable to Common Shares 100.0%</b>        |           | \$277,662,104 |

\* The cost and unrealized appreciation (depreciation) of investments as of October 31,

2009, as computed for federal income tax purposes, were as follows:

|                               |                 |
|-------------------------------|-----------------|
| Aggregate cost                | \$463,002,685   |
| Gross unrealized appreciation | \$ 11,294,386   |
| Gross unrealized depreciation | (25,925,055)    |
| Net unrealized depreciation   | \$ (14,630,669) |

(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) Security exempt from registration under Rule 144A of the Securities Act of 1933.

These securities may be resold in transactions exempt from registration to qualified institutional investors.

(d) Issuer filed for bankruptcy and/or is in default of interest payments.

(e) Non-income producing security.

(f) When-issued security.

| <b>Counterparty</b>      | <b>Value</b> | <b>Unrealized Depreciation</b> |
|--------------------------|--------------|--------------------------------|
| Loop Capital Markets LLC | \$3,189,040  | \$ (6,040)                     |

(g) Security represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity and is subject to mandatory redemption at maturity.

(h) Security is perpetual in nature and has no stated maturity date.

(i) 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.

(j) Security may have a maturity of more than one year at time of issuance, but has variable rate and demand features that qualify it as a short-term security. The rate shown is as of report date and maturity shown is the date the principal owed can

be recovered through demand.

See Notes to Financial Statements.

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## Schedule of Investments (concluded) BlackRock Municipal 2020 Term Trust (BKK)

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

| <b>Affiliate</b>                  | <b>Net<br/>Activity</b> | <b>Income</b> |
|-----------------------------------|-------------------------|---------------|
| FFI Institutional Tax-Exempt Fund | \$ 1,099,603            | \$ 5,435      |

(l) 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

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 methodology 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 October 31, 2009 in determining the fair valuation of the Trust's investments:

| <b>Valuation Inputs</b>            | <b>Investments in<br/>Securities<br/>Assets</b> |
|------------------------------------|---|
| Level 1 Short-Term Securities      | \$ 3,400,644                                    |
| Level 2:                           |   |
| Long-Term Investments <sup>1</sup> | 448,631,372                                     |
| Short-Term Securities              | 90,000  |
| Total Level 2                      | 448,721,372                                     |
| Level 3                            |   |
| <b>Total</b>                       | <b>\$452,122,016</b>                            |

See above Schedule of Investments for values in each state

<sup>1</sup> or

political subdivision.

See Notes to Financial Statements.



## Schedule of Investments October 31, 2009 (Unaudited)

**BlackRock Municipal Income  
Trust (BFK)**  
(Percentages shown are based on  
Net Assets)

|  | Par<br>(000) | Value      | Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|--|--------------|------------|
| <b>Municipal Bonds</b>                                       |              |            |  |              |            |
| <b>Alabama 3.0%</b>  |              |            | <b>Colorado (concluded)</b>                                  |              |            |
| Huntsville Health Care Authority, Alabama,<br>RB, Series B,  |              |            | Denver Health & Hospital Authority, Colorado,<br>RB,         |              |            |
|  | \$           | \$         | Series A, 6.00%, 12/01/11                                    | \$           | \$         |
| 5.75%, 6/01/12 (a)   | 15,000       | 16,908,150 | (a)  | 1,500        | 1,649,715  |
|  |              |            | Park Creek Metropolitan District, Colorado,<br>Refunding RB, |              |            |
| <b>Arizona 4.4%</b>  |              |            | Senior, Limited Tax Property Tax, 5.50%,<br>12/01/37         | 2,530        | 2,342,982  |
| Phoenix & Pima County IDA, RB, Series<br>2007-1, AMT         |              |            |  |              | 19,097,811 |
| (GNMA), 5.25%, 8/01/38                                       | 3,743        | 3,788,346  |  |              |            |
| Pima County IDA, RB, American Charter<br>Schools             |              |            | <b>District of Columbia 7.3%</b>                             |              |            |
|  |              |            | District of Columbia, RB, CAB, University,<br>Georgetown,    |              |            |
| Foundation, Series A, 5.63%, 7/01/38                         | 4,590        | 3,612,100  | Series A (MBIA), 6.03%, 4/01/11 (a)(b):                      | 66,785       | 14,224,710 |
| Salt Verde Financial Corp., RB, Senior:                      |              |            | District of Columbia, RB, Friendship Public<br>Charter       |              |            |
|  |              |            | School Inc. (ACA), 5.25%, 6/01/33                            | 2,390        | 1,842,379  |
| 5.00%, 12/01/32  | 10,280       | 9,192,376  | District of Columbia Tobacco Settlement<br>Financing Corp.,  |              |            |
| 5.00%, 12/01/37  | 9,290        | 7,902,074  | RB, Asset Backed Bonds, 6.75%, 5/15/40                       | 23,035       | 22,311,931 |
|  |              | 24,494,896 | Metropolitan Washington DC Airports Authority<br>Dulles      |              |            |
| <b>California 26.6%</b>                                      |              |            | Toll Road, RB, First Senior Lien, Series A:                  |              |            |
| Bay Area Toll Authority, RB, San Francisco<br>Bay Area,      |              |            | 5.00%, 10/01/39  | 990          | 988,891    |
| Series F1, 5.63%, 4/01/44                                    | 4,445        | 4,787,087  | 5.25%, 10/01/44  | 1,545        | 1,583,965  |
| California County Tobacco Securitization<br>Agency, RB, CAB, |              |            |  |              | 40,951,876 |
| Stanislaus, Sub-Series C, 6.30%, 6/01/55<br>(b)              | 17,855       | 219,081    |  |              |            |
| California HFA, RB, Home Mortgage, Series<br>G, AMT,         |              |            | <b>Florida 4.0%</b>  |              |            |
| 5.50%, 8/01/42   | 7,845        | 7,680,020  | County of Orange Florida, Refunding RB<br>(Syncora),         |              |            |
| California Statewide Communities<br>Development Authority,   |              |            | 4.75%, 10/01/32  | 5,440        | 5,212,554  |
| RB, Health Facilities, Memorial Health<br>Services,          |              |            | Miami Beach Health Facilities Authority,<br>Refunding RB,    |              |            |
| Series A, 5.50%, 10/01/33                                    | 5,000        | 5,030,650  | Mount Sinai Medical Center Florida, 6.75%,<br>11/15/21       | 7,485        | 7,531,856  |
| City of Lincoln California, Special Tax,<br>Community        |              |            | Stevens Plantation Community Development<br>District,        |              |            |
| Facilities District No. 2003-1, 6.00%,<br>9/01/13 (a)        | 3,115        | 3,678,940  |  |              |            |

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|   |        |             |  |        |            |
|---|--------|-------------|--|--------|------------|
| Foothill Eastern Transportation Corridor Agency, California,  |        |             | Special Assessment, Series A, 7.10%,<br>5/01/35  | 3,770  | 2,832,929  |
| Refunding RB, CAB (b):  |        |             | Village Community Development District No. 6,<br>Special<br>Assessment, 5.63%,                       |        |            |
| 6.09%, 1/15/32  | 54,635 | 11,828,478  | 5/01/22  | 7,200  | 6,654,744  |
| 6.09%, 1/15/38  | 75,000 | 10,740,000  |  |        |            |
| Golden State Tobacco Securitization Corp., California, RB,  |        |             |  |        | 22,232,083 |
| Series 2003-A-1, 6.63%, 6/01/13 (a)   | 10,000 | 11,649,200  | <b>Georgia 2.0%</b>  |        |            |
| Los Angeles Regional Airports Improvement Corp., California, Refunding RB, Facilities, LAXFUEL Corp.,                                   |        |             | Metropolitan Atlanta Rapid Transit Authority,<br>RB,<br>3rd Series, 5.00%, 7/01/39                   | 6,805  | 6,951,103  |
| LA International Airport, AMT (AMBAC), 5.50%, 1/01/32   | 13,320 | 12,920,800  | Richmond County Development Authority,<br>Refunding RB,  |        |            |
| Los Angeles Unified School District, California, GO,  |        |             | International Paper Co. Project, Series A,<br>AMT,   |        |            |
| Series D:   |        |             | 6.00%, 2/01/25   | 4,000  | 3,948,480  |
| 5.25%, 7/01/24  | 5,000  | 5,396,900   |  |        | 10,899,583 |
| 5.25%, 7/01/25  | 3,490  | 3,749,830   |  |        |            |
| 5.00%, 7/01/26  | 1,305  | 1,372,351   | <b>Guam 1.1%</b>   |        |            |
| Murrieta Community Facilities District Special Tax, California, Special Tax, No. 2, The Oaks Improvement Area, Series A, 6.00%, 9/01/34 | 5,000  | 4,330,550   | Territory of Guam, GO, Series<br>A:<br>6.00%, 11/15/19   | 1,245  | 1,296,406  |
| San Francisco City & County Public Utilities Commission, RB, Series B, 5.00%, 11/01/39  | 18,550 | 18,827,322  | 6.75%, 11/15/29  | 2,180  | 2,332,469  |
| State of California, GO, Various Purpose:   |        |             | 7.00%, 11/15/39  | 2,255  | 2,437,294  |
| 5.00%, 6/01/32  | 4,000  | 3,767,600   | <b>Illinois 6.2%</b><br>CenterPoint Intermodal Center Program Trust,<br>Tax                          |        | 6,066,169  |
| 6.50%, 4/01/33  | 20,410 | 22,557,336  | Allocation Bonds, Class A, 10.00%, 6/15/23<br>(d)  | 4,630  | 2,435,658  |
| 5.00%, 6/01/34  | 6,250  | 5,848,750   | Illinois Educational Facilities Authority, RB:<br>Educational Advancement Fund, University<br>Center |        |            |
| University of California, RB, Limited Project, Series B,  |        |             | Project, 6.25%, 5/01/30  |        |            |
| 4.75%, 5/15/38  | 10,565 | 10,057,669  | (a)  | 10,000 | 11,363,300 |
| West Valley-Mission Community College District, GO,   |        |             | University of Chicago, Series A, 5.25%,<br>7/01/41   | 760    | 784,328    |
| Election of 2004, Series A (FSA), 4.75%, 8/01/30  | 4,015  | 4,037,765   | Illinois Finance Authority,<br>RB:   |        |            |
|   |        | 148,480,329 | Friendship Village Schaumburg, Series A,<br>5.63%, 2/15/37   | 845    | 668,463    |
| <b>Colorado 3.4%</b>  |        |             |  |        |            |

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|  |       |           |   |       |           |
|--|-------|-----------|---|-------|-----------|
| City of Colorado Springs Colorado, RB,<br>Subordinate Lien,  |       |           | MJH Education Assistance IV, Sub-Series<br>B,                   |       |           |
| Improvement, Series C (FSA), 5.00%,<br>11/15/45              | 2,545 | 2,574,013 | 5.38%, 6/01/35 (e)(f)   | 1,675 | 118,925   |
| Colorado Health Facilities Authority, RB,<br>Series C (FSA), |       |           | Monarch Landing Inc., Facilities, Series A,                     |       |           |
| 5.25%, 3/01/40   | 3,585 | 3,574,998 | 7.00%, 12/01/37   | 2,885 | 1,442,500 |
| Colorado Health Facilities Authority,<br>Refunding RB,       |       |           | Illinois Health Facilities Authority, Refunding<br>RB, Elmhurst |       |           |
| Catholic Healthcare, Series A (c):                           |       |           | Memorial Healthcare:  |       |           |
| 5.50%, 7/01/34   | 4,205 | 4,283,591 | 5.50%, 1/01/22  | 5,000 | 4,874,150 |
| 5.00%, 7/01/39   | 4,965 | 4,672,512 | 5.63%, 1/01/28  | 6,000 | 5,720,640 |

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## Schedule of Investments (continued)

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

|  | Par<br>(000) | Value        |   | Par<br>(000) | Value      |
|--|--------------|--------------|---|--------------|------------|
| <b>Municipal Bonds</b>                                       |              |              | <b>Municipal Bonds</b>                                      |              |            |
| <b>Illinois (concluded)</b>                                  |              |              | <b>New Jersey 7.2%</b>                                      |              |            |
| Illinois Municipal Electric Agency, RB<br>(MBIA),            |              |              | Middlesex County Improvement Authority, RB,<br>Subordinate, |              |            |
|  | \$           |              | Heldrich Center Hotel, Series B, 6.25%,<br>1/01/37          | \$ 3,680     | \$ 676,973 |
| 4.50%, 2/01/35   | 1,595        | \$ 1,483,382 |   |              |            |
| Village of Bolingbrook Illinois, GO, Series B<br>(MBIA) (b): |              |              | New Jersey EDA, RB:   |              |            |
| 6.01%, 1/01/33   | 6,820        | 1,862,951    | Cigarette Tax, 5.75%, 6/15/29                               | 15,500       | 14,917,200 |
| 6.01%, 1/01/34   | 14,085       | 3,620,831    | Continental Airlines Inc. Project, AMT,<br>7.00%, 11/15/30  | 15,410       | 14,309,110 |
|  |              | 34,375,128   | New Jersey EDA, Special Assessment,<br>Refunding RB,        |              |            |
|  |              |              | Kapkowski Road Landfill Project, 6.50%,<br>4/01/28          | 8,000        | 6,764,960  |
| <b>Indiana 7.6%</b>  |              |              | Tobacco Settlement Financing Corp., New<br>Jersey, RB,      |              |            |
| Indiana Finance<br>Authority, RB:                            |              |              |   |              |            |
| Refunding, Duke Energy, Series C,<br>4.95%, 10/01/40         | 5,745        | 5,477,513    | Series 1A, 4.50%, 6/01/23                                   | 4,125        | 3,693,525  |
| Sisters of St. Francis Health, 5.25%,<br>11/01/39 (c)        | 1,655        | 1,603,993    |   |              |            |
| Indiana Health Facility Financing Authority,<br>Indiana, RB, |              |              |   |              | 40,361,768 |
| Methodist Hospital Inc, 5.50%, 9/15/31                       | 9,000        | 6,982,920    | <b>New York 6.3%</b>  |              |            |
| Indiana Municipal Power Agency, Indiana,<br>RB, Indiana      |              |              | Albany Industrial Development Agency, RB, New<br>Covenant   |              |            |
| Muni Power Agency Series B, 6.00%,<br>1/01/39                | 2,150        | 2,306,412    | Charter School Project, Series A, 7.00%,<br>5/01/35         | 1,820        | 1,153,188  |
| Petersburg Indiana, RB, Indiana Power &<br>Light, AMT:       |              |              | New York City Industrial Development<br>Agency, RB,         |              |            |
| 5.90%, 12/01/24  | 10,000       | 9,594,700    | American Airlines, JFK International Airport,<br>AMT:       |              |            |
| 5.95%, 12/01/29  | 16,000       | 14,968,640   | 8.00%, 8/01/28  | 5,000        | 5,012,400  |
| Vincennes Indiana, Refunding RB &<br>Improvement,            |              |              | 7.75%, 8/01/31  | 22,140       | 21,371,078 |
| Southwest Indiana Regional, 6.25%,<br>1/01/24                | 2,220        | 1,730,113    | New York Liberty Development Corp., RB,<br>Goldman          |              |            |
|  |              | 42,664,291   | Sachs Headquarters, 5.25%, 10/01/35                         | 3,545        | 3,468,215  |
|  |              |              | New York State Dormitory Authority, RB, NYU<br>Hospitals    |              |            |
|  |              |              | Center, Series A, 5.00%, 7/01/20                            | 4,000        | 3,922,000  |
| <b>Kentucky 0.1%</b>   |              |              |   |              |            |
| Kentucky Housing Corp., RB, Series F, AMT<br>(FNMA),         |              |              |   |              |            |

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|  |        |            |   |        |            |
|--|--------|------------|---|--------|------------|
| 5.45%, 1/01/32   | 715    | 717,424    |   |        | 34,926,881 |
| <b>Louisiana 1.3%</b>  |        |            | <b>North Carolina 4.7%</b>  |        |            |
| Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Capital Projects & Equipment Acquisition Program (ACA), |        |            | Gaston County Industrial Facilities & Pollution Control Financing Authority, North Carolina, RB, Exempt Facilities, National Gypsum Co. Project, AMT, |        |            |
| 6.55%, 9/01/25   | 8,430  | 7,228,219  | 5.75%, 8/01/35  | 12,130 | 7,167,860  |
| <b>Maryland 0.4%</b>   |        |            | North Carolina Capital Facilities Finance Agency, Refunding RB, Duke University Project, Series B,  |        |            |
| Maryland Community Development Administration, RB, Residential, Series A, AMT, 4.65%, 9/01/32  | 2,665  | 2,474,612  | 4.25%, 7/01/42  | 11,350 | 10,513,391 |
| <b>Michigan 0.7%</b>   |        |            | North Carolina Eastern Municipal Power Agency, North Carolina, RB, Series B, 5.00%, 1/01/26   | 4,360  | 4,439,962  |
| Michigan State Hospital Finance Authority, Michigan, Refunding RB, Henry Ford Health System, Series A,   |        |            | North Carolina Medical Care Commission, RB, Duke University Health System, Series A (c):  |        |            |
| 5.25%, 11/15/46  | 4,230  | 3,668,848  | 5.00%, 6/01/39  | 1,240  | 1,226,720  |
| <b>Mississippi 3.3%</b>  |        |            | 5.00%, 6/01/42  | 2,750  | 2,697,832  |
| City of Gulfport Mississippi, RB, Memorial Hospital at Gulfport Project, Series A, 5.75%, 7/01/31  | 18,455 | 18,385,425 | <b>Ohio 1.8%</b>  |        | 26,045,765 |
| <b>Missouri 0.1%</b>   |        |            | Buckeye Tobacco Settlement Financing Authority, RB, Asset-Backed, Senior, Turbo, Series A-2,  |        |            |
| Missouri Joint Municipal Electric Utility Commission, RB, Plum Point Project (MBIA), 4.60%, 1/01/36  | 670    | 551,316    | 6.50%, 6/01/47  | 3,120  | 2,513,410  |
| <b>Multi-State 5.6%</b>  |        |            | County of Montgomery Ohio, Refunding RB, Catholic Healthcare, Series A, 5.00%, 5/01/39 (c)  | 4,965  | 4,694,556  |
| Charter Mac Equity Issuer Trust (d)(g):  |        |            | Pinnacle Community Infrastructure Financing Authority,  |        |            |
| 6.80%, 11/30/50  | 6,500  | 6,701,695  | RB, Facilities, Series A, 6.25%, 12/01/36   | 3,760  | 2,751,869  |
| 6.80%, 10/31/52  | 16,000 | 17,098,880 |   |        | 9,959,835  |
| MuniMae TE Bond Subsidiary LLC, 7.50%, 6/30/49 (d)(g)  | 8,000  | 7,419,840  | <b>Oklahoma 1.2%</b>  |        |            |
|  |        |            | Tulsa Municipal Airport Trust Trustees, Oklahoma, Refunding RB, Series A, AMT, 7.75%, 6/01/35   | 7,175  | 6,837,632  |
| <b>Nebraska 0.7%</b>   |        |            | <b>Pennsylvania 4.9%</b>  |        |            |
| Omaha Public Power District, RB, System, Series A,   |        |            |   |        |            |

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|  |       |           |  |        |            |
|--|-------|-----------|--|--------|------------|
|  |       |           | Pennsylvania Economic Development                          |        |            |
| 4.75%, 2/01/44   | 3,695 | 3,645,487 | Financing  |        |            |
| <b>Nevada 0.9%</b>   |       |           | Authority, RB:   |        |            |
| County of Clark Nevada, Refunding RB,<br>Alexander         |       |           | Amtrak Project, Series A, AMT, 6.38%,<br>11/01/41          | 6,500  | 6,567,860  |
| Dawson School, Nevada Project, 5.00%,<br>5/15/29           | 5,260 | 5,131,761 | Aqua Pennsylvania Inc. Project, 5.00%,<br>11/15/40 (c)     | 3,725  | 3,699,335  |
| <b>New Hampshire 1.3%</b>                                  |       |           | Reliant Energy, Series A-12-22-04, AMT,<br>6.75%, 12/01/36 | 11,345 | 11,581,770 |
| New Hampshire Business Finance Authority,<br>Refunding RB, |       |           | Pennsylvania HFA, RB, Series 97A, AMT,<br>4.60%, 10/01/27  | 2,500  | 2,344,700  |
| Public Service Co. New Hampshire Project,<br>Series B,     |       |           | Pennsylvania Turnpike Commission, RB,<br>Sub-Series D,     |        |            |
| AMT (MBIA), 4.75%, 5/01/21                                 | 4,000 | 3,832,600 | 5.13%, 12/01/40  | 3,100  | 3,038,465  |
| New Hampshire Health & Education<br>Facilities Authority,  |       |           |  |        |            |
| RB, Exeter Project, 5.75%, 10/01/31                        | 3,500 | 3,559,850 |  |        | 27,232,130 |
|  |       | 7,392,450 |  |        |            |

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## Schedule of Investments (continued)

## BlackRock Municipal Income Trust (BFK)

(Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value      |   | Par<br>(000) | Value        |
|---|--------------|------------|---|--------------|--------------|
| <b>Municipal Bonds</b>                                  |              |            | <b>Municipal Bonds</b>                                      |              |              |
| <b>Puerto Rico 2.1%</b>                                 |              |            | <b>Washington 1.5%</b>                                      |              |              |
| Puerto Rico Sales Tax Financing Corp., RB,<br>First     |              |            | County of King Washington, Refunding RB<br>(FSA),           |              |              |
|   | \$           | \$         |   |              |              |
| Sub-Series A, 6.50%, 8/01/44                            | 10,900       | 11,788,350 | 5.00%, 1/01/36  | \$ 3,615     | \$ 3,685,854 |
|   |              |            | Washington Health Care Facilities Authority,<br>Washington, |              |              |
| <b>South Carolina 5.9%</b>                              |              |            | RB, Providence Health Care Services, Series A<br>(MBIA),    |              |              |
| County of Lexington South Carolina,<br>Refunding RB &   |              |            | 4.63%, 10/01/34   | 5,095        | 4,831,232    |
| Improvement (a):  |              |            |   |              | 8,517,086    |
| 5.50%, 11/01/13   | 5,000        | 5,732,850  |   |              |              |
| 5.75%, 11/01/13   | 10,000       | 11,562,100 | <b>Wisconsin 1.6%</b>                                       |              |              |
| South Carolina Jobs-EDA, RB, Palmetto<br>Health:        |              |            | Wisconsin Health & Educational Facilities<br>Authority, RB: |              |              |
| Refunding, Alliance, Series A, 6.25%,<br>8/01/31        | 5,075        | 5,148,740  | Aurora Health Care, 6.40%, 4/15/33                          | 7,500        | 7,638,900    |
| Series C, 6.88%, 8/01/13 (a)                            | 9,000        | 10,595,771 | Froedtert & Community, 5.38%, 10/01/30                      | 1,205        | 1,220,340    |
|   |              | 33,039,461 |   |              | 8,859,240    |
| <b>Tennessee 0.5%</b>                                   |              |            | <b>Wyoming 0.5%</b>   |              |              |
| Knox County Health Educational & Housing<br>Facilities  |              |            | Wyoming Community Development Authority,<br>Wyoming,        |              |              |
| Board, Tennessee, CAB, Refunding RB &<br>Improvement,   |              |            | RB, Series 3, AMT, 4.65%, 12/01/27                          | 2,765        | 2,614,667    |
| Series A (FSA), 5.70%, 1/01/20 (b)                      | 5,055        | 2,941,100  |   |              |              |
|   |              |            | <b>Total Municipal Bonds 138.9%</b>                         |              | 775,017,184  |
| <b>Texas 18.8%</b>                                      |              |            |   |              |              |
| Brazos River Authority, Refunding RB, TXU,<br>AMT:      |              |            | <b>Municipal Bonds Transferred to</b>                       |              |              |
| Electric Co. Project, Series C, 5.75%,<br>5/01/36       | 4,265        | 3,841,272  | <b>Tender Option Bond Trusts (h)</b>                        |              |              |
| Electric, Series A, 8.25%, 10/01/30                     | 4,370        | 2,605,525  | <b>Alabama 0.8%</b>   |              |              |
| City of Houston Texas, Refunding RB,<br>Combined,       |              |            | Alabama Special Care Facilities Financing<br>Authority-     |              |              |
| First Lien, Series A (AGC), 6.00%,<br>11/15/35          | 16,425       | 18,671,283 | Birmingham, Refunding RB, Ascension<br>Health Senior        |              |              |
| Harris County-Houston Sports Authority, RB,<br>CAB,     |              |            | Credit, Series C-2, 5.00%, 11/15/36                         | 4,548        | 4,556,078    |
| Junior Lien, Series H (MBIA), 6.11%,<br>11/15/35 (b)    | 5,000        | 713,150    |   |              |              |
| Harris County-Houston Sports Authority,<br>Refunding RB |              |            |   |              |              |

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|   |        |             |  |       |            |
|---|--------|-------------|--|-------|------------|
| (MBIA) (b):   |        |             | <b>California 3.3%</b>   |       |            |
| CAB, Senior Lien, Series A , 5.94%,<br>11/15/38   | 12,580 | 1,528,596   | California Educational Facilities Authority, RB,<br>University of<br>Southern California, Series A, 5.25%,<br>10/01/39 | 5,115 | 5,390,238  |
| Third Lien, Series A-3 , 5.97%, 11/15/37<br>Houston Texas Airport Systems, Refunding<br>ARB,                      | 26,120 | 3,156,341   | Los Angeles Community College District,<br>California, GO,<br>Election 2001, Series A (FSA), 5.00%,<br>8/01/32         | 4,500 | 4,618,890  |
| Senior Lien, Series A, 5.50%, 7/01/39<br>Lower Colorado River Authority, Refunding<br>RB &<br>Improvement (MBIA): | 3,000  | 3,111,720   | San Diego Community College District,<br>California, GO,<br>Election of 2002, 5.25%, 8/01/33                           | 3,260 | 3,423,039  |
| 5.00%, 5/15/13 (a)  | 50     | 55,979      | University of California, RB, Series C (MBIA),<br>4.75%, 5/15/37   | 5,000 | 4,939,300  |
| 5.00%, 5/15/31<br>Lower Colorado River Authority, Refunding<br>RB:  | 2,345  | 2,348,705   |  |       |            |
| LCRA Transmission Services Project<br>(AMBAC),  |        |             |  |       | 18,371,467 |
| 4.75%, 5/15/34  | 12,930 | 12,405,042  | <b>Colorado 2.3%</b><br>Colorado Health Facilities Authority, RB,<br>Catholic<br>Health (FSA):                         |       |            |
| Series A (MBIA), 5.00%, 5/15/13 (a)<br>North Texas Tollway Authority, Refunding<br>RB, Second Tier,               | 5      | 5,598       | Series C3, 5.10%, 10/01/41   | 7,600 | 7,678,280  |
| Series F, 6.13%, 1/01/31<br>San Antonio Energy Acquisition Public<br>Facility Corp., RB,                          | 12,180 | 12,649,904  | Series C7, 5.00%, 9/01/36  | 4,860 | 4,900,192  |
| Gas Supply, 5.50%, 8/01/25<br>Texas State Affordable Housing Corp.,<br>Texas, RB,                                 | 6,540  | 6,539,411   |  |       | 12,578,472 |
| American Opportunity Housing Portfolio,<br>Series B,  |        |             | <b>Connecticut 3.5%</b><br>Connecticut State Health & Educational Facility<br>Authority,<br>RB, Yale University:       |       |            |
| 8.00%, 3/01/32 (e)(f)<br>Texas State Turnpike Authority, RB<br>(AMBAC):   | 4,435  | 220,774     | Series T1, 4.70%, 7/01/29  | 9,400 | 9,906,660  |
| CAB, 6.06%, 8/15/32 (b)   | 25,000 | 5,818,250   | Series X3, 4.85%, 7/01/37  | 9,360 | 9,742,450  |
| CAB, 6.07%, 8/15/33 (b)   | 62,325 | 13,574,385  |  |       | 19,649,110 |
| CAB, 6.07%, 8/15/34 (b)   | 65,040 | 13,223,282  |  |       |            |
| First Tier, Series A, 5.00%, 8/15/42  | 5,000  | 4,530,650   | <b>Illinois 1.5%</b><br>Chicago New Public Housing Authority,<br>Illinois,<br>Refunding RB (FSA), 5.00%, 7/01/24       | 8,232 | 8,442,366  |
|   |        | 104,999,867 |  |       |            |
| <b>Utah 1.0%</b><br>City of Riverton Utah, RB, IHC Health<br>Services Inc.,                                       |        |             | <b>Massachusetts 1.2%</b><br>Massachusetts Water Resources Authority,<br>Refunding RB,                                 |       |            |
| 5.00%, 8/15/41 (c)  | 5,475  | 5,305,166   | Generation, Series A, 5.00%, 8/01/41   | 6,770 | 6,862,410  |
| <b>Virginia 0.9%</b>  |        |             |  |       |            |



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City of Norfolk Virginia, Refunding RB,  
Series B (AMBAC),

**New Hampshire 0.8%**

New Hampshire Health & Education Facilities  
Authority,

5.50%, 2/01/31

2,635 2,514,133

Virginia Commonwealth Transportation  
Board, Virginia,

Refunding RB, Dartmouth College, 5.25%,  
6/01/39

3,988 4,266,906

Refunding RB, CAB, Contract, Route 28  
(MBIA),

5.29%, 4/01/32 (b)

8,105 2,487,830

5,001,963

See Notes to Financial Statements.

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## Schedule of Investments (concluded)

### BlackRock Municipal Income Trust (BFK)

(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to<br>Tender Option Bond Trusts (h)   | Par<br>(000) | Value        |   |
|---|--------------|--------------|---|
| <b>New York 1.6%</b>  |              |              | (g) Security represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity and is subject to mandatory redemption at maturity.  |
| New York City Municipal Water Finance Authority, RB,<br>Series FF-2, 5.50%, 6/15/40   | \$ 3,075     | \$ 3,332,294 |   |
| New York State Environmental Facilities Corporation,<br>New York, RB, Revolving Funds, New York City<br>Municipal Water Project, Series B, 5.00%, 6/15/31 | 5,370        | 5,458,122    | (h) Securities represent bonds transferred to 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.   |
| <b>Virginia 3.3%</b>  |              |              | (i) Investments in companies considered to be an affiliate of the Trust, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:  |
| Virginia HDA, RB, Sub-Series H-1 (MBIA), 5.35%, 7/01/31   | 6,810        | 6,880,892    |   |
| University of Virginia, Refunding RB, 5.00%, 6/01/40  | 10,750       | 11,340,390   |   |
|   |              | 18,221,282   |   |
| <b>Washington 3.7%</b>  |              |              |   |
| Central Puget Sound Regional Transportation Authority,<br>Washington, RB, Series A (FSA), 5.00%, 11/01/32   | 5,459        | 5,633,238    |   |
| State of Washington, GO, Various Purpose, Series E,<br>5.00%, 2/01/34   | 14,487       | 15,085,249   |   |
|   |              | 20,718,487   |   |
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts 22.0%</b>   |              | 122,456,994  |   |
| <b>Total Long-Term Investments</b>  |              |              |   |
| <b>(Cost \$929,685,870) 160.9%</b>  |              | 897,474,178  |   |
|   |              |              | (j) Represents the current yield as of report date.<br>Fair Value Measurements Various inputs are used in determining the fair value of investments, which are as follows:<br>Level 1 price quotations in active markets/exchanges for identical assets and liabilities<br>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 |

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|   |               |            |  |
|---|---------------|------------|--|
| <b>Short-Term Securities</b>                    | <b>Shares</b> |            | rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and  |
| FFI Institutional Tax-Exempt Fund, 0.23% (i)(j) | 17,102,993    | 17,102,993 | default rates) or other market-corroborated inputs)  |
| <b>Total Short-Term Securities</b>              |               |            | Level 3 unobservable inputs based on the best information available in the   |
| (Cost \$17,102,993) 3.1%                        |               | 17,102,993 | circumstances, to the extent observable inputs are not available (including the Trust's own assumptions used in determining the fair value of investments) |

|   |  |                |  |
|---|--|----------------|--|
| <b>Total Investments (Cost \$946,788,863*)</b>              |  |                |  |
| <b>164.0%</b>   |  | 914,577,171    |  |
| <b>Liabilities in Excess of Other Assets (3.1)%</b>         |  | (17,237,846)   | The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about |
| <b>Liability for Trust Certificates, Including Interest</b> |  |                |  |
| <b>Expense and Fees Payable (12.3)%</b>                     |  | (68,649,327)   | the Trust's policy regarding valuation of investments and other significant accounting   |
| <b>Preferred Shares, at Redemption Value (48.6)%</b>        |  | (270,890,746)  | policies, please refer to Note 1 of the Notes to Financial Statements.   |
| <b>Net Assets Applicable to Common Shares 100.0%</b>        |  | \$ 557,799,252 | The following table summarizes the inputs used as of October 31, 2009 in determining the fair valuation of the Trust's investments:                                      |

\* The cost and unrealized appreciation (depreciation) of investments as of October 31, 2009, as computed for federal income tax purposes, were as follows:

|                               |                 |  | <b>Investments</b>   |
|-------------------------------|-----------------|--|----------------------|
|                               |                 |  | <b>in</b>            |
|                               |                 |  | <b>Securities</b>    |
|                               |                 |  | <b>Assets</b>        |
| Aggregate cost                | \$ 876,565,983  |  |                      |
| Gross unrealized appreciation | \$ 27,881,007   |  |                      |
| Gross unrealized depreciation | (58,453,321)    | Level 1 Short-Term Securities              | \$ 17,102,993        |
| Net unrealized depreciation   | \$ (30,572,314) | Level 2 Long-Term Investments <sup>1</sup> | 897,474,178          |
|                               |                 | Level 3                                    |                      |
|                               |                 | <b>Total</b>                               | <b>\$914,577,171</b> |

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

(b) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

(c) When-issued security.

<sup>1</sup> See above Schedule of Investments for values in each state or political subdivision.

|                     |              | <b>Unrealized</b>   |
|---------------------|--------------|---------------------|
| <b>Counterparty</b> | <b>Value</b> | <b>Depreciation</b> |

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|  |              |             |
|--|--------------|-------------|
| Citibank NA                              | \$ 3,924,552 | \$ (24,754) |
| JPMorgan<br>Securities, Inc.             | \$ 5,305,166 | \$ (83,713) |
| Jeffries & Co.                           | \$ 3,699,335 | \$ (62,133) |
| Merrill Lynch &<br>Co.                   | \$ 1,603,993 | \$ (48,716) |
| Morgan Stanley Capital Services,<br>Inc. | \$13,650,659 | \$(223,678) |

(d) Security exempt from registration under Rule 144A of the Securities Act of 1933.

These securities may be resold in transactions exempt from registration to qualified institutional investors.

(e) Issuer filed for bankruptcy and/or is in default of interest payments.

(f) Non-income producing security.

See Notes to Financial Statements.

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**Schedule of Investments** October 31, 2009  
(Unaudited)

**BlackRock Pennsylvania Strategic Municipal Trust  
(BPS)**

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value      |   | Par<br>(000)    | Value                 |
|--|--------------|------------|---|-----------------|-----------------------|
| <b>Municipal Bonds</b>   |              |            | <b>Municipal Bonds</b>  |                 |                       |
| <b>Pennsylvania 113.8%</b>   |              |            | <b>Pennsylvania (concluded)</b>   |                 |                       |
| <b>Corporate 2.4%</b>  |              |            | <b>Housing 12.3%</b>  |                 |                       |
| Pennsylvania Economic Development<br>Financing Authority,<br>RB, Series A, AMT, Aqua Pennsylvania<br>Inc., Project,<br>6.75%, 10/01/18 | \$ 600       | \$ 666,894 | Pennsylvania HFA, RB:<br>Series 95, Series A, AMT, 4.90%,<br>10/01/37<br>Series 96, Series A, AMT, 4.70%,<br>10/01/37                     | \$ 1,000<br>490 | \$ 950,380<br>440,226 |
| <b>County/City/Special District/School District<br/>18.0%</b>  |              |            | Series 97A, AMT, 4.65%, 10/01/31  | 1,300           | 1,206,114             |
| Delaware Valley Regional Financial<br>Authority, RB,<br>Series A (AMBAC), 5.50%, 8/01/28   | 1,500        | 1,588,575  | Series 103C, Non Ace, 5.40%, 10/01/33   | 250             | 258,610               |
| Marple Newtown School District, GO<br>(FSA),<br>5.00%, 6/01/31   | 600          | 623,604    | Series 105C, 5.00%, 10/01/39  | 500             | 502,590               |
| Mifflin County School District, GO<br>(Syncora),<br>7.50%, 9/01/22   | 200          | 243,218    |   |                 | 3,357,920             |
| Owen J Roberts School District, GO,<br>4.75%, 11/15/25   | 700          | 728,966    | <b>State 9.1%</b>   |                 |                       |
| Philadelphia School District, GO:<br>Refunding, Series A (AMBAC), 5.00%,<br>8/01/15  | 1,000        | 1,103,070  | Commonwealth of Pennsylvania, GO, First<br>Series:<br>5.00%, 3/15/28  | 825             | 890,942               |
| Series E, 6.00%, 9/01/38   | 100          | 108,028    | 5.00%, 3/15/29  | 275             | 294,976               |
| Scranton School District, Pennsylvania,<br>GO, Series A<br>(FSA), 5.00%, 7/15/38   | 500          | 508,040    | Pennsylvania Turnpike Commission, RB, Series<br>C (MBIA),<br>5.00%, 12/01/32  | 1,000           | 1,032,390             |
|  |              | 4,903,501  | State Public School Building Authority,<br>Pennsylvania, RB,<br>Harrisburg School District Project, Series A<br>(AGC),<br>5.00%, 11/15/33 | 250             | 255,515               |
| <b>Education 12.7%</b>   |              |            |   |                 | 2,473,823             |
| Cumberland County Municipal Authority,<br>RB,<br>Al Cup Financing Project, Dickinson<br>College,<br>5.00%, 11/01/39                    | 200          | 188,746    | <b>Transportation 15.4%</b>   |                 |                       |
| Lancaster Higher Education Authority, RB,<br>Franklin &<br>Marshall College Project, 5.00%, 4/15/37                                    | 500          | 498,505    | City of Philadelphia Pennsylvania, RB, Series<br>A, AMT<br>(FSA), 5.00%, 6/15/37  | 1,150           | 1,082,725             |
|  |              |            | Pennsylvania Economic Development<br>Financing<br>Authority, RB, Amtrak Project, Series A,<br>AMT:<br>6.25%, 11/01/31                     | 1,000           | 1,008,720             |

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|   |       |           |   |  |       |            |
|---|-------|-----------|---|--|-------|------------|
| Pennsylvania Higher Educational Facilities Authority, RB, |       |           | 6.38%, 11/01/41                                     |  | 1,000 | 1,010,440  |
| Lafayette College Project, 6.00%, 5/01/30                 | 1,250 | 1,268,638 |   | Pennsylvania Turnpike Commission, RB:                    |       |            |
| Pennsylvania State Higher Education Facilities Authority, |       |           |   | CAB, Sub-Series E, 6.48%, 12/01/38 (c)                   | 385   | 239,466    |
| Refunding RB, Trustees of the University of               |       |           |   | Series A (AMBAC), 5.25%, 12/01/32                        | 870   | 873,036    |
| Pennsylvania, Series C, 4.75%, 7/15/35                    | 500   | 502,700   |   |  |       |            |
| University of Pittsburgh, Pennsylvania, RB, Capital       |       |           |   |  |       | 4,214,387  |
| Projects, Series B, 5.00%, 9/15/28                        | 350   | 375,424   | <b>Utilities 6.0%</b>                               |  |       |            |
| Wilkes-Barre Finance Authority, Refunding RB, Wilkes      |       |           |   | City of Philadelphia Pennsylvania, RB, Series A,         |       |            |
| University Project, 5.00%, 3/01/37                        | 700   | 640,605   | 5.25%, 1/01/36                                      |  | 100   | 99,851     |
|   |       | 3,474,618 |   | Delaware County IDA, Pennsylvania, RB, Water Facilities, |       |            |
|   |       |           |   | AMT (MBIA), 6.00%, 6/01/29                               | 1,250 | 1,255,262  |
| <b>Health 37.9%</b>                                       |       |           |   | Montgomery County IDA, Pennsylvania, RB,                 |       |            |
| Allegheny County Hospital Development Authority, RB,      |       |           |   | Aqua Pennsylvania Inc. Project, Series A, AMT,           |       |            |
| Health System, West Pennsylvania, Series A,               |       |           |   | 5.25%, 7/01/42   | 300   | 285,951    |
| 5.38%, 11/15/40   | 470   | 361,289   |   |  |       |            |
| Berks County Municipal Authority, RB, Reading Hospital &  |       |           |   |  |       | 1,641,064  |
| Medical Center Project, Series A-3, 5.50%, 11/01/31       | 500   | 518,615   | <b>Total Municipal Bonds in Pennsylvania</b>        |  |       | 31,090,836 |
| Bucks County IDA, RB, Pennswood Village Project,          |       |           | <b>Guam 0.9%</b>                                    |  |       |            |
|   |       |           | <b>County/City/Special District/School District</b> |  |       |            |
| Series A, 6.00%, 10/01/12 (a)                             | 1,400 | 1,605,730 | <b>0.9%</b>   |  |       |            |
| Geisinger Authority, RB, Series A, 5.13%, 6/01/34         | 500   | 503,935   |   | Territory of Guam, RB, Section 30, Series A,             |       |            |
| Lehigh County General Purpose Authority, RB, Hospital,    |       |           |   | 5.75%, 12/01/34  | 250   | 254,583    |
| Saint Lukes Bethlehem, 5.38%, 8/15/13 (a)                 | 3,520 | 4,021,670 |   |  |       |            |
| Lycoming County Authority, Refunding RB, Susquehanna      |       |           |   | <b>Total Municipal Bonds in Guam</b>                     |       | 254,583    |
| Health System Project, Series A, 5.75%, 7/01/39           | 210   | 199,681   | <b>Multi-State 13.6%</b>                            |  |       |            |
| Monroe County Hospital Authority, Pennsylvania, RB,       |       |           | <b>Housing 13.6%</b>                                |  |       |            |
| Hospital, Pocono Medical Center, 5.13%, 1/01/37           | 345   | 318,176   |   | MuniMae TE Bond Subsidiary LLC, 7.50%, 6/30/49 (d)(e)    | 4,000 | 3,709,920  |
| Montgomery County Higher Education & Health Authority,    |       |           | <b>Total Municipal Bonds in Multi-State</b>         |  |       | 3,709,920  |

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|   |       |            |  |              |                      |
|---|-------|------------|--|--------------|----------------------|
| Refunding RB, Abington Memorial Hospital, Series A,<br>5.13%, 6/01/33 (b)<br>Montgomery County IDA, Pennsylvania, RB,<br>ACTS Retirement, Life Community, 5.25%, 11/15/28<br>Southcentral General Authority, Pennsylvania, RB,<br>Wellspan Health Obligation Group, Series A,<br>6.00%, 6/01/29 | 320   | 312,496    | <b>Puerto Rico 22.6%</b>   |              |                      |
|   |       |            | <b>Education 3.8%</b>  |              |                      |
|   | 1,250 | 1,167,237  | Puerto Rico Industrial Tourist Educational Medical &<br>Environmental Control Facilities Financing Authority,<br>RB, Ana G Mendez University System Project,<br>5.00%, 3/01/26         | 1,250        | 1,045,163            |
|   |       | 10,358,629 | <b>State 16.2%</b>   |              |                      |
|   |       |            | Commonwealth of Puerto Rico, GO, Refunding,<br>Sub-Series C-7 (MBIA), 6.00%, 7/01/27<br>Puerto Rico Public Buildings Authority, RB, Government<br>Facilities, Series N, 5.00%, 7/01/37 | 1,385<br>300 | 1,438,890<br>266,349 |

See Notes to Financial Statements.

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**BlackRock Pennsylvania Strategic Municipal Trust  
(BPS)**

**Schedule of Investments (concluded)**

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |  | Value      | Unrealized<br>Depreciation |
|--|--------------|--------------|--|------------|----------------------------|
| <b>Municipal Bonds</b>   |              |              |  |            |                            |
| <b>Puerto Rico<br/>(concluded)</b>   |              |              | (b) When-issued security.  |            |                            |
| <b>State (concluded)</b>   |              |              |  |            |                            |
| Puerto Rico Public Finance Corp., RB,<br>Commonwealth  |              |              |  |            |                            |
| Appropriation, Series E, 5.50%, 2/01/12  |              |              |  |            |                            |
| (a)  | \$ 1,495     | \$ 1,637,773 | <b>Affiliate</b>   |            |                            |
| Puerto Rico Sales Tax Financing Corp.,<br>RB,  |              |              | Goldman Sachs & Co.  | \$ 312,496 | \$ (1,267)                 |
| First Sub-Series A, 6.38%, 8/01/39   | 1,000        | 1,078,580    |  |            |                            |
|  |              | 4,421,592    | (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.  |            |                            |
| <b>Utilities 2.6%</b>  |              |              |  |            |                            |
| Puerto Rico Aqueduct & Sewer Authority,<br>RB, Senior Lien,<br>Series A, 6.00%,<br>7/01/38                       | 200          | 205,416      | (d) Security exempt from registration under Rule 144A of the Securities Act of 1933.<br>These securities may be resold in transactions exempt from registration to qualified institutional investors.  |            |                            |
| Puerto Rico Electric Power Authority, RB,<br>Series WW,<br>5.50%, 7/01/38  | 500          | 501,670      | (e) Security represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity and is subject to mandatory redemption at maturity. |            |                            |
|  |              | 707,086      | (f) Securities represent bonds transferred to 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.                  |            |                            |
| <b>Total Municipal Bonds in Puerto Rico</b>  |              | 6,173,841    | (g) Security may have a maturity of more than one year at time of issuance, but has variable rate and demand features that qualify it as a short-term security. The rate   |            |                            |
| <b>U.S. Virgin Islands<br/>0.3%</b>  |              |              |  |            |                            |
| <b>State 0.3%</b>  |              |              |  |            |                            |
| Virgin Islands Public Finance Authority,<br>RB, Senior Lien,<br>Capital Projects, Series A-1, 5.00%,<br>10/01/39 | 100          | 94,944       |  |            |                            |
| <b>Total Municipal Bonds in U.S. Virgin Islands</b>  |              | 94,944       |  |            |                            |
| <b>Total Municipal Bonds 151.2%</b>  |              | 41,324,124   |  |            |                            |



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shown is as of report date and maturity shown is the date the principal owed can

**Municipal Bonds Transferred to**

be recovered through demand.

**Tender Option Bond Trusts (f)**

(h) Investments in companies considered to be an affiliate of the Trust, for purposes of

**Pennsylvania 3.7%**

Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

**Health 3.7%**

Geisinger Authority, RB, Series A, 5.25%,  
6/01/39

1,000 1,013,490

**Net**

**Activity Income**

**Total Municipal Bonds Transferred to**

CMA Pennsylvania Municipal Money Fund

\$ 1,100,192 \$ 127

**Tender Option Bond**

1,013,490

**Total Long-Term**

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

**Investments**

(Cost \$42,158,198) 154.9%

42,337,614

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

**Short-Term**

Level 2 other observable inputs (including, but not limited to: quoted prices for

**Securities**

similar assets or liabilities in markets that are active, quoted prices for identical

**Pennsylvania 1.1%**

City of Philadelphia Pennsylvania, RB,  
VRDN,

Fifth Series A-2, 0.20%, 11/06/09 (g)

300 300,000

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

**Shares**

default rates) or other

market-corroborated inputs)

**Money Market Funds**

**4.4%**

CMA Pennsylvania Municipal Money Fund,

Level 3 unobservable inputs based on the best information available in the

0.04% (h)(i)

1,200,162 1,200,162

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

**Total Short-Term**

**Securities**

(Cost \$1,500,162)

1,500,162

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about

5.5%

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**Total Investments (Cost \$43,658,360\*)**  
160.4%

the Trust's policy regarding valuation of investments and other  
43,837,776 significant accounting

**Other Assets Less Liabilities** 1.1%

313,698 Financial Statements.  
policies, please refer to Note 1 of the Notes to

**Liability for Trust Certificates, Including Interest**

**Expense and Fees Payable** (1.8)%

(500,438) 2009 in deter-

**Preferred Shares, at Redemption Value**  
(59.7)%

(16,325,762) mining the fair valuation of the Trust's  
investments:

**Net Assets Applicable to Common**

**Shares** 100.0%

\$ 27,325,274

**Investments in**

\* The cost and unrealized appreciation (depreciation) of investments as  
of October 31,

**Valuation Inputs**

**Securities**

2009, as computed for federal income tax  
purposes, were as follows:

**Assets**

Aggregate cost \$ 42,995,563

Level 1 Short-Term Securities

\$ 1,200,162

Gross unrealized appreciation \$ 1,362,265

Level 2:

Gross unrealized depreciation (1,020,052)

Long-Term Investments<sup>1</sup>

42,337,614

Net unrealized appreciation \$ 342,213

Short-Term Securities

300,000

(a) US government securities, held in escrow, are used to pay interest  
on this security

Total Level 2

42,637,614

as well as to retire the bond in full at the date indicated, typically at  
a premium

Level 3

to par.

**Total**

\$ 43,837,776

See above Schedule of Investments for values  
in each state or

1

political subdivision.

See Notes to Financial Statements.

## Schedule of Investments October 31, 2009 (Unaudited)

BlackRock Strategic Municipal Trust  
(BSD)(Percentages shown are based on Net  
Assets)

|  | Par<br>(000) | Value        | Municipal Bonds   | Par<br>(000) | Value        |
|--|--------------|--------------|---|--------------|--------------|
| <b>Municipal Bonds</b>                               |              |              |   |              |              |
| <b>Alabama 3.3%</b>                                  |              |              | <b>Florida (concluded)</b>  |              |              |
| Courtland IDB, Alabama, RB, Champion International   |              |              | Hillsborough County IDA, RB, National Gypsum, Series A,                                 |              |              |
| Corp. Project, Series A, AMT, 6.70%, 11/01/29        | \$ 3,000     | \$ 3,012,690 | AMT, 7.13%, 4/01/30   | \$ 3,300     | \$ 2,275,581 |
| <b>Arizona 3.5%</b>                                  |              |              | Miami Beach Health Facilities Authority, Refunding RB,                                  |              |              |
| Salt Verde Financial Corp., RB, Senior:              |              |              | Mount Sinai Medical Center Florida, 6.75%, 11/15/21                                     | 1,245        | 1,252,794    |
| 5.00%, 12/01/32                                      | 1,455        | 1,301,061    | Sumter Landing Community Development District, Florida,                                 |              |              |
| 5.00%, 12/01/37                                      | 1,320        | 1,122,792    | RB, Sub-Series B, 5.70%, 10/01/38   | 1,565        | 1,127,849    |
| San Luis Facility Development Corp., RB, Senior Lien |              |              |   |              | 8,240,107    |
| Project, Regional Detention Center:                  |              |              | <b>Georgia 1.2%</b>   |              |              |
| 6.25%, 5/01/15                                       | 210          | 194,863      | Metropolitan Atlanta Rapid Transit Authority, RB, 3rd Series, 5.00%, 7/01/39            | 1,095        | 1,118,509    |
| 7.00%, 5/01/20                                       | 210          | 194,007      |   |              |              |
| 7.25%, 5/01/27                                       | 420          | 383,153      |   |              |              |
|  |              |              | <b>Guam 1.1%</b>  |              |              |
|  |              |              | Territory of Guam, GO, Series A:  |              |              |
|  |              |              | 6.00%, 11/15/19   | 200          | 208,258      |
| <b>California 17.8%</b>                              |              |              | 6.75%, 11/15/29   | 355          | 379,829      |
| Bay Area Toll Authority, RB, San Francisco Bay Area, |              |              | 7.00%, 11/15/39   | 365          | 394,507      |
| Series F 1, 5.63%, 4/01/44                           | 720          | 775,411      |   |              | 982,594      |
| California County Tobacco Securitization Agency, RB, |              |              |   |              |              |
| CAB, Stanislaus, Sub-Series C, 6.30%, 6/01/55 (a)    | 3,095        | 37,976       |   |              |              |
| Los Angeles Unified School District, California, GO, |              |              | <b>Illinois 6.7%</b>  |              |              |
| Series D, 5.00%, 7/01/26                             | 1,585        | 1,666,801    | CenterPoint Intermodal Center Program Trust, Tax  |              |              |
| San Francisco City & County Public Utilities         |              |              | Allocation Bonds, Class A, 10.00%, 6/15/23 (d)  | 850          | 447,151      |
| Commission, RB, Series B, 5.00%, 11/01/39            | 2,965        | 3,009,327    | Illinois Educational Facilities Authority, RB, Northwestern University, 5.00%, 12/01/33 |              |              |
| State of California, GO, Various Purpose:            |              |              |   | 5,000        | 5,120,300    |
| 6.50%, 4/01/33                                       | 650          | 718,387      |   |              |              |

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|  |        |            |   |        |           |
|--|--------|------------|---|--------|-----------|
|  |        |            | Illinois Finance Authority,<br>RB:                            |        |           |
| (CIFG), 5.00%, 3/01/33                                       | 5,000  | 4,691,950  | Friendship Village Schaumburg, Series A,                      |        |           |
| University of California, RB, Limited<br>Project, Series B,  |        |            | 5.63%, 2/15/37  | 145    | 114,706   |
| 4.75%, 5/15/38   | 1,835  | 1,746,883  | MJH Education Assistance IV, Sub-Series B,                    |        |           |
| West Valley-Mission Community College<br>District, GO,       |        |            | 5.38%, 6/01/35 (e)(f)   | 300    | 21,300    |
| Election of 2004, Series A (FSA), 4.75%,<br>8/01/30          | 3,350  | 3,368,995  | Monarch Landing Inc. Facilities, Series A,<br>7.00%, 12/01/37 | 575    | 287,500   |
|  |        | 16,015,730 |   |        |           |
|  |        |            |   |        | 5,990,957 |
| <b>Colorado 6.6%</b>   |        |            |   |        |           |
| City of Colorado Springs Colorado, RB,<br>Subordinate Lien,  |        |            | <b>Indiana 1.7%</b>   |        |           |
| Improvement, Series C (FSA), 5.00%,<br>11/15/45              | 395    | 399,503    | Indiana Finance Authority,<br>RB:                             |        |           |
| Colorado Health Facilities Authority, RB,<br>Series C (FSA), |        |            | Refunding, Duke Energy, Series C, 4.95%,<br>10/01/40          | 930    | 886,699   |
| 5.25%, 3/01/40   | 600    | 598,326    | Sisters of St. Francis Health, 5.25%, 11/01/39<br>(b)         | 270    | 261,678   |
| Colorado Health Facilities Authority,<br>Refunding RB,       |        |            | Indiana Municipal Power Agency, Indiana, RB,<br>Indiana       |        |           |
| Catholic Healthcare, Series A (b):                           |        |            | Muni Power Agency Series B, 6.00%, 1/01/39                    | 350    | 375,462   |
| 5.50%, 7/01/34   | 680    | 692,709    |   |        | 1,523,839 |
| 5.00%, 7/01/39   | 800    | 752,872    | <b>Kentucky 7.5%</b>  |        |           |
| Northwest Parkway Public Highway<br>Authority, Colorado,     |        |            | Kentucky Economic Development Finance<br>Authority,           |        |           |
| RB, CAB, Senior, Series B (FSA), 6.30%,<br>6/15/11 (a)(c)    | 10,000 | 3,063,200  | Refunding RB, Norton Healthcare Inc., Series B<br>(MBIA),     |        |           |
| Park Creek Metropolitan District, Colorado,<br>Refunding RB, |        |            | 6.20%, 10/01/24 (a)   | 17,480 | 6,771,926 |
| Senior, Limited Tax Property Tax, 5.50%,<br>12/01/37         | 440    | 407,475    |   |        |           |
|  |        |            | <b>Maryland 2.5%</b>  |        |           |
|  |        |            | Maryland Community Development<br>Administration,             |        |           |
|  |        | 5,914,085  | RB, Residential, Series A, AMT, 4.70%, 9/01/37                | 2,500  | 2,269,300 |
| <b>Connecticut 2.6%</b>                                      |        |            |   |        |           |
| Mashantucket Western Pequot Tribe, RB,<br>Sub-Series A,      |        |            | <b>Michigan 0.7%</b>  |        |           |
| 5.50%, 9/01/28   | 1,500  | 785,955    | Michigan State Hospital Finance Authority,<br>Michigan,       |        |           |
| Mashantucket Western Pequot Tribe,<br>Refunding RB,          |        |            | Refunding RB, Henry Ford Health System, Series<br>A,          |        |           |
| Sub-Series B, 5.75%, 9/01/27 (d)                             | 3,000  | 1,587,420  | 5.25%, 11/15/46   | 730    | 633,158   |

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2,373,375 **Missouri 1.9%**

Missouri Joint Municipal Electric Utility  
Commission, RB,

**District of Columbia 0.5%**

Metropolitan Washington DC Airports  
Authority Dulles

Plum Point Project (MBIA), 4.60%, 1/01/36 2,110 1,736,235

Toll Road, RB, First Senior Lien, Series

A:

**Multi-State 6.4%**

Charter Mac Equity Issuer Trust, 7.60%, 11/30/50

5.00%, 10/01/39 160 159,820 (d)(g) 2,000 2,078,300

5.25%, 10/01/44 250 256,305 MuniMae TE Bond Subsidiary LLC, 7.50%,  
6/30/49 (d)(g) 4,000 3,709,920

416,125 5,788,220

**Florida 9.2%**

Arborwood Community Development  
District, Special

**Nevada 1.0%**

County of Clark Nevada, Refunding RB,  
Alexander

Assessment, Master Infrastructure

Projects, Series B,

Dawson School, Nevada Project, 5.00%, 5/15/29 905 882,936

5.10%, 5/01/14 1,485 1,054,261

County of Orange Florida, Refunding RB,

**New Jersey 4.3%**

Middlesex County Improvement Authority, RB,  
Subordinate,

4.75%, 10/01/32 2,640 2,529,622

Heldrich Center Hotel, Series B, 6.25%, 1/01/37 645 118,654

See Notes to Financial Statements.

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## Schedule of Investments (continued)

### BlackRock Strategic Municipal Trust (BSD)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        | Municipal Bonds   | Par<br>(000) | Value      |
|--|--------------|--------------|---|--------------|------------|
| <b>Municipal Bonds</b>   |              |              |   |              |            |
| <b>New Jersey<br/>(concluded)</b>  |              |              | <b>Texas 16.9%</b>  |              |            |
| New Jersey EDA, RB, Cigarette Tax,<br>5.50%, 6/15/24   | \$ 2,480     | \$ 2,367,160 | Brazos River Authority, Refunding RB, AMT:<br>TXU Electric Co. Project, Series C, 5.75%,<br>5/01/36 \$                      | 730          | \$ 657,475 |
| New Jersey State Turnpike Authority, RB,<br>Series E,<br>5.25%, 1/01/40  | 1,355        | 1,416,070    | TXU Electric, Series A, 8.25%, 10/01/30   | 730          | 435,248    |
|  |              | 3,901,884    | City of Houston Texas, Refunding RB, Combined,<br>First Lien, Series A (AGC), 6.00%, 11/15/35                               | 2,730        | 3,103,355  |
| <b>New York 3.9%</b>   |              |              | Harris County-Houston Sports Authority,<br>Refunding RB, CAB, Senior Lien, Series A<br>(MBIA),<br>6.17%, 11/15/38 (a)       | 4,750        | 577,172    |
| Albany Industrial Development Agency,<br>RB, New<br>Covenant Charter School Project, Series<br>A,<br>7.00%, 5/01/35            | 315          | 199,590      | Houston Texas Airport Systems, Refunding ARB,<br>Senior Lien, Series A, 5.50%, 7/01/39                                      | 485          | 503,062    |
| New York City Industrial Development<br>Agency, RB,<br>American Airlines, JFK International<br>Airport, AMT,<br>7.75%, 8/01/31 | 3,000        | 2,895,810    | La Joya ISD, Texas, GO, 5.00%, 2/15/34<br>La Vernia Higher Education Finance Corp., RB,<br>KIPP Inc.,<br>6.38%, 8/15/44 (b) | 4,060        | 4,149,280  |
| New York Liberty Development Corp., RB,<br>Goldman<br>Sachs Headquarters, 5.25%, 10/01/35                                      | 465          | 454,928      | North Texas Tollway Authority, Refunding RB,<br>Second Tier,<br>Series F, 6.13%, 1/01/31                                    | 500          | 495,450    |
|  |              | 3,550,328    | State of Texas, GO, Refunding, Water Financial<br>Assistance, 5.75%, 8/01/22  | 1,025        | 1,064,545  |
| <b>North Carolina<br/>1.9%</b>   |              |              | Texas State Turnpike Authority, RB, CAB<br>(AMBAC),<br>6.05%, 8/15/31 (a)   | 500          | 516,570    |
| North Carolina Eastern Municipal Power<br>Agency,<br>North Carolina, RB, Series B, 5.00%,<br>1/01/26                           | 700          | 712,837      | University Health System, Series A (b):<br>5.00%, 6/01/39   | 15,000       | 3,745,050  |
| North Carolina Medical Care Commission,<br>RB, Duke<br>University Health System, Series A (b):<br>5.00%, 6/01/39               | 200          | 197,858      | City of Riverton Utah, RB, IHC Health Services<br>Inc.,<br>5.00%, 8/15/41 (b)   | 880          | 852,702    |
| North Carolina Municipal Power Agency,<br>RB, Number 1   | 340          | 342,965      |   |              |            |

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Catawba, North Carolina, Series A,  
5.00%, 1/01/30

**Virginia 3.4%**

|           |           |  |  |       |           |
|-----------|-----------|--|--|-------|-----------|
|           |           |  | City of Norfolk Virginia, Refunding RB, Series B<br>(AMBAC), |       |           |
| 1,685,313 |           |  | 5.50%, 2/01/31   | 420   | 400,735   |
|           |           |  | University of Virginia, Refunding RB, 5.00%,<br>6/01/40      | 2,500 | 2,637,300 |
|           |           |  |  |       | 3,038,035 |
| 1,880     | 1,514,491 |  |  |       |           |

**Ohio 2.5%**

Buckeye Tobacco Settlement Financing  
Authority,  
RB, Asset-Backed, Senior, Turbo, Series  
A-2,  
6.50%, 6/01/47

County of Montgomery Ohio, Refunding  
RB, Catholic

Healthcare, Series A, 5.00%, 5/01/39 (b)

800 756,424

**Washington 0.7%**

County of King Washington, Refunding RB (FSA),  
5.00%, 1/01/36

620 632,152

2,270,915

**Wisconsin 4.9%**

Wisconsin Health & Educational Facilities  
Authority,

RB, Ascension Health Senior Credit, Series A,

**Oklahoma 1.3%**

Tulsa Municipal Airport Trust Trustees,  
Oklahoma,

Refunding RB, Series A, AMT, 7.75%,  
6/01/35

1,225 1,167,401

5.00%, 11/15/31

4,330 4,383,692

**Pennsylvania**

**10.7%**

Allegheny County Hospital Development  
Authority, RB,

Health System, West Pennsylvania,  
Series A,

5.00%, 11/15/13

1,750 1,675,870

**Wyoming 1.2%**

County of Sweetwater, Wyoming, Refunding RB,  
Idaho

Power Co Project, 5.25%, 7/15/26

975 1,009,028

Wyoming Municipal Power Agency, Wyoming,  
RB,

Pennsylvania Economic Development  
Financing

Series A, 5.00%, 1/01/42

95 91,181

Authority, RB:

Amtrak Project, Series A, AMT, 6.13%,  
11/01/21

700 705,712

1,100,209

Amtrak Project, Series A, AMT, 6.25%,  
11/01/31

1,000 1,008,720

**Total Municipal Bonds 133.3%**

120,042,557

Amtrak Project, Series A, AMT, 6.50%,  
11/01/16

1,000 1,023,080

Aqua Pennsylvania Inc. Project, 5.00%,  
11/15/40 (a)(b)

600 595,866

**Municipal Bonds Transferred to**

Reliant Energy, Series A-12-22-04,  
AMT,

6.75%,  
12/01/36

2,000 2,041,740

**Tender Option Bond Trusts (h)**

Pennsylvania HFA, RB, Series 97A, AMT,  
4.60%, 10/01/27

420 393,910

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Pennsylvania Turnpike Commission, RB,  
Sub-Series B,

**Alabama 0.8%**

Alabama Special Care Facilities Financing  
Authority-

5.25%, 6/01/39

2,175 2,163,886

Birmingham, Refunding RB, Ascension Health  
Senior

9,608,784

Credit, Series C-2, 5.00%, 11/15/36

760

761,015

**Puerto Rico 2.1%**

Puerto Rico Sales Tax Financing Corp.,  
RB,

First Sub-Series A, 6.50%, 8/01/44

1,770 1,914,255

Southern California, Series A, 5.25%, 10/01/39

855

901,008

**South Carolina 3.3%**

South Carolina Jobs-EDA, RB, Palmetto  
Health, Series C,

7.00%, 8/01/13 (c)

2,500 2,954,022

Election 2001, Series A (FSA), 5.00%, 8/01/32  
San Diego Community College District, California,  
GO,

740

759,551

**South Dakota 1.0%**

South Dakota Health & Educational  
Facilities Authority,

South Dakota, RB, Sanford Health, 5.00%,  
11/01/40

910 869,996

Election of 2002, 5.25%, 8/01/33

553

580,974

2,241,533

**Colorado 2.2%**

Colorado Health Facilities Authority, RB, Catholic  
Health (FSA):

Series C3, 5.10%, 10/01/41

1,210

1,222,463

Series C7, 5.00%, 9/01/36

780

786,451

See Notes to Financial Statements.

2,008,914

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## Schedule of Investments (concluded)

## BlackRock Strategic Municipal Trust (BSD)

(Percentages shown are based on Net Assets)

| Municipal Bonds Transferred to   | Par      | Value        |  | Unrealized   |
|--|----------|--------------|--|--------------|
| Tender Option Bond Trusts (h)  | (000)    |              | Counterparty   | Depreciation |
| <b>Connecticut 3.6 %</b>   |          |              | (b) When-issued security.  |              |
| Connecticut State Health & Educational Facility Authority,   |          |              |  |              |
| RB, Yale University:   |          |              |  |              |
| Series T1, 4.70%, 7/01/29  | \$ 1,580 | \$ 1,665,162 |  |              |
| Series X3, 4.85%, 7/01/37  | 1,540    | 1,602,924    | Citibank NA  | \$ (3,970)   |
|  |          | 3,268,086    | JPMorgan Securities, Inc.  | \$ (13,455)  |
|  |          |              | Jeffries & Co.   | \$ (10,008)  |
| <b>Illinois 1.6%</b>   |          |              |  |              |
| Chicago New Public Housing Authority, Illinois,  |          |              | Merrill Lynch & Co.  | \$ (386)     |
| Refunding RB (FSA), 5.00%, 7/01/24   | 1,424    | 1,460,883    | Morgan Stanley Capital Services, Inc.  | \$ (36,060)  |
|  |          |              | RBC Capital  | \$ (2,062)   |
|  |          |              | S. Nicolaus & Co.  | \$ (688)     |
| <b>Massachusetts 2.2%</b>  |          |              |  |              |
| Massachusetts Water Resources Authority, Refunding RB,   |          |              |  |              |
| Generation, Series A, 5.00%, 8/01/41   | 1,980    | 2,007,027    | (c) US government securities, held in escrow, are used to pay interest on this security as well as to retire the bond in full at the date indicated, typically at a premium to par.  |              |
| <b>New Hampshire 0.8%</b>  |          |              |  |              |
| New Hampshire Health & Education Facilities Authority,   |          |              | (d) Security exempt from registration under Rule 144A of the Securities Act of 1933.   |              |
| Refunding RB, Dartmouth College, 5.25%, 6/01/39  | 645      | 689,763      | These securities may be resold in transactions exempt from registration to qualified institutional investors.  |              |
| <b>New York 0.6%</b>   |          |              |  |              |
| New York City Municipal Water Finance Authority, RB,   |          |              | (e) Issuer filed for bankruptcy and/or is in default of interest payments.   |              |
| Series FF-2, 5.50%, 6/15/40  | 510      | 552,673      | (f) Non-income producing security.   |              |
| <b>Tennessee 1.5%</b>  |          |              |  |              |
| Shelby County Health Educational & Housing Facilities Board, Refunding RB, Saint Jude's Children's Research Hospital, 5.00%, 7/01/31 | 1,280    | 1,299,482    | (g) Security represents a beneficial interest in a trust. The collateral deposited into the trust is federally tax-exempt revenue bonds issued by various state or local governments, or their respective agencies or authorities. The security is subject to remarketing prior to its stated maturity and is subject to mandatory redemption at maturity. |              |
| <b>Texas 2.5%</b>  |          |              |  |              |
| County of Harris Texas, RB, Senior Lien, Toll Road, Series A, 5.00%, 8/15/38   | 2,140    | 2,201,632    | (h) 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   |              |

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**Virginia 3.4%**

Virginia HDA, RB, Sub-Series H-1 (MBIA),  
5.35%, 7/01/31 1,125 1,136,711

University of Virginia, Refunding RB,  
5.00%, 6/01/40 1,790 1,888,307  
3,025,018

**Washington 3.8%**

Central Puget Sound Regional Transportation  
Authority,  
Washington, RB, Series A (FSA), 5.00%,  
11/01/32 900 928,556  
State of Washington, GO, Various  
Purpose, Series E,  
5.00%, 2/01/34 2,400 2,498,592

**Total Municipal Bonds Transferred to  
Tender Option Bond Trusts 25.5%** 22,943,174

**Total Long-Term Investments**  
**(Cost \$149,713,666) 158.8%** 142,985,731

**Short-Term Securities** **Shares**  
FFI Institutional Tax-Exempt Fund, 0.23%  
(i)(j) 5,800,097 5,800,097

**Total Short-Term Securities**  
**(Cost \$5,800,097) 6.4%** 5,800,097

**Total Investments (Cost \$155,513,763\*)**  
**165.2%** 148,785,828

**Liabilities in Excess of Other Assets**  
**(3.6%)** (3,239,095)

**Liability for Trust Certificates, Including**  
**Interest**  
**Expense and Fees Payable (13.9%)** (12,517,480)

for details of municipal bonds transferred to tender option  
bond trusts.

(i) Investments in companies considered to be an affiliate of the Trust, for  
purposes of

Section 2(a)(3) of the Investment Company Act of 1940,  
were as follows:

| Affiliate | Net Activity | Income |
|-----------|--------------|--------|
|-----------|--------------|--------|

|                                   |             |          |
|-----------------------------------|-------------|----------|
| FFI Institutional Tax-Exempt Fund | \$5,498,900 | \$ 5,284 |
|-----------------------------------|-------------|----------|

(j) 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

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 methodology used for valuing securities are not  
necessarily an indica-

tion of the risk associated with investing in those securities. For  
information about

the Trust's policy regarding valuation of investments and other

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significant accounting

**Preferred Shares, at Redemption Value**  
**(47.7)%**

(42,977,011) policies, please refer to Note 1 of the Notes to Financial Statements.

**Net Assets Applicable to Common**  
**Shares 100.0%**

\$ 90,052,242 The following table summarizes the inputs used as of October 31, 2009 in deter-

mining the fair valuation of the Trust s  
investments:

\* The cost and unrealized appreciation (depreciation) of investments as of October 31,

2009, as computed for federal income tax purposes, were as follows:

**Investments**  
**in**

|                               |                |
|-------------------------------|----------------|
| Aggregate cost                | \$142,568,551  |
| Gross unrealized appreciation | \$ 3,047,423   |
| Gross unrealized depreciation | (9,336,529)    |
| Net unrealized depreciation   | \$ (6,289,106) |

**Valuation Inputs**

**Securities**  
**Assets**

|         |                                    |              |
|---------|------------------------------------|--------------|
| Level 1 | Short-Term Securities              | \$ 5,800,097 |
| Level 2 | Long-Term Investments <sup>1</sup> | 142,985,731  |
| Level 3 |                                    |              |

(a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.

**Total** \$148,785,828

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

See Notes to Financial Statements.

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## Statements of Assets and Liabilities

|  | BlackRock<br>Investment<br>Quality<br>Municipal Trust<br>Inc.<br>(BKN) | BlackRock<br>Long-Term<br>Municipal<br>Advantage<br>Trust<br>(BTA) | BlackRock<br>Municipal<br>2020 Term<br>Trust<br>(BKK) | BlackRock<br>Municipal<br>Income Trust<br>(BFK) | BlackRock<br>Pennsylvania<br>Strategic<br>Municipal<br>Trust<br>(BPS) | BlackRock<br>Strategic<br>Municipal<br>Trust<br>(BSD) |
|--|--|--|---|---|---|---|
| <b>October 31, 2009 (Unaudited)</b>  |  |  |   |   |   |   |
| <b>Assets</b>  |  |  |   |   |   |   |
|  |  |  | \$  |   |   | \$  |
| Investments at value unaffiliated <sup>1</sup>                                     | \$ 355,874,764   | 227,637,202  | \$ 448,721,372  | \$ 897,474,178                                  | \$ 42,637,614   | 142,985,731   |
| Investments at value affiliated <sup>2</sup>                                       | 6,700,551  | 2,200,175  | 3,400,644   | 17,102,993                                      | 1,200,162   | 5,800,097   |
| Cash   | 93,687   | 84,434   | 36,949  | 29,990  | 92,728  | 51,157  |
| Cash collateral on financial futures contracts                                     | 215,520  | 108,000  |   |   | 25,920  | 69,120  |
| Interest receivable  | 5,617,266  | 3,973,157  | 7,676,267   | 14,841,184                                      | 695,369   | 2,274,953   |
| Investments sold<br>receivable   | 290,766  | 65,966   | 115,000   | 403,412   |   | 85,000  |
| Income receivable<br>affiliated  | 215  | 71   | 180   | 632   | 25  | 41  |
| Prepaid expenses   | 45,372   | 39,289   | 50,918  | 124,733   | 3,311   | 19,211  |
| Other assets   | 46,441   | 10,690   | 37,362  | 141,667   | 3,870   | 8,791   |
| <b>Total assets</b>  | <b>368,884,582</b>   | <b>234,118,984</b>   | <b>460,038,692</b>                                    | <b>930,118,789</b>                              | <b>44,658,999</b>   | <b>151,294,101</b>                                    |
| <b>Accrued Liabilities</b>   |  |  |   |   |   |   |
| Investments purchased payable  | 9,743,410  | 4,990,350  | 3,195,080   | 28,580,351                                      | 313,763   | 5,103,843   |
| Income dividends payable Common Shares   | 1,381,605  | 767,346  | 1,259,730   | 3,482,298                                       | 129,501   | 510,248   |
| Investment advisory fees payable   | 111,626  | 77,653   | 201,060   | 439,338   | 23,178  | 77,411  |
| Administration fees<br>payable   | 47,921   |  |   |   |   |   |
| Officers and Trustees fees payable   | 47,728   | 11,842   | 38,802  | 142,637   | 4,703   | 9,837   |
| Interest expense and fees payable  | 11,336   | 290,873  | 32  | 65,825  | 438   | 11,097  |
| Other affiliates payable   |  | 1,416  | 2,904   | 5,700   | 273   | 829   |
| Other accrued expenses payable   | 93,237   | 64,347   | 67,482  | 129,140   | 36,107  | 45,200  |
| <b>Total accrued liabilities</b>   | <b>11,436,863</b>  | <b>6,203,827</b>   | <b>4,765,090</b>                                      | <b>32,845,289</b>                               | <b>507,963</b>  | <b>5,758,465</b>                                      |
| <b>Other Liabilities</b>   |  |  |   |   |   |   |
| Trust certificates <sup>3</sup>  | 11,137,401   | 84,715,000   | 3,750,000   | 68,583,502                                      | 500,000   | 12,506,383  |
| <b>Total Liabilities</b>   | <b>22,574,264</b>  | <b>90,918,827</b>  | <b>8,515,090</b>                                      | <b>101,428,791</b>                              | <b>1,007,963</b>  | <b>18,264,848</b>                                     |
| <b>Preferred Shares at Redemption Value</b>  |  |  |   |   |   |   |
| \$25,000 per share liquidation preference, plus<br>unpaid dividends <sup>4,5</sup> | 125,957,367  |  | 173,861,498   | 270,890,746                                     | 16,325,762  | 42,977,011  |
| <b>Net Assets Applicable to Common<br/>Shareholders</b>                            | <b>\$ 220,352,951</b>  | <b>143,200,157</b>   | <b>\$ 277,662,104</b>                                 | <b>\$ 557,799,252</b>                           | <b>\$ 27,325,274</b>  | <b>\$ 90,052,242</b>                                  |
| <b>Net Assets Applicable to Common<br/>Shareholders Consist of</b>                 |  |  |   |   |   |   |

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|  |                |              |                |                |               |               |    |
|--|----------------|--------------|----------------|----------------|---------------|---------------|----|
|  |                |              | \$             |                |               |               | \$ |
| Paid-in capital <sup>6,7,8</sup>   | \$ 235,595,564 | 190,789,578  | \$ 287,184,576 | \$ 629,126,544 | \$ 28,487,095 | 103,356,106   |    |
| Undistributed net investment income  | 4,298,198      | 2,096,277    | 7,216,555      | 9,415,169      | 511,714       | 1,357,329     |    |
| Accumulated net realized loss  | (10,750,590)   | (34,054,981) | (1,692,353)    | (48,530,769)   | (1,852,951)   | (7,933,258)   |    |
| Net unrealized appreciation/depreciation   | (8,790,221)    | (15,630,717) | (15,046,674)   | (32,211,692)   | 179,416       | (6,727,935)   |    |
| <b>Net Assets Applicable to Common Shareholders</b>  |                |              | \$             |                |               |               | \$ |
|  | \$ 220,352,951 | 143,200,157  | \$ 277,662,104 | \$ 557,799,252 | \$ 27,325,274 | \$ 90,052,242 |    |
| Net asset value per Common Share.  | \$ 13.00       | \$ 10.73     | \$ 13.72       | \$ 12.59       | \$ 13.50      | \$ 12.35      |    |
|  |                |              | \$             |                |               |               | \$ |
| <sup>1</sup> Investments at cost unaffiliated  | \$ 364,664,985 | 243,267,919  | \$ 463,768,046 | \$ 929,685,870 | \$ 42,458,198 | 149,713,666   |    |
| <sup>2</sup> Investments at cost affiliated  | \$ 6,700,551   | \$ 2,200,175 | \$ 3,400,644   | \$ 17,102,993  | \$ 1,200,162  | \$ 5,800,097  |    |
| <sup>3</sup> Represents short-term floating rate certificates issued by tender option bond trusts. |                |              |                |                |               |               |    |
| <sup>4</sup> Preferred Shares outstanding, par value \$0.001 per share                             | 5,038          |              | 6,954          | 10,835         | 653           | 1,719         |    |
| <sup>5</sup> Preferred Shares authorized   | 5,862          |              | Unlimited      | Unlimited      | Unlimited     | Unlimited     |    |
| <sup>6</sup> Par value per Common Share  | \$ 0.01        | \$ 0.001     | \$ 0.001       | \$ 0.001       | \$ 0.001      | \$ 0.001      |    |
| <sup>7</sup> Common Shares outstanding   | 16,952,209     | 13,345,152   | 20,236,628     | 44,304,048     | 2,023,459     | 7,289,261     |    |
| <sup>8</sup> Common Shares authorized  | 200 Million    | Unlimited    | Unlimited      | Unlimited      | Unlimited     | Unlimited     |    |

See Notes to Financial Statements.

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## Statements of Operations

|  | BlackRock<br>Investment            | BlackRock<br>Long-Term          | BlackRock                       | BlackRock                 | BlackRock<br>Pennsylvania       | BlackRock<br>Strategic |
|--|------------------------------------|---------------------------------|---------------------------------|---------------------------|---------------------------------|------------------------|
|  | Quality<br>Municipal<br>Trust Inc. | Municipal<br>Advantage<br>Trust | Municipal<br>2020 Term<br>Trust | Municipal<br>Income Trust | Strategic<br>Municipal<br>Trust | Municipal<br>Trust     |
| Six Months Ended October 31, 2009<br>(Unaudited)   | (BKN)                              | (BTA)                           | (BKK)                           | (BFK)                     | (BPS)                           | (BSD)                  |
| <b>Investment Income</b>                           |                                    |                                 |                                 |                           |                                 |                        |
| Interest   | \$ 10,372,659                      | \$ 5,986,924                    | \$ 12,635,227                   | \$ 26,212,488             | \$ 1,122,357                    | \$ 4,198,107           |
| Income affiliated                                  | 18,481                             | 5,379                           | 7,362                           | 27,189                    | 320                             | 5,739                  |
| Total income                                       | 10,391,140                         | 5,992,303                       | 12,642,589                      | 26,239,677                | 1,122,677                       | 4,203,846              |
| <b>Expenses</b>                                    |                                    |                                 |                                 |                           |                                 |                        |
| Investment advisory                                | 616,789                            | 693,939                         | 1,114,565                       | 2,621,786                 | 129,461                         | 428,090                |
| Administration                                     | 264,337                            |                                 |                                 |                           |                                 |                        |
| Commissions for Preferred Shares                   | 94,092                             |                                 | 126,440                         | 200,788                   | 10,570                          | 30,523                 |
| Accounting services                                | 32,633                             | 21,894                          | 31,993                          | 62,475                    | 2,063                           | 14,189                 |
| Professional                                       | 26,746                             | 20,580                          | 26,707                          | 45,738                    | 18,145                          | 24,341                 |
| Printing   | 24,030                             | 11,207                          | 32,023                          | 59,481                    | 3,982                           | 10,994                 |
| Officer and Trustees                               | 19,387                             | 9,893                           | 20,646                          | 49,768                    | 2,315                           | 6,650                  |
| Transfer agent                                     | 18,409                             | 5,688                           | 15,318                          | 21,706                    | 21,796                          | 9,555                  |
| Custodian  | 10,486                             | 6,949                           | 12,040                          | 22,068                    | 2,476                           | 4,679                  |
| Registration                                       | 4,759                              | 4,514                           | 4,452                           | 7,713                     | 410                             | 4,392                  |
| Miscellaneous                                      | 36,444                             | 20,826                          | 30,906                          | 63,697                    | 12,952                          | 17,898                 |
| Total expenses excluding interest expense and fees | 1,148,112                          | 795,490                         | 1,415,090                       | 3,155,220                 | 204,170                         | 551,311                |
| Interest expense and fees <sup>1</sup>             | 33,973                             | 450,626                         | 11,319                          | 148,951                   | 1,107                           | 25,688                 |
| Total expenses                                     | 1,182,085                          | 1,246,116                       | 1,426,409                       | 3,304,171                 | 205,277                         | 576,999                |
| Less fees waived by advisor                        | (7,501)                            | (279,876)                       | (2,680)                         | (335,327)                 | (1,214)                         | (2,936)                |
| Total expenses after fees waived                   | 1,174,584                          | 966,240                         | 1,423,729                       | 2,968,844                 | 204,063                         | 574,063                |
| Net investment income                              | 9,216,556                          | 5,026,063                       | 11,218,860                      | 23,270,833                | 918,614                         | 3,629,783              |
| <b>Realized and Unrealized Gain (Loss)</b>         |                                    |                                 |                                 |                           |                                 |                        |
| Net realized gain (loss) from:                     |                                    |                                 |                                 |                           |                                 |                        |
| Investments  | (1,214,375)                        | (4,818,330)                     | 661,933                         | (4,533,202)               | (302,629)                       | (1,766,883)            |
| Financial futures contracts                        | (20,793)                           | (72,394)                        |                                 | 783,056                   | 15,072                          | 47,203                 |
|  | (1,235,168)                        | (4,890,724)                     | 661,933                         | (3,750,146)               | (287,557)                       | (1,719,680)            |
| Change in unrealized appreciation/depreciation     |                                    |                                 |                                 |                           |                                 |                        |
| on investments                                     | 23,268,143                         | 20,456,932                      | 30,215,774                      | 83,687,222                | 3,367,365                       | 11,430,362             |
| Total realized and unrealized gain                 | 22,032,975                         | 15,566,208                      | 30,877,707                      | 79,937,076                | 3,079,808                       | 9,710,682              |
| <b>Dividends to Preferred Shareholders</b>         |                                    |                                 |                                 |                           |                                 |                        |
| From   |                                    |                                 |                                 |                           |                                 |                        |

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|  |           |  |           |           |          |           |
|--|-----------|--|-----------|-----------|----------|-----------|
| Net investment income                                  | (329,664) |  | (447,238) | (720,090) | (42,683) | (116,020) |
| <b>Net Increase in Net Assets Applicable to Common</b> |           |  |           |           |          |           |

|   |               |            |               |                |              |            |    |
|---|---------------|------------|---------------|----------------|--------------|------------|----|
|   |               |            | \$            |                |              |            | \$ |
| <b>Shareholders Resulting from Operations</b> | \$ 30,919,867 | 20,592,271 | \$ 41,649,329 | \$ 102,487,819 | \$ 3,955,739 | 13,224,445 |    |

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

See Notes to Financial Statements.

|                    |  |  |  |             |  |  |    |
|--------------------|--|--|--|-------------|--|--|----|
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|                    |  |  |  | 2009        |  |  |    |

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## Statements of Changes in Net Assets

|   | BlackRock Investment Quality Municipal Trust Inc. (BKN) |                         |                              | BlackRock Long-Term Municipal Advantage Trust (BTA) |                         |                             |
|---|---|-------------------------|------------------------------|---|-------------------------|-----------------------------|
|   | Six Months Ended  | Period November 1, 2008 | Year Ended October 31, 2009  | Six Months Ended                                    | Period November 1, 2008 | Year Ended October 31, 2009 |
| <b>Increase (Decrease) in Net Assets:</b>   |   |                         |                              |   |                         |                             |
| <b>Operations</b>   |   |                         |                              |   |                         |                             |
| Net investment income   | \$ 9,216,556  | \$ 8,544,311            | \$ 18,150,327                | \$ 5,026,063  | \$ 4,504,862            | \$ 10,760,652               |
| Net realized loss   | (1,235,168)   | (4,525,056)             | (4,205,572)                  | (4,890,724)   | (6,911,767)             | (22,180,142)                |
| Net change in unrealized appreciation/depreciation  | 23,268,143  | 20,121,215              | (62,760,434)                 | 20,456,932  | 19,507,695              | (48,552,418)                |
| Dividends to Preferred Shareholders from net investment income                                    | (329,664)   | (776,524)               | (5,278,893)                  |   |                         |                             |
| Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations | 30,919,867  | 23,363,946              | (54,094,572)                 | 20,592,271  | 17,100,790              | (59,971,908)                |
| <b>Dividends to Common Shareholders From</b>  |   |                         |                              |   |                         |                             |
| Net investment income   | (7,665,264)   | (6,741,319)             | (15,020,485)                 | (4,470,626)   | (4,403,900)             | (8,807,800)                 |
| <b>Capital Share Transactions</b>   |   |                         |                              |   |                         |                             |
| Reinvestment of common dividends  | 287,284   |                         | 2,031,105                    |   |                         |                             |
| <b>Net Assets Applicable to Common Shareholders</b>   |   |                         |                              |   |                         |                             |
| Total increase (decrease) in net assets   | 23,541,887  | 16,622,627              | (67,083,952)                 | 16,121,645  | 12,696,890              | (68,779,708)                |
| Beginning of period   | 196,811,064   | 180,188,437             | 247,272,389                  | 127,078,512   | 114,381,622             | 183,161,330                 |
| End of period   | \$ 220,352,951  | \$ 196,811,064          | \$ 180,188,437               | \$ 143,200,157                                      | \$ 127,078,512          | \$ 114,381,622              |
| Undistributed net investment income   | \$ 4,298,198  | \$ 3,076,570            | \$ 2,054,424                 | \$ 2,096,277  | \$ 1,540,840            | \$ 1,424,388                |
|   | <b>BlackRock Municipal 2020 Term Trust (BKK)</b>        |                         |                              | <b>BlackRock Municipal income Trust (BFK)</b>       |                         |                             |
|   | Six Months Ended  | Period January 1, 2009  | Year Ended December 31, 2009 | Six Months Ended                                    | Period November 1, 2008 | Year Ended October 31, 2009 |



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| Increase (Decrease) in Net Assets:  | (Unaudited)        | 2009         | 2008           | (Unaudited)      | 2009          | 2008           |
|---|--------------------|--------------|----------------|------------------|---------------|----------------|
| <b>Operations</b>   |                    |              |                |                  |               |                |
| Net investment income   | \$ 11,218,860      | \$ 7,064,504 | \$ 22,005,731  | \$ 23,270,833    | \$ 22,838,597 | \$ 49,640,897  |
| Net realized gain (loss)  | 661,933            | 48,391       | 54,030         | (3,750,146)      | (2,136,165)   | (9,708,923)    |
| Net change in unrealized appreciation/depreciation  | 30,215,774         | 28,473,603   | (86,853,534)   | 83,687,222       | 28,233,438    | (184,440,555)  |
| Dividends to Preferred Shareholders from net investment income                                    | (447,238)          | (448,388)    | (5,989,683)    | (720,090)        | (1,535,815)   | (13,027,692)   |
| Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations | 41,649,329         | 35,138,110   | (70,783,456)   | 102,487,819      | 47,400,055    | (157,536,273)  |
| <b>Dividends to Common Shareholders From</b>  |                    |              |                |                  |               |                |
| Net investment income   | (7,558,381)        | (5,038,920)  | (15,116,761)   | (20,435,847)     | (18,194,578)  | (40,311,763)   |
| <b>Capital Share Transactions</b>   |                    |              |                |                  |               |                |
| Reinvestment of common dividends  |                    |              |                | 933,743          | 319,545       | 2,155,812      |
| <b>Net Assets Applicable to Common Shareholders</b>   |                    |              |                |                  |               |                |
| Total increase (decrease) in net assets   | 34,090,948         | 30,099,190   | (85,900,217)   | 82,985,715       | 29,525,022    | (195,692,224)  |
| Beginning of period   | 243,571,156        | 213,471,966  | 299,372,183    | 474,813,537      | 445,288,515   | 640,980,739    |
| End of period   | \$ 277,662,104     | 243,571,156  | \$ 213,471,966 | \$ 557,799,252   | 474,813,537   | \$ 445,288,515 |
| Undistributed net investment income   | \$ 7,216,555       | \$ 4,003,314 | \$ 2,426,118   | \$ 9,415,169     | \$ 7,300,273  | \$ 4,201,196   |
| See Notes to Financial Statements.  |                    |              |                |                  |               |                |
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## Statements of Changes in Net Assets (concluded)

|  | BlackRock Pennsylvania Strategic Municipal<br>Trust (BPS) |  |                                    | BlackRock Strategic Municipal Trust (BSD)                 |  |                                       |
|--|---|--|------------------------------------|---|--|---------------------------------------|
|  | Six Months<br>Ended<br>October 31,<br>2009<br>(Unaudited) | Period<br>January 1,<br>2009<br>to April 30,<br>2009 | Year Ended<br>December 31,<br>2008 | Six Months<br>Ended<br>October 31,<br>2009<br>(Unaudited) | Period<br>January 1,<br>2009<br>to April 30,<br>2009 | Year Ended<br>December<br>31,<br>2008 |
| <b>Increase (Decrease) in Net Assets:</b>  |   |  |                                    |   |  |                                       |
| <b>Operations</b>  |   |  |                                    |   |  |                                       |
| Net investment income  | \$ 918,614  | \$ 540,466   | \$ 1,801,648                       | \$ 3,629,783  | \$ 2,354,066   | \$ 7,433,389                          |
| Net realized loss  | (287,557)   | (220,388)  | (1,066,925)                        | (1,719,680)   | (202,367)  | (4,074,584)                           |
| Net change in unrealized<br>appreciation/depreciation  | 3,367,365   | 2,311,593  | (5,698,117)                        | 11,430,362  | 7,424,734  | (27,351,787)                          |
| Dividends to Preferred Shareholders from<br>net<br>investment income                                       | (42,683)  | (42,935)   | (573,868)                          | (116,020)   | (121,851)  | (1,866,936)                           |
| Net increase (decrease) in net assets<br>applicable to<br>Common Shareholders resulting from<br>operations | 3,955,739   | 2,588,736  | (5,537,262)                        | 13,224,445  | 9,454,582  | (25,859,918)                          |
| <b>Dividends to Common Shareholders<br/>From</b>   |   |  |                                    |   |  |                                       |
| Net investment income  | (653,577)   | (364,223)  | (1,244,164)                        | (3,006,554)   | (1,822,006)  | (5,920,231)                           |
| <b>Capital Share Transactions</b>  |   |  |                                    |   |  |                                       |
| Reinvestment of common dividends   |   |  | 19,724                             | 14,173  |  | 86,152                                |
| <b>Net Assets Applicable to Common<br/>Shareholders</b>  |   |  |                                    |   |  |                                       |
| Total increase (decrease) in net assets  | 3,302,162   | 2,224,513  | (6,761,702)                        | 10,232,064  | 7,632,576  | (31,693,997)                          |
| Beginning of period  | 24,023,112  | 21,798,599   | 28,560,301                         | 79,820,178  | 72,187,602   | 103,881,599                           |
| End of period  | \$ 27,325,274   | \$ 24,023,112  | \$ 21,798,599                      | \$ 90,052,242   | \$ 79,820,178  | \$ 72,187,602                         |
| Undistributed net investment income  | \$ 511,714  | \$ 289,360   | \$ 156,046                         | \$ 1,357,329  | \$ 850,120   | \$ 444,294                            |

See Notes to Financial Statements.

## Statement of Cash Flows

BlackRock Long-Term Municipal Advantage Trust (BTA)

Six Months Ended October 31, 2009 (Unaudited)

| <b>Cash Used for Operating Activities</b>  |               |
|--|---------------|
| Net increase in net assets resulting from operations   | \$ 20,592,271 |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash used for operating activities: |               |
| Decrease in interest receivable  | 73,219        |
| Increase in other assets   | (2,501)       |
| Increase in income receivable - affiliated   | (10)          |
| Increase in investment advisory fees payable   | 16,857        |
| Decrease in interest expense and fees payable  | (257,667)     |
| Increase in other affiliates payable   | 639           |
| Decrease in accrued expenses payable   | (18,968)      |
| Increase in Officers and Trustees fees payable   | 2,790         |
| Net realized and unrealized gain   | (15,638,602)  |
| Amortization of premium and discount on investments  | 217,314       |
| Cash held as collateral  | (108,000)     |
| Proceeds from sales and paydowns of long-term investments  | 46,398,151    |
| Purchases of long-term investments   | (51,591,175)  |
| Net purchases of short-term securities   | (799,990)     |
| Cash used for operating activities   | (1,115,672)   |
| <b>Cash Provided by Financing Activities</b>   |               |
| Cash receipts from trust certificates  | 8,105,000     |
| Cash payments from trust certificates  | (2,525,000)   |
| Cash dividends paid to Common Shareholders   | (4,437,263)   |
| Cash provided by financing activities  | 1,142,737     |
| <b>Cash</b>  |               |
| Net increase in cash   | 27,065        |
| Cash at beginning of period  | 57,369        |
| Cash at end of period  | \$ 84,434     |

**Cash Flow Information**

|  |            |
|--|------------|
| Cash paid during the period for interest | \$ 708,293 |
|--|------------|

A Statement of Cash Flows is presented when a Trust had a significant amount of borrowing during the period based on the average borrowing outstanding

in relation to total assets.

See Notes to Financial Statements.



## Financial Highlights

|   | Six Months<br>Ended<br>October 31,<br>2009<br>(Unaudited) | Period<br>November<br>1,<br>2008 to<br>April 30,<br>2009 | 2008              | Year Ended October<br>31, |            |            |            |
|---|---|--|-------------------|---------------------------|------------|------------|------------|
|   |   |  | 2007              | 2006                      | 2005       | 2004       |            |
| <b>Per Share Operating Performance</b>  |   |  |                   |                           |            |            |            |
| Net asset value, beginning of period  | \$ 11.63  | \$ 10.64   | \$ 14.73          | \$ 15.79                  | \$ 15.59   | \$ 15.71   | \$ 15.28   |
| Net investment income   | 0.54 <sup>1</sup>   | 0.50 <sup>1</sup>  | 1.08 <sup>1</sup> | 1.08                      | 1.10       | 1.14       | 1.17       |
| Net realized and unrealized gain (loss)   | 1.32  | 0.94   | (3.97)            | (0.79)                    | 0.44       | (0.11)     | 0.26       |
| Dividends to Preferred Shareholders from<br>net investment income   | (0.02)  | (0.05)   | (0.31)            | (0.32)                    | (0.28)     | (0.19)     | (0.09)     |
| Net increase (decrease) from investment<br>operations   | 1.84  | 1.39   | (3.20)            | (0.03)                    | 1.26       | 0.84       | 1.34       |
| Dividends to Common Shareholders from<br>net investment income  | (0.47)  | (0.40)   | (0.89)            | (1.03)                    | (1.06)     | (0.96)     | (0.91)     |
| Net asset value, end of period  | \$ 13.00  | \$ 11.63   | \$ 10.64          | \$ 14.73                  | \$ 15.79   | \$ 15.59   | \$ 15.71   |
| Market price, end of period   | \$ 13.56  | \$ 11.35   | \$ 10.25          | \$ 16.35                  | \$ 18.97   | \$ 16.62   | \$ 15.12   |
| <b>Total Investment Return<sup>2</sup></b>  |   |  |                   |                           |            |            |            |
| Based on net asset value  | 15.88% <sup>3</sup>                                       | 13.63% <sup>3</sup>                                      | (22.93)%          | (0.95)%                   | 7.38%      | 5.34%      | 9.48%      |
| Based on market price   | 23.85% <sup>3</sup>                                       | 15.12% <sup>3</sup>                                      | (33.11)%          | (8.49)%                   | 21.06%     | 16.68%     | 12.91%     |
| <b>Ratios to Average Net Assets Applicable to Common<br/>Shareholders</b>   |   |  |                   |                           |            |            |            |
| Total expenses <sup>4</sup>   | 1.11% <sup>5</sup>  | 1.29% <sup>5</sup>                                       | 1.19%             | 1.08%                     | 1.09%      | 1.08%      | 1.08%      |
| Total expenses after fees waived and before<br>fees<br>paid indirectly <sup>4</sup>                               | 1.10% <sup>5</sup>  | 1.28% <sup>5</sup>                                       | 1.19%             | 1.07%                     | 1.09%      | 1.08%      | 1.08%      |
| Total expenses after fees waived and paid<br>indirectly <sup>4</sup>  | 1.10% <sup>5</sup>  | 1.28% <sup>5</sup>                                       | 1.17%             | 1.07%                     | 1.09%      | 1.08%      | 1.08%      |
| Total expenses after fees waived and paid<br>indirectly<br>and excluding interest expense and fees <sup>4,6</sup> | 1.07% <sup>5</sup>  | 1.20% <sup>5</sup>                                       | 1.07%             | 1.07%                     | 1.09%      | 1.08%      | 1.08%      |
| Net investment income <sup>4</sup>  | 8.64% <sup>5</sup>  | 9.53% <sup>5</sup>                                       | 7.84%             | 7.06%                     | 7.09%      | 7.21%      | 7.59%      |
| Dividends to Preferred Shareholders   | 0.31% <sup>5</sup>  | 0.87% <sup>5</sup>                                       | 2.28%             | 2.07%                     | 1.81%      | 1.17%      | 0.60%      |
| Net investment income to Common<br>Shareholders   | 8.33% <sup>5</sup>  | 8.66% <sup>5</sup>                                       | 5.56%             | 4.99%                     | 5.28%      | 6.04%      | 9.66%      |
| <b>Supplemental Data</b>  |   |  |                   |                           |            |            |            |
| Net assets applicable to Common Shareholders,<br>end of period (000)  | \$ 220,353  | \$ 196,811   | \$ 180,188        | \$ 247,272                | \$ 263,878 | \$ 260,494 | \$ 262,475 |
| Preferred Shares outstanding at \$25,000<br>liquidation<br>preference, end of period (000)                        | \$ 125,950  | \$ 126,950   | \$ 126,950        | \$ 146,550                | \$ 146,550 | \$ 146,550 | \$ 146,550 |

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|  |           |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Portfolio turnover   | 22%       | 26%       | 26%       | 17%       | 82%       | 77%       | 52%       |
| Asset coverage per Preferred Share at \$25,000 liquidation preference, end of period | \$ 68,740 | \$ 63,762 | \$ 60,495 | \$ 67,185 | \$ 70,054 | \$ 69,465 | \$ 69,790 |

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

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

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

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

<sup>5</sup> Annualized.

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

See Notes to Financial Statements.

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## Financial Highlights

BlackRock Long-Term Municipal  
Advantage Trust (BTA)

|   | Six Months<br>Ended<br>October 31,<br>2009<br>(Unaudited) | Period<br>November<br>1,<br>2008 to<br>April 30,<br>2009 | Period<br>November<br>1,<br>2008 to<br>October<br>31,<br>2008 | Year<br>Ended<br>October<br>2007 | Period<br>February 28,<br>2006 <sup>1</sup> to<br>October 31,<br>2006 |
|---|---|--|---|----------------------------------|---|
| <b>Per Share Operating Performance</b>  |   |  |   |                                  |   |
| Net asset value, beginning of period  | \$ 9.52   | \$ 8.57  | \$ 13.72  | \$ 14.89                         | \$ 14.33 <sup>2</sup>   |
| Net investment income   | 0.38 <sup>3</sup>   | 0.34 <sup>3</sup>  | 0.81 <sup>3</sup>   | 0.70                             | 0.45  |
| Net realized and unrealized gain (loss)   | 1.17  | 0.94   | (5.30)  | (1.15)                           | 0.62  |
| Net increase (decrease) from investment operations  | 1.55  | 1.28   | (4.49)  | (0.45)                           | 1.07  |
| Dividends from net investment income  | (0.34)  | (0.33)   | (0.66)  | (0.72)                           | (0.48)  |
| Capital charges with respect to issuance of Common Shares   |   |  |   |                                  | (0.03)  |
| Net asset value, end of period  | \$ 10.73  | \$ 9.52  | \$ 8.57   | \$ 13.72                         | \$ 14.89  |
| Market price, end of period   | \$ 9.88   | \$ 8.79  | \$ 8.40   | \$ 12.14                         | \$ 14.70  |
| <b>Total Investment Return<sup>4</sup></b>  |   |  |   |                                  |   |
| Based on net asset value  | 16.69% <sup>5</sup>                                       | 15.78% <sup>5</sup>                                      | (33.64)%  | (2.93)%                          | 7.48% <sup>5</sup>  |
| Based on market price   | 16.37% <sup>5</sup>                                       | 9.06% <sup>5</sup>                                       | (26.49)%  | (13.00)%                         | 1.40% <sup>5</sup>  |
| <b>Ratios to Average Net Assets</b>   |   |  |   |                                  |   |
| Total expenses  | 1.80% <sup>6</sup>  | 2.95% <sup>6</sup>                                       | 4.00%   | 4.69%                            | 4.55% <sup>6</sup>  |
| Total expenses after fees waived and before fees paid indirectly  | 1.39% <sup>6</sup>  | 2.55% <sup>6</sup>                                       | 3.60%   | 4.29%                            | 4.14% <sup>6</sup>  |
| Total expenses after fees waived and paid indirectly  | 1.39% <sup>6</sup>  | 2.55% <sup>6</sup>                                       | 3.60%   | 4.29%                            | 4.11% <sup>6</sup>  |
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees <sup>7</sup> | 0.74% <sup>6</sup>  | 0.82% <sup>6</sup>                                       | 0.83%   | 0.89%                            | 0.97% <sup>6</sup>  |
| Net investment income   | 7.24% <sup>6</sup>  | 7.88% <sup>6</sup>                                       | 6.56%   | 4.87%                            | 4.79% <sup>6</sup>  |
| <b>Supplemental Data</b>  |   |  |   |                                  |   |
| Net assets, end of period (000)   | \$ 143,200  | \$ 127,079   | \$ 114,382  | \$ 183,161                       | \$ 198,137  |
| Portfolio turnover  | 21%   | 15%  | 16%   | 39%                              | 20%   |

<sup>1</sup> Commencement of operations. This information includes the initial investment of BlackRock Funding, Inc.

<sup>2</sup> Net asset value, beginning of period, reflects a deduction of \$0.675 per sales charge from the initial offering price of \$15.00 per share.

<sup>3</sup> Based on average shares outstanding.

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<sup>4</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable,

total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

<sup>5</sup> Aggregate total investment return.

<sup>6</sup> Annualized.

<sup>7</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option

bond trusts.

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BlackRock Municipal 2020 Term Trust  
(BKK)

## Financial Highlights

|   | Six Months<br>Ended<br>October 31,<br>2009<br>(Unaudited) | Period<br>January<br>1,<br>2009 to<br>April 30,<br>2009 | 2008                       | 2007       | 2006       | 2005       | 2004       |
|---|---|---|----------------------------|------------|------------|------------|------------|
|   |   |   | Year Ended December<br>31, |            |            |            |            |
| <b>Per Share Operating Performance</b>  |   |   |                            |            |            |            |            |
| Net asset value, beginning of period  | \$ 12.04  | \$ 10.55  | \$ 14.79                   | \$ 15.77   | \$ 15.28   | \$ 14.85   | \$ 14.51   |
| Net investment income   | 0.55 <sup>1</sup>   | 0.35 <sup>1</sup>                                       | 1.09 <sup>1</sup>          | 1.12       | 1.10       | 1.11       | 1.10       |
| Net realized and unrealized gain (loss)   | 1.52  | 1.41  | (4.28)                     | (0.97)     | 0.48       | 0.39       | 0.28       |
| Dividends to Preferred Shareholders from<br>net investment income   | (0.02)  | (0.02)  | (0.30)                     | (0.33)     | (0.29)     | (0.20)     | (0.10)     |
| Net increase (decrease) from investment<br>operations   | 2.05  | 1.74  | (3.49)                     | (0.18)     | 1.29       | 1.30       | 1.28       |
| Dividends to Common Shareholders from<br>net investment income  | (0.37)  | (0.25)  | (0.75)                     | (0.80)     | (0.80)     | (0.87)     | (0.94)     |
| Net asset value, end of period  | \$ 13.72  | \$ 12.04  | \$ 10.55                   | \$ 14.79   | \$ 15.77   | \$ 15.28   | \$ 14.85   |
| Market price, end of period   | \$ 14.47  | \$ 12.70  | \$ 10.57                   | \$ 13.60   | \$ 15.77   | \$ 14.00   | \$ 15.02   |
| <b>Total Investment Return<sup>2</sup></b>  |   |   |                            |            |            |            |            |
| Based on net asset value  | 17.08% <sup>3</sup>                                       | 16.39% <sup>3</sup>                                     | (24.57)%                   | (1.16)%    | 8.72%      | 8.98%      | 8.98%      |
| Based on market price   | 17.06% <sup>3</sup>                                       | 22.54% <sup>3</sup>                                     | (17.81)%                   | (9.11)%    | 18.66%     | (1.28)%    | 6.63%      |
| <b>Ratios to Average Net Assets Applicable to Common<br/>Shareholders</b>   |   |   |                            |            |            |            |            |
| Total expenses <sup>4</sup>   | 1.07% <sup>5</sup>  | 1.23% <sup>5</sup>                                      | 1.12%                      | 1.06%      | 1.07%      | 1.09%      | 1.09%      |
| Total expenses after fees waived and paid<br>indirectly <sup>4</sup>  | 1.06% <sup>5</sup>  | 1.23% <sup>5</sup>                                      | 1.12%                      | 1.05%      | 1.07%      | 1.08%      | 1.09%      |
| Total expenses after fees waived and paid<br>indirectly and<br>excluding interest expense and fees <sup>4,6</sup> | 1.06% <sup>5</sup>  | 1.21% <sup>5</sup>                                      | 1.10%                      | 1.05%      | 1.07%      | 1.08%      | 1.09%      |
| Net investment income <sup>4</sup>  | 8.44% <sup>5</sup>  | 9.28% <sup>5</sup>                                      | 8.01%                      | 7.27%      | 7.09%      | 7.27%      | 7.67%      |
| Dividends to Preferred Shareholders   | 0.34% <sup>5</sup>  | 0.59% <sup>5</sup>                                      | 2.18%                      | 2.14%      | 1.89%      | 1.34%      | 0.72%      |
| Net investment income to Common<br>Shareholders   | 8.10% <sup>5</sup>  | 8.69% <sup>5</sup>                                      | 5.83%                      | 5.13%      | 5.20%      | 5.93%      | 6.95%      |
| <b>Supplemental Data</b>  |   |   |                            |            |            |            |            |
| Net assets applicable to Common Shareholders,<br>end of period (000)  | \$ 277,662  | \$ 243,571  | \$ 213,472                 | \$ 299,372 | \$ 319,131 | \$ 309,146 | \$ 300,518 |
| Preferred Shares outstanding at \$25,000<br>liquidation<br>preference, end of period (000)                        | \$ 173,850  | \$ 173,850  | \$ 173,850                 | \$ 177,600 | \$ 177,600 | \$ 177,600 | \$ 177,600 |
| Portfolio turnover  | 4%  | 1%  | 5%                         | 4%         | 12%        | 14%        | 51%        |
| Asset coverage per Preferred Share at \$25,000<br>liquidation   |   |   |                            |            |            |            |            |

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|                           |           |           |           |           |           |           |           |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| preference, end of period | \$ 64,930 | \$ 60,027 | \$ 55,703 | \$ 67,154 | \$ 69,937 | \$ 68,527 | \$ 67,307 |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|

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

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

total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

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

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

<sup>5</sup> Annualized.

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

bond trusts.

See Notes to Financial Statements.

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## Financial Highlights

|   | Six Months<br>Ended<br>October 31,<br>2009<br>(Unaudited) | Period<br>November<br>1,<br>2008 to<br>April 30,<br>2009 | 2008              | Year Ended October 31, |          |          |          | 2004 |
|---|---|--|-------------------|------------------------|----------|----------|----------|------|
|   |   |  | 2008              | 2007                   | 2006     | 2005     | 2004     |      |
| <b>Per Share Operating Performance</b>  |   |  |                   |                        |          |          |          |      |
| Net asset value, beginning of period  | \$ 10.74  | \$ 10.08   | \$ 14.55          | \$ 15.37               | \$ 14.71 | \$ 14.26 | \$ 13.87 |      |
| Net investment income   | 0.53 <sup>1</sup>   | 0.52 <sup>1</sup>  | 1.12 <sup>1</sup> | 1.11                   | 1.14     | 1.18     | 1.19     |      |
| Net realized and unrealized gain (loss)   | 1.80  | 0.58   | (4.38)            | (0.63)                 | 0.78     | 0.43     | 0.26     |      |
| Dividends and distributions to Preferred Shareholders from:   |   |  |                   |                        |          |          |          |      |
| Net investment income   | (0.02)  | (0.03)   | (0.30)            | (0.31)                 | (0.27)   | (0.18)   | (0.09)   |      |
| Net realized gain   |   |  |                   | (0.00) <sup>2</sup>    |          |          |          |      |
| Net increase (decrease) from investment operations  | 2.31  | 1.07   | (3.56)            | 0.17                   | 1.65     | 1.43     | 1.36     |      |
| Dividends and distributions to Common Shareholders from:  |   |  |                   |                        |          |          |          |      |
| Net investment income   | (0.46)  | (0.41)   | (0.91)            | (0.99)                 | (0.99)   | (0.98)   | (0.97)   |      |
| Net realized gain   |   |  |                   | (0.00) <sup>2</sup>    |          |          |          |      |
| Total dividends and distributions to Common Shareholders  | (0.46)  | (0.41)   | (0.91)            | (0.99)                 | (0.99)   | (0.98)   | (0.97)   |      |
| Net asset value, end of period  | \$ 12.59  | \$ 10.74   | \$ 10.08          | \$ 14.55               | \$ 15.37 | \$ 14.71 | \$ 14.26 |      |
| Market price, end of period   | \$ 12.50  | \$ 11.10   | \$ 8.75           | \$ 15.92               | \$ 17.30 | \$ 15.69 | \$ 14.05 |      |
| <b>Total Investment Return<sup>3</sup></b>  |   |  |                   |                        |          |          |          |      |
| Based on net asset value  | 21.79% <sup>4</sup>                                       | 11.15% <sup>4</sup>                                      | (25.69)%          | 0.70%                  | 11.24%   | 10.21%   | 10.29%   |      |
| Based on market price   | 16.99% <sup>4</sup>                                       | 32.34% <sup>4</sup>                                      | (41.05)%          | (2.11)%                | 17.39%   | 19.31%   | 10.01%   |      |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>                                       |   |  |                   |                        |          |          |          |      |
| Total expenses <sup>5</sup>   | 1.25% <sup>6</sup>  | 1.44% <sup>6</sup>                                       | 1.38%             | 1.18%                  | 1.21%    | 1.22%    | 1.23%    |      |
| Total expenses after fees waived and paid indirectly <sup>5</sup>   | 1.12% <sup>6</sup>  | 1.26% <sup>6</sup>                                       | 1.15%             | 0.88%                  | 0.83%    | 0.83%    | 0.83%    |      |
| Total expenses after fees waived and paid indirectly and excluding interest expense and fees <sup>5,7</sup> | 1.07% <sup>6</sup>  | 1.15% <sup>6</sup>                                       | 0.98%             | 0.88%                  | 0.83%    | 0.83%    | 0.83%    |      |
| Net investment income <sup>5</sup>  | 8.80% <sup>6</sup>  | 10.48% <sup>6</sup>                                      | 8.34%             | 7.43%                  | 7.65%    | 7.97%    | 8.44%    |      |

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|  |                    |                    |       |       |       |       |       |
|--|--------------------|--------------------|-------|-------|-------|-------|-------|
| Dividends to Preferred Shareholders          | 0.27% <sup>6</sup> | 0.70% <sup>6</sup> | 2.19% | 2.04% | 1.83% | 1.23% | 0.63% |
| Net investment income to Common Shareholders | 8.53% <sup>6</sup> | 9.78% <sup>6</sup> | 6.15% | 5.39% | 5.82% | 6.74% | 7.81% |

**Supplemental Data**

|  |            |            |            |            |            |            |            |
|--|------------|------------|------------|------------|------------|------------|------------|
| Net assets applicable to Common Shareholders, end of period (000)                    | \$ 557,799 | \$ 474,814 | \$ 445,289 | \$ 640,981 | \$ 674,080 | \$ 642,047 | \$ 621,648 |
| Preferred Shares outstanding at \$25,000 liquidation preference, end of period (000) | \$ 270,875 | \$ 293,125 | \$ 293,125 | \$ 375,125 | \$ 375,125 | \$ 375,125 | \$ 375,125 |
| Portfolio turnover   | 12%        | 11%        | 13%        | 17%        | 77%        | 68%        | 59%        |
| Asset coverage per Preferred Share at \$25,000 liquidation preference, end of period | \$ 76,483  | \$ 65,498  | \$ 62,989  | \$ 67,727  | \$ 69,933  | \$ 67,797  | \$ 66,435  |

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

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

<sup>3</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

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

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

<sup>6</sup> Annualized.

<sup>7</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

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**BlackRock Pennsylvania Strategic  
Municipal Trust (BPS)**
**Financial Highlights**

|   | Six Months<br>Ended<br>October 31,<br>2009<br>(Unaudited) | Period<br>January<br>1,<br>2009 to<br>April 30,<br>2009 | 2008              | Year Ended December<br>31,<br>2007 2006 2005 |           |           |           | 2004 |
|---|---|---|-------------------|--|-----------|-----------|-----------|------|
| <b>Per Share Operating Performance</b>  |   |   |                   |  |           |           |           |      |
| Net asset value, beginning of period  | \$ 11.87  | \$ 10.77  | \$ 14.12          | \$ 15.01                                     | \$ 15.27  | \$ 15.81  | \$ 16.09  |      |
| Net investment income   | 0.45 <sup>1</sup>   | 0.27 <sup>1</sup>                                       | 0.89 <sup>1</sup> | 0.99   | 1.02      | 0.97      | 1.07      |      |
| Net realized and unrealized gain (loss)   | 1.52  | 1.03  | (3.36)            | (0.74)                                       | (0.09)    | (0.42)    | (0.37)    |      |
| Dividends to Preferred Shareholders from<br>net investment income   | (0.02)  | (0.02)  | (0.26)            | (0.31)                                       | (0.28)    | (0.19)    | (0.09)    |      |
| Net increase (decrease) from investment<br>operations   | 1.95  | 1.28  | (2.73)            | (0.06)                                       | 0.65      | 0.36      | 0.61      |      |
| Dividends to Common Shareholders from<br>net investment income  | (0.32)  | (0.18)  | (0.62)            | (0.83)                                       | (0.91)    | (0.90)    | (0.89)    |      |
| Net asset value, end of period  | \$ 13.50  | \$ 11.87  | \$ 10.77          | \$ 14.12                                     | \$ 15.01  | \$ 15.27  | \$ 15.81  |      |
| Market price, end of period   | \$ 11.92  | \$ 9.85   | \$ 8.42           | \$ 13.55                                     | \$ 17.43  | \$ 15.85  | \$ 15.70  |      |
| <b>Total Investment Return<sup>2</sup></b>  |   |   |                   |  |           |           |           |      |
| Based on net asset value  | 16.96% <sup>3</sup>                                       | 12.28% <sup>3</sup>                                     | (19.63)%          | (0.82)%                                      | 4.09%     | 2.39%     | 4.21%     |      |
| Based on market price   | 24.45% <sup>3</sup>                                       | 19.18% <sup>3</sup>                                     | (34.53)%          | (18.04)%                                     | 16.45%    | 7.02%     | 10.12%    |      |
| <b>Ratios to Average Net Assets Applicable to Common<br/>Shareholders</b>   |   |   |                   |  |           |           |           |      |
| Total expenses <sup>4</sup>   | 1.57% <sup>5</sup>  | 1.63% <sup>6</sup>                                      | 1.61%             | 1.55%  | 1.51%     | 1.52%     | 1.47%     |      |
| Total expenses after fees waived and before<br>fees<br>paid indirectly <sup>4</sup>                               | 1.57% <sup>5</sup>  | 1.61% <sup>6</sup>                                      | 1.45%             | 1.37%  | 1.28%     | 1.21%     | 1.08%     |      |
| Total expenses after fees waived and paid<br>indirectly <sup>4</sup>  | 1.57% <sup>5</sup>  | 1.61% <sup>6</sup>                                      | 1.45%             | 1.35%  | 1.23%     | 1.13%     | 1.03%     |      |
| Total expenses after fees waived and paid<br>indirectly<br>and excluding interest expense and fees <sup>4,7</sup> | 1.56% <sup>5</sup>  | 1.61% <sup>6</sup>                                      | 1.42%             | 1.35%  | 1.23%     | 1.13%     | 1.03%     |      |
| Net investment income <sup>4</sup>  | 7.05% <sup>5</sup>  | 7.38% <sup>6</sup>                                      | 6.82%             | 6.82%  | 6.73%     | 6.28%     | 6.74%     |      |
| Dividends to Preferred Shareholders   | 0.33% <sup>5</sup>  | 0.56% <sup>5</sup>                                      | 2.17%             | 2.10%  | 1.85%     | 1.22%     | 0.59%     |      |
| Net investment income to Common<br>Shareholders   | 6.72% <sup>5</sup>  | 6.82% <sup>6</sup>                                      | 4.65%             | 4.72%  | 4.88%     | 5.06%     | 6.15%     |      |
| <b>Supplemental Data</b>  |   |   |                   |  |           |           |           |      |
| Net assets applicable to Common Shareholders,<br>end of period (000)  | \$ 27,325   | \$ 24,023   | \$ 21,799         | \$ 28,560                                    | \$ 30,306 | \$ 30,801 | \$ 31,857 |      |
| Preferred Shares outstanding at \$25,000<br>liquidation<br>preference, end of period (000)                        | \$ 16,325   | \$ 16,825   | \$ 16,825         | \$ 17,500                                    | \$ 17,500 | \$ 17,500 | \$ 17,500 |      |

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|  |           |           |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Portfolio turnover   | 15%       | 8%        | 45%       | 41%       | 7%        | 8%        | 5%        |
| Asset coverage per Preferred Share at \$25,000 liquidation preference, end of period | \$ 66,847 | \$ 60,696 | \$ 57,399 | \$ 65,817 | \$ 68,305 | \$ 69,008 | \$ 70,513 |

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

<sup>2</sup> Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

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

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

<sup>5</sup> Annualized.

<sup>6</sup> Annualized. Certain expenses incurred during the period January 1, 2009 to April 30, 2009 have been included in the ratio but not annualized. If these expenses were annualized,

the annualized ratio of total expenses, total expenses after fees waived and before fees paid indirectly, total expenses after fees waived and paid indirectly, total expenses after fees

waived and paid indirectly and excluding interest expense and fees, net investment income and net investment income to Common Shareholders would have been 1.91%, 1.89%,

1.89%, 1.89%, 7.09% and 6.53%, respectively.

<sup>7</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

## Financial Highlights

|   | Six Months<br>Ended<br>October 31,<br>2009<br>(Unaudited) | Period<br>January<br>1,<br>2009 to<br>April 30,<br>2009 | 2008                       | 2007     | 2006     | 2005     | 2004     |  |
|---|---|---|----------------------------|----------|----------|----------|----------|--|
|   |   |   | Year Ended December<br>31, |          |          |          |          |  |
| <b>Per Share Operating Performance</b>  |   |   |                            |          |          |          |          |  |
| Net asset value, beginning of period  | \$ 10.95  | \$ 9.90   | \$ 14.27                   | \$ 15.64 | \$ 15.68 | \$ 15.70 | \$ 15.91 |  |
| Net investment income   | 0.50 <sup>1</sup>   | 0.32 <sup>1</sup>                                       | 1.02 <sup>1</sup>          | 1.07     | 1.07     | 1.14     | 1.26     |  |
| Net realized and unrealized gain (loss)   | 1.33  | 1.00  | (4.32)                     | (1.10)   | 0.28     | 0.07     | 0.41     |  |
| Dividends to Preferred Shareholders from<br>net investment<br>income  | (0.02)  | (0.02)  | (0.26)                     | (0.32)   | (0.29)   | (0.20)   | (0.10)   |  |
| Net increase (decrease) from investment<br>operations   | 1.81  | 1.30  | (3.56)                     | (0.35)   | 1.06     | 1.01     | 0.75     |  |
| Dividends to Common Shareholders from<br>net investment<br>income   | (0.41)  | (0.25)  | (0.81)                     | (1.02)   | (1.10)   | (1.03)   | (0.96)   |  |
| Net asset value, end of<br>period   | \$ 12.35  | \$ 10.95  | \$ 9.90                    | \$ 14.27 | \$ 15.64 | \$ 15.68 | \$ 15.70 |  |
| Market price, end of<br>period  | \$ 11.83  | \$ 10.15  | \$ 8.19                    | \$ 13.96 | \$ 18.69 | \$ 17.14 | \$ 14.52 |  |
| <b>Total Investment<br/>Return<sup>2</sup></b>  |   |   |                            |          |          |          |          |  |
| Based on net asset<br>value   | 16.91% <sup>3</sup>                                       | 13.44% <sup>3</sup>                                     | (25.70)%                   | (2.82)%  | 6.38%    | 6.67%    | 5.41%    |  |
| Based on market price   | 20.81% <sup>3</sup>                                       | 27.11% <sup>3</sup>                                     | (37.17)%                   | (20.44)% | 16.29%   | 26.08%   | 5.59%    |  |
| <b>Ratios to Average Net Assets Applicable to Common<br/>Shareholders</b>   |   |   |                            |          |          |          |          |  |
| Total expenses <sup>4</sup>   | 1.34% <sup>5</sup>  | 1.49% <sup>6</sup>                                      | 1.54%                      | 1.30%    | 1.31%    | 1.29%    | 1.28%    |  |
| Total expenses after fees waived and before<br>fees<br>paid indirectly <sup>4</sup>                               | 1.33% <sup>5</sup>  | 1.48% <sup>6</sup>                                      | 1.45%                      | 1.14%    | 1.07%    | 0.98%    | 0.90%    |  |
| Total expenses after fees waived and paid<br>indirectly <sup>4</sup>  | 1.33% <sup>5</sup>  | 1.48% <sup>6</sup>                                      | 1.45%                      | 1.13%    | 1.04%    | 0.97%    | 0.89%    |  |
| Total expenses after fees waived and paid<br>indirectly<br>and excluding interest expense and fees <sup>4,7</sup> | 1.27% <sup>5</sup>  | 1.40% <sup>6</sup>                                      | 1.23%                      | 1.13%    | 1.04%    | 0.97%    | 0.89%    |  |
| Net investment<br>income <sup>4</sup>   | 8.42% <sup>5</sup>  | 9.48% <sup>6</sup>                                      | 8.04%                      | 7.12%    | 6.89%    | 7.23%    | 8.04%    |  |
| Dividends to Preferred Shareholders   | 0.27% <sup>5</sup>  | 0.49% <sup>5</sup>                                      | 2.02%                      | 2.12%    | 1.83%    | 1.26%    | 0.62%    |  |
| Net investment income to Common<br>Shareholders   | 8.15% <sup>5</sup>  | 8.99% <sup>6</sup>                                      | 6.02%                      | 5.00%    | 5.06%    | 5.97%    | 7.42%    |  |

**Supplemental  
Data**

|   |           |           |           |            |            |            |            |
|---|-----------|-----------|-----------|------------|------------|------------|------------|
| Net assets applicable to Common Shareholders,<br>end of period (000)                          | \$ 90,052 | \$ 79,820 | \$ 72,188 | \$ 103,882 | \$ 113,697 | \$ 113,684 | \$ 113,686 |
| Preferred Shares outstanding at \$25,000<br>liquidation<br>preference, end of period (000)    | \$ 42,975 | \$ 47,750 | \$ 47,750 | \$ 62,000  | \$ 62,000  | \$ 62,000  | \$ 62,000  |
| Portfolio turnover  | 18%       | 6%        | 17%       | 21%        | 71%        | 96%        | 23%        |
| Asset coverage per Preferred Share at \$25,000<br>liquidation<br>preference, end of<br>period | \$ 77,388 | \$ 66,791 | \$ 62,803 | \$ 66,904  | \$ 78,856  | \$ 70,847  | \$ 70,844  |

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

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

total investment returns exclude the effects of any sales charges and include the reinvestment of dividends and distributions.

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

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

<sup>5</sup> Annualized.

<sup>6</sup> Annualized. Certain expenses incurred during the period January 1, 2009 to April 30, 2009 have been included in the ratio but not annualized. If these expenses were annualized,

the annualized ratio of total expenses, total expenses after fees waived and before fees paid indirectly, total expenses after fees waived and paid indirectly, total expenses after fees

waived and paid indirectly and excluding interest expense and fees, net investment income and net investment income to Common Shareholders would have been 1.91%, 1.89%,

1.89%, 1.89%, 7.09% and 6.53%, respectively.

<sup>7</sup> Interest expense and fees related to tender option bond trusts. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

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## Notes to Financial Statements (Unaudited)

### 1. Organization and Significant Accounting Policies:

BlackRock Investment Quality Municipal Trust Inc. ( BKN ) is organized as a Maryland corporation. BlackRock Long-Term Municipal Advantage Trust ( BTA ), BlackRock Municipal 2020 Term Trust ( BKK ), BlackRock Municipal Income Trust ( BFK ), BlackRock Pennsylvania Strategic Municipal Trust ( BPS ) and BlackRock Strategic Municipal Trust ( BSD ) (collectively, the Trusts or individually as the Trust ) are organized as Delaware statutory trusts. BKN, BKK, BFK and BSD are registered under the Investment Company Act of 1940, as amended (the 1940 Act ), as diversified, closed-end management investment companies. BTA and BPS are registered under the 1940 Act as non-diversified, closed-end management investment companies. The Trusts financial statements are prepared in conformity with accounting principles generally accepted in the United States of America, which may require the use of management accruals and estimates. Actual results may differ from these estimates. The Board of Directors and the Board of Trustees of the Trusts are referred to throughout this report as the Board of Trustees or the Board. Each Trust determines, and makes available for publication the net asset value of its Common Shares on a daily basis.

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

Valuation: Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services selected under the supervision of each Trust s Board. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments. Financial futures contracts traded on exchanges are valued at their last sale price. Short-term securities with maturities less than 60 days may be valued at amortized cost, which approximates fair value. Investments in open-end investment companies are valued at net asset value each business day.

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

Forward Commitments and When-Issued Delayed Delivery Securities: Each Trust may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such transactions normally occurs within a month or more after the purchase or sale

commitment is made. The Trusts may purchase securities under such conditions with the intention of actually acquiring them, but may enter into a separate agreement to sell the securities before the settlement date. Since the value of securities purchased may fluctuate prior to settlement, the Trusts may be required to pay more at settlement than the security is worth. In addition, the purchaser is not entitled to any of the interest earned prior to settlement. When purchasing a security on a delayed-delivery basis, the Trusts assume the rights and risks of ownership of the security, including the risk of price and yield fluctuations. In the event of default by the counterparty, the Trusts' maximum amount of loss is the unrealized gain of the commitment, which is shown on the Schedules of Investments, if any.

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

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

Interest income from the underlying securities is recorded by the Trusts on an accrual basis. Interest expense incurred on the secured borrowing and

other expenses related to remarketing, administration and trustee services to a TOB are reported as expenses of the Trusts. The floating rate certificates have interest rates that generally reset weekly and their holders have the option to tender certificates to the TOB for redemption at par at each reset date. At October 31, 2009, the aggregate value of the underlying municipal bonds transferred to TOBs, the related liability for trust

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## Notes to Financial Statements (continued)

certificates and the range of interest rates on the liability for trust certificates were as follows:

|     | <b>Underlying<br/>Municipal<br/>Bonds<br/>Transferred<br/>to TOBs</b> | <b>Liability<br/>for Trust<br/>Certificates</b> | <b>Range of<br/>Interest Rates</b> |
|-----|---|---|------------------------------------|
| BKN | \$ 21,162,415   | \$11,137,401                                    | 0.24% 0.49%                        |
| BTA | \$126,765,179   | \$84,715,000                                    | 0.12% 0.70%                        |
| BKK | \$ 5,446,700  | \$ 3,750,000                                    | 0.49%                              |
| BFK | \$122,456,994   | \$68,583,502                                    | 0.20% 0.57%                        |
| BPS | \$ 1,013,490  | \$ 500,000                                      | 0.25%                              |
| BSD | \$ 22,943,174   | \$12,506,383                                    | 0.20% 0.49%                        |

For the six months ended October 31, 2009, the Trusts' average trust certificates outstanding and the daily weighted average interest rate, including fees, were as follows:

|     | <b>Average Trust<br/>Certificates<br/>Outstanding</b> | <b>Daily<br/>Weighted<br/>Average<br/>Interest<br/>Rate</b> |
|-----|---|---|
| BKN | \$10,813,206  | 0.61%   |
| BTA | \$80,187,243  | 1.09%   |
| BKK | \$ 3,750,000  | 0.59%   |
| BFK | \$61,385,238  | 0.47%   |
| BPS | \$ 488,281  | 0.64%   |
| BSD | \$10,967,379  | 0.46%   |

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

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

**Segregation and Collateralization:** In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission ( SEC )

require that a Trust either delivers collateral or segregates assets in connection with certain investments (e.g., financial futures contracts) each Trust will, consistent with SEC rules and/or certain interpretive letters issued by the SEC, segregate collateral or designate on its books and records cash or other liquid securities having a market value at least equal to the amount that would otherwise be required to be physically segregated. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, each party has requirements to deliver/deposit securities as collateral for certain investments.

**Investment Transactions and Investment Income:** For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on security transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income is recognized

on the accrual method. Each Trust amortizes all premiums and discounts on debt securities.

**Dividends and Distributions:** Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates. Dividends and distributions to Preferred Shareholders are accrued and determined as described in Note 6.

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

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

**Recent Accounting Standards:** In June 2009, amended guidance was issued by the Financial Accounting Standards Board for transfers of financial assets. This guidance is intended to improve the relevance, representational faithfulness and comparability of the information that a reporting entity provides in its financial statements about a transfer of financial assets; the effects of a transfer on its financial position, financial performance, and cash flows; and a transferor's continuing involvement, if any, in transferred financial assets. The amended guidance is effective for financial statements for fiscal years and interim periods beginning after November 15, 2009. Earlier application is prohibited. The recognition and measurement provisions of this guidance must be applied to transfers occurring on or after the effective date. Additionally, the enhanced disclosure provisions of the amended guidance should be applied to transfers that occurred both before and after the effective date of this guidance. The impact of this guidance on the Trusts' financial statements and disclosures,

if any, is currently being assessed.

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

The deferred compensation plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Trust. Each Trust may, however, elect to invest in common shares of other certain BlackRock Closed-End Funds selected by the Independent Trustees in order to match its deferred compensation obligations. Investments to cover each Trust's deferred compensation liability are included in other assets in the Statements of Assets and Liabilities. Dividends and distributions from the BlackRock Closed-End Fund investments under the plan are included in income affiliated in the Statements of Operations.

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## Notes to Financial Statements (continued)

Other: Expenses directly related to each Trust are charged to that Trust. Other operating expenses shared by several funds are pro-rated among those funds on the basis of relative net assets or other appropriate methods.

### 2. Derivative Financial Instruments:

The Trusts may engage in various portfolio investment strategies both to increase the returns of the Trusts and to economically hedge, or protect, their exposure to interest rate risk. Losses may arise if the value of the contract decreases due to an unfavorable change in the value of the underlying security, or if the counterparty does not perform under the contract. To the extent amounts due to the Trusts from their counterparties are not fully collateralized contractually or otherwise, the Trusts bear the risk of loss from counterparty non-performance. See Note 1 Segregation and Collateralization for information with respect to collateral practices. Counterparty risk related to exchange-traded financial futures contracts is minimal because of the protection against defaults provided by the exchange on which they trade.

**Financial Futures Contracts:** The Trusts may purchase or sell financial futures contracts and options on financial futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk). Financial futures contracts are contracts for delayed delivery of securities at a specific future date and at a specific price or yield. Pursuant to the contract, the Trusts agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as margin variation and are recognized by the Trusts as unrealized gains or losses. When the contract is closed, the Trusts record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The use of financial futures contracts involves the risk of an imperfect correlation in the movements in the price of financial futures contracts, interest rates and the underlying assets.

#### Derivative Instruments Categorized by Risk Exposure:

##### The Effect of Derivative Instruments of the Statements of Operations

Six Months Ended October 31, 2009\*

|                             | Net Realized Gain (Loss) From |             |           |           |           |
|-----------------------------|-------------------------------|-------------|-----------|-----------|-----------|
|                             | BKN                           | BTA         | BFK       | BPS       | BSD       |
| Interest rate contracts:    |                               |             |           |           |           |
| Financial futures contracts | \$ (20,793)                   | \$ (72,394) | \$783,056 | \$ 15,072 | \$ 47,203 |

\* As of October 31, 2009, there were no financial futures contracts outstanding.

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During the six months ended October 31, 2009, the Funds had limited activity in these transactions.

### 3. Investment Advisory Agreement and Other Transactions with Affiliates:

The PNC Financial Services Group, Inc. ( PNC ) and Bank of America Corporation ( BAC ) are the largest stockholders of BlackRock, Inc. ( BlackRock ). Due to the ownership structure, PNC is an affiliate for 1940 Act purposes, but BAC is not.

Each Trust entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the Manager ), the Trusts investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory and administration services.

The Manager is responsible for the management of each Trust s portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of each Trust. For such services, each Trust pays the Manager a monthly fee of the Trust s average weekly net assets at the following annual rates:

|     |       |
|-----|-------|
| BKN | 0.35% |
| BTA | 1.00% |
| BKK | 0.50% |
| BFK | 0.60% |
| BPS | 0.60% |
| BSD | 0.60% |

Average weekly net assets for all of the Trusts, except BTA, is the average weekly value of each Trust s total assets minus the sum of its accrued liabilities. For BTA, average weekly net assets is the average weekly value of the Trust s total assets minus the sum of its total liabilities.

The Manager has voluntarily agreed to waive a portion of the investment advisory fee as a percentage of net assets as follows:

|     | <b>Through</b>                      | <b>Rate</b> |
|-----|-------------------------------------|-------------|
| BTA | January 31, 2008 – January 31, 2011 | 0.40%       |
|     | January 31, 2012                    | 0.30%       |
|     | January 31, 2013                    | 0.20%       |
|     | January 31, 2014                    | 0.10%       |
| BFK | July 31, 2008 – July 31, 2009       | 0.10%       |
|     | July 31, 2010                       | 0.05%       |

For the six months ended October 31, 2009, the Manager waived the fol-



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lowing amounts, which are included in fees waived by advisor in the Statements of Operations.

|     | <b>Fees Waived<br/>by Manager</b> |
|-----|-----------------------------------|
| BTA | \$278,179                         |
| BFK | \$323,964                         |

Additionally, the Manager has agreed to waive its advisory fees by the amount of investment advisory fees each Trust pays to the Manager indirectly through its investment in affiliated money market funds, which are included in fees waived by advisor in the Statements of Operations. For the six months ended October 31, 2009, the amounts waived were as follows:

|     | <b>Fees Waived<br/>by Manager</b> |
|-----|-----------------------------------|
| BKN | \$ 7,501                          |
| BTA | \$ 1,697                          |
| BKK | \$ 2,680                          |
| BFK | \$11,363                          |
| BPS | \$ 1,214                          |
| BSD | \$ 2,936                          |

## Notes to Financial Statements (continued)

The Manager has entered into a separate sub-advisory agreement with BlackRock Financial Management, Inc. ( BFM ), an affiliate of the Manager, under which the Manager pays BFM, for services it provides, a monthly fee that is a percentage of the investment advisory fee paid by the Trusts to the Manager.

BKN has an Administration Agreement with the Manager. The administration fee paid to the Manager is computed at an annual rate of 0.15% of the Trust's average weekly net assets including proceeds from the issuance of Preferred Shares and TOBs.

For the six months ended October 31, 2009, certain Trusts reimbursed the Manager for certain accounting services in the following amounts, which are included in accounting services in the Statements of Operations.

|     | <b>Reimbursement</b> |
|-----|----------------------|
| BTA | \$2,396              |
| BKK | \$4,370              |
| BFK | \$8,937              |
| BPS | \$ 428               |
| BSD | \$1,234              |

Certain officers and/or trustees of the Trusts are officers and/or directors of BlackRock or its affiliates. The Trusts reimburse the Manager for compensation paid to the Trusts' Chief Compliance Officer.

#### 4. Investments:

Purchases and sales of investments, excluding short-term securities, for the six months ended October 31, 2009 were as follows:

|     | <b>Purchases</b> | <b>Sales</b>  |
|-----|------------------|---------------|
| BKN | \$ 85,896,962    | \$ 75,472,356 |
| BTA | \$ 54,084,061    | \$ 45,547,898 |
| BKK | \$ 23,253,635    | \$ 17,193,457 |
| BFK | \$114,766,354    | \$102,759,562 |
| BPS | \$ 7,090,667     | \$ 6,242,835  |
| BSD | \$ 23,954,360    | \$ 26,237,766 |

#### 5. Concentration, Market and Credit Risk:

Each Trust invests a substantial amount of its assets in issuers located in a single state or limited number of states. Please see the Schedules

of Investments for concentrations in specific states.

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

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

to credit and counterparty risks, consist principally of investments and cash due from counterparties. The extent of the Trusts' exposure to credit and counterparty risks with respect to these financial assets is approximated by their value recorded in the Trusts' Statements of Assets and Liabilities, less any collateral held by the Trusts.

#### 6. Capital Share Transactions:

BTA, BKK, BFK, BPS and BSD are authorized to issue an unlimited number of shares, including Preferred Shares, par value \$0.001 per share, all of which were initially classified as Common Shares. BKN is authorized to issue 200 million shares, including Preferred Shares, all of which were initially classified as Common Shares par value \$0.01 per share. Each Trust's Board is authorized, however, to reclassify any unissued shares without approval of Common Shareholders.

#### Common Shares

At October 31, 2009, the shares owned by an affiliate of the Manager of the Trusts were as follows:

|     | <b>Shares</b> |
|-----|---------------|
| BTA | 9,704         |
| BKK | 8,028         |

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

| <b>Six Months<br/>Ended</b> | <b>Period<br/>Ended</b> | <b>Year Ended</b> |
|-----------------------------|-------------------------|-------------------|
| <b>October 31,</b>          | <b>April 30,</b>        | <b>April 30,</b>  |

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|     | 2009   | 2009   | 2008    |
|-----|--------|--------|---------|
| BKN | 22,772 |        | 138,790 |
| BFK | 79,374 | 31,369 | 152,320 |
| BPS |        |        | 1,436   |
| BSD | 1,237  |        | 6,166   |

Shares issued and outstanding remained constant for BTA and BKK for the current period, prior year and two years prior.

Preferred Shares

The Preferred Shares are redeemable at the option of each Trust, in whole or in part, on any dividend payment date at their liquidation preference plus any accumulated unpaid dividends whether or not declared. The Preferred Shares are also subject to mandatory redemption at their liquidation preference plus any accumulated or unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and liabilities of a Trust, as set forth in each Trust's Statement of Preferences/Articles Supplementary (Governing Instrument), as applicable, are not satisfied.

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

The holders of Preferred Shares have voting rights equal to the holders of Common Shares (one vote per share) and will vote together with holders

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## Notes to Financial Statements (continued)

of Common Shares (one vote per share) as a single class. However, holders of Preferred Shares, voting as a separate class, are also entitled to elect two Trustees for each Trust. In addition, the 1940 Act requires that along with approval by shareholders that might otherwise be required, the approval of the holders of a majority of any outstanding Preferred Shares voting separately as a class, would be required to (a) adopt any plan of reorganization that would adversely affect the Preferred Shares, (b) change a Trust's sub-classification as a closed-end investment company or change its fundamental investment restrictions or (c) change its business so as to cease to be an investment company.

The Trusts had the following series of Preferred Shares outstanding, effective yields and reset frequency at October 31, 2009:

|     |        | Preferred | Effective | Reset     |
|-----|--------|-----------|-----------|-----------|
|     | Series | Shares    | Yield     | Frequency |
|     |        |           |           | Days      |
| BKN | T7     | 2,804     | 0.43%     | 7         |
|     | T28    | 2,234     | 0.43%     | 28        |
| BKK | M7     | 2,318     | 0.43%     | 7         |
|     | W7     | 2,318     | 0.43%     | 7         |
|     | F7     | 2,318     | 0.43%     | 7         |
| BFK | M7     | 2,167     | 0.43%     | 7         |
|     | T7     | 2,167     | 0.43%     | 7         |
|     | W7     | 2,167     | 0.43%     | 7         |
|     | R7     | 2,167     | 0.41%     | 7         |
|     | F7     | 2,167     | 0.43%     | 7         |
| BPS | W7     | 653       | 0.43%     | 7         |
| BSD | W7     | 1,719     | 0.43%     | 7         |

Dividends on seven-day and 28-day Preferred Shares are cumulative at a rate which is reset every seven or 28 days, respectively, based on the results of an auction. If the Preferred Shares fail to clear the auction on an auction date, the affected Trust is required to pay the maximum applicable rate on the Preferred Shares to holders of such shares for successive dividend periods until such time as the shares are successfully auctioned. The maximum applicable rate on all series of Preferred Shares is the higher of 110% of the AA commercial paper rate or 110% of 90% of the Kenny S&P 30-day High Grade Index rate divided by 1.00 minus the marginal tax rate. The low, high and average dividend rates on the Preferred Shares for each Trust for the six months ended October 31, 2009 were as follows:

| Series | Low | High | Average |
|--------|-----|------|---------|
|--------|-----|------|---------|

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|     |     |       |       |       |
|-----|-----|-------|-------|-------|
| BKN | T7  | 0.40% | 0.67% | 0.50% |
|     | T28 | 0.40% | 0.63% | 0.49% |
| BKK | M7  | 0.40% | 0.76% | 0.50% |
|     | W7  | 0.38% | 0.66% | 0.50% |
|     | F7  | 0.35% | 0.76% | 0.50% |
| BFK | M7  | 0.40% | 0.76% | 0.50% |
|     | T7  | 0.40% | 0.67% | 0.50% |
|     | W7  | 0.38% | 0.66% | 0.50% |
|     | R7  | 0.35% | 0.64% | 0.49% |
|     | F7  | 0.35% | 0.76% | 0.50% |
| BPS | W7  | 0.38% | 0.66% | 0.50% |
| BSD | W7  | 0.38% | 0.66% | 0.50% |

Since February 13, 2008, the Preferred Shares of each Trust failed to clear any of their auctions. As a result, the Preferred Shares dividend rates were reset to the maximum applicable rate that ranged from 0.35% to 0.76% for the six months ended October 31, 2009. A failed auction is not an event of

default for the Trusts but it has a negative impact on the liquidity of Preferred Shares. A failed auction occurs when there are more sellers of a trust's auction rate preferred shares than buyers. It is impossible to predict how long this imbalance will last. A successful auction for the Trusts Preferred Shares may not occur for some time, if ever, and even if liquidity does resume, Preferred Shareholders may not have the ability to sell the Preferred Shares at their liquidation preference.

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

The Trusts pay commissions of 0.25% on the aggregate principal amount of all shares that successfully clear their auctions and 0.15% on the aggregate principal amount of all shares that fail to clear their auctions. Certain broker-dealers have individually agreed to reduce commissions for failed auctions.

During the six months ended October 31, 2009, the Trusts announced the following redemptions of Preferred Shares at a price of \$25,000 per share plus any accrued and unpaid dividends through the redemption dates:

|     |               | <b>Redemption</b> | <b>Shares</b>   | <b>Aggregate</b> |
|-----|---------------|-------------------|-----------------|------------------|
|     | <b>Series</b> | <b>Date</b>       | <b>Redeemed</b> | <b>Principal</b> |
| BKN | T7            | 7/08/09           | 22              | \$ 550,000       |
|     | T28           | 7/08/09           | 18              | \$ 450,000       |
| BFK | M7            | 7/14/09           | 178             | \$4,450,000      |

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|     |    |         |     |             |
|-----|----|---------|-----|-------------|
|     | T7 | 7/08/09 | 178 | \$4,450,000 |
|     | W7 | 7/09/09 | 178 | \$4,450,000 |
|     | R7 | 7/10/09 | 178 | \$4,450,000 |
|     | F7 | 7/13/09 | 178 | \$4,450,000 |
| BPS | W7 | 7/09/09 | 20  | \$ 500,000  |
| BSD | W7 | 7/09/09 | 191 | \$4,775,000 |

During the period ended April 30, 2009, the Trusts announced the following redemptions of Preferred Shares at a price of \$25,000 per share plus any accrued and unpaid dividends through the redemption date:

|     | Series | Redemption Date | Shares Redeemed | Aggregate Principal |
|-----|--------|-----------------|-----------------|---------------------|
| BKN | T7     | 6/25/08         | 436             | \$10,900,000        |
|     | T28    | 7/09/08         | 348             | \$ 8,700,000        |
| BKK | M7     | 6/24/08         | 50              | \$ 1,250,000        |
|     | W7     | 6/26/08         | 50              | \$ 1,250,000        |
|     | F7     | 6/30/08         | 50              | \$ 1,250,000        |
| BFK | M7     | 6/24/08         | 656             | \$16,400,000        |
|     | T7     | 6/25/08         | 656             | \$16,400,000        |
|     | W7     | 6/26/08         | 656             | \$16,400,000        |
|     | R7     | 6/27/08         | 656             | \$16,400,000        |
|     | F7     | 6/30/08         | 656             | \$16,400,000        |
| BPS | W7     | 6/26/08         | 27              | \$ 675,000          |
| BSD | W7     | 6/26/08         | 570             | \$14,250,000        |

The Trusts financed the Preferred Shares redemptions with cash received from TOBs.

Preferred Shares issued and outstanding for the year ended October 31, 2008 for BKN, BTA and BFK and the year ended December 31, 2008 for BKK, BPS and BSD remained constant.

## Notes to Financial Statements (concluded)

### 7. Capital Loss Carryforwards:

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

| Expires April 30, | BKN                | BTA                 | BKK                | BFK                 |
|-------------------|--------------------|---------------------|--------------------|---------------------|
| 2011              |                    |                     |                    | \$11,445,922        |
| 2012              |                    |                     |                    | 15,775,833          |
| 2013              |                    |                     | \$ 264,701         |                     |
| 2014              | \$ 728,359         | \$ 701,315          |                    | 4,991,959           |
| 2015              |                    |                     | 524,725            | 606,017             |
| 2016              | 4,566,913          | 22,052,642          | 411,992            | 10,207,532          |
| 2017              | 4,506,796          | 6,882,935           |                    | 2,065,704           |
| <b>Total</b>      | <b>\$9,802,068</b> | <b>\$29,636,892</b> | <b>\$1,201,418</b> | <b>\$45,092,967</b> |
| Expires April 30, |                    |                     |                    | BSD                 |
| 2012              |                    |                     |                    | \$ 427,602          |
| 2013              |                    |                     | \$ 133,646         | 1,011,077           |
| 2016              |                    |                     | 127,957            | 251,883             |
| 2017              |                    |                     | 929,529            | 4,028,776           |
| <b>Total</b>      |                    |                     | <b>\$1,191,132</b> | <b>\$5,719,338</b>  |

### 8. Subsequent Events:

Management's evaluation of the impact of all subsequent events on the Trusts' financial statements was completed through December 23, 2009, the date the financial statements were issued.

Each Trust paid a net investment income dividend on December 1, 2009 to Common Shareholders of record on November 13, 2009 as follows:

|     | Common Dividend<br>Per Share |
|-----|------------------------------|
| BKN | \$0.08150                    |
| BTA | \$0.05750                    |
| BKK | \$0.06225                    |
| BFK | \$0.07860                    |
| BPS | \$0.06400                    |
| BSD | \$0.07000                    |

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

|     | Series | Dividends<br>Declared |
|-----|--------|-----------------------|
| BKN | T7     | \$ 23,654             |
|     | T28    | \$ 19,214             |
| BKK | M7     | \$ 18,777             |
|     | W7     | \$ 19,248             |



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|     |    |           |
|-----|----|-----------|
|     | F7 | \$ 18,802 |
| BFK | M7 | \$ 21,731 |
|     | T7 | \$ 21,216 |
|     | W7 | \$ 21,067 |
|     | R7 | \$ 20,845 |
|     | F7 | \$ 21,699 |
| BPS | W7 | \$ 5,423  |
| BSD | W7 | \$ 14,287 |

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## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements

The Board of Trustees (each, a Board and, collectively, the Boards, and the members of which are referred to as Board Members) of each of BlackRock Investment Quality Municipal Trust ( BKN ), BlackRock Long-Term Municipal Advantage Trust ( BTA ), BlackRock Municipal 2020 Term Trust ( BKK ), BlackRock Municipal Income Trust ( BFK ), BlackRock Pennsylvania Strategic Municipal Trust ( BPS ) and BlackRock Strategic Municipal Trust ( BSD, and together with BKN, BTA, BKK, BFK and BPS, each a Fund, and, collectively, the Funds ) met on April 14, 2009 and May 28 - 29, 2009 to consider the approval of each Fund's investment advisory agreement (each, an Advisory Agreement) with BlackRock Advisors, LLC (the Manager), each Fund's investment advisor. Each Board also considered the approval of the sub-advisory agreement (each, a Sub-Advisory Agreement) between its respective Fund, the Manager and BlackRock Financial Management, Inc. (the Sub-Advisor). The Manager and the Sub-Advisor are referred to herein as BlackRock. The Advisory Agreements and the Sub-Advisory Agreements are referred to herein as the Agreements. Unless otherwise indicated, references to actions taken by the Board or the Boards shall mean each Board acting independently with respect to its respective Fund.

### Activities and Composition of the Boards

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

### The Agreements

Pursuant to the 1940 Act, each Board is required to consider the continuation of the Agreements on an annual basis. In connection with this process, each Board assessed, among other things, the nature, scope and quality of the services provided to its respective Fund by the personnel of BlackRock and its affiliates, including investment management, administrative and shareholder services, oversight of fund accounting and custody, marketing services and assistance in meeting applicable legal and regulatory requirements.

Throughout the year, the Boards, acting directly and through their committees, consider at each of their meetings factors that are relevant to their annual consideration of the renewal of the Agreements, including the services and support provided by BlackRock to the Funds and their shareholders.

Among the matters the Boards considered were: (a) investment performance for one-, three- and five-year periods, as applicable, against peer funds, and applicable benchmarks, if any, as well as senior management and portfolio managers' analysis of the reasons for any out performance or underperformance against each Fund's peers; (b) fees, including advisory fees and, with respect to BKN, administration fees, and other amounts paid to BlackRock and its affiliates by the Funds for services such as call center and fund accounting; (c) the Funds' operating expenses; (d) the resources devoted to, and compliance reports relating to, the Funds' investment objectives, policies and restrictions; (e) the Funds' compliance with their Code of Ethics and compliance policies and procedures; (f) the nature, cost and character of non-investment management services provided by BlackRock and its affiliates; (g) BlackRock's and other service providers' internal controls; (h) BlackRock's implementation of the proxy voting policies approved by the Boards; (i) execution quality of portfolio transactions; (j) BlackRock's implementation of the Funds' valuation and liquidity procedures; and (k) periodic updates on BlackRock's business.

#### Board Considerations in Approving the Agreements

The Approval Process: Prior to the April 14, 2009 meeting, each Board requested and received materials specifically relating to the Agreements. Each Board is engaged in an ongoing process with BlackRock to continuously review the nature and scope of the information provided to better assist their deliberations. The materials provided in connection with the April meeting included (a) information independently compiled and prepared by Lipper, Inc. (Lipper) on Fund fees and expenses, and the investment performance of each Fund as compared with a peer group of funds as determined by Lipper and, where applicable, a customized peer group selected by BlackRock (collectively, Peers); (b) information on the profitability of the Agreements to BlackRock and a discussion of fall-out benefits to BlackRock and its affiliates and significant shareholders; (c) a general analysis provided by BlackRock concerning investment advisory fees charged to other clients, such as institutional clients and open-end funds, under similar investment mandates, as well as the performance of such other clients; (d) the impact of economies of scale; (e) a summary of aggregate amounts paid by each Fund to BlackRock; and (f) an internal comparison of management fees classified by Lipper, if applicable.

At an in-person meeting held on April 14, 2009, each Board reviewed materials relating to its consideration of the Agreements. As a result of the discussions that occurred during the April 14, 2009 meeting, the Boards presented BlackRock with questions and requests for additional information and BlackRock responded to these requests with additional written information in advance of the May 28-29, 2009 Board meeting.

At an in-person meeting held on May 28 29, 2009, each Fund s Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and such Fund and the Sub-Advisory Agreement between such Fund, the Manager and the Sub-Advisor, each for a one-year term ending June 30, 2010. The Boards considered all factors they believed relevant with respect to the

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## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements (continued)

Funds, including, among other factors: (a) the nature, extent and quality of the services provided by BlackRock; (b) the investment performance of the Funds and BlackRock portfolio management; (c) the advisory fee and the cost of the services and profits to be realized by BlackRock and certain affiliates from their relationship with the Funds; (d) economies of scale; and (e) other factors.

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

**A. Nature, Extent and Quality of the Services:** Each Board, including its Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services and the resulting performance of its respective Fund. Throughout the year, each Board compared its respective Fund's performance to the performance of a comparable group of closed-end funds, and the performance of a relevant benchmark, if any. The Boards met with BlackRock's senior management personnel responsible for investment operations, including the senior investment officers. Each Board also reviewed the materials provided by its respective Fund's portfolio management team discussing such Fund's performance and such Fund's investment objective, strategies and outlook.

Each Board considered, among other factors, the number, education and experience of BlackRock's investment personnel generally and its respective Fund's portfolio management team, investments by portfolio managers in the funds they manage, BlackRock's portfolio trading capabilities, BlackRock's use of technology, BlackRock's commitment to compliance and BlackRock's approach to training and retaining portfolio managers and other research, advisory and management personnel. Each Board also reviewed a general description of BlackRock's compensation structure with respect to its respective Fund's portfolio management team and BlackRock's ability to attract and retain high-quality talent.

In addition to advisory services, each Board considered the quality of the administrative and non-investment advisory services provided to its respective Fund. BlackRock and its affiliates and significant shareholders provide the Funds with certain administrative and other services (in addition to any such services provided to the Funds by third parties) and offi-

cers and other personnel as are necessary for the operations of the Funds. In addition to investment advisory services, BlackRock and its affiliates provide the Funds with other services, including (i) preparing disclosure documents, such as the prospectus and the statement of additional information in connection with the initial public offering and periodic shareholder

reports; (ii) preparing communications with analysts to support secondary market trading of the Funds; (iii) assisting with daily accounting and pricing; (iv) preparing periodic filings with regulators and stock exchanges; (v) overseeing and coordinating the activities of other service providers; (vi) organizing Board meetings and preparing the materials for such Board meetings; (vii) providing legal and compliance support; and (viii) performing other administrative functions necessary for the operation of the Funds, such as tax reporting, fulfilling regulatory filing requirements, and call center services. The Boards reviewed the structure and duties of BlackRock's fund administration, accounting, legal and compliance departments and considered BlackRock's policies and procedures for assuring compliance with applicable laws and regulations.

B. The Investment Performance of the Funds and BlackRock: Each Board, including its Independent Board Members, also reviewed and considered the performance history of its respective Fund. In preparation for the April 14, 2009 meeting, the Boards were provided with reports, independently prepared by Lipper, which included a comprehensive analysis of each Fund's performance. The Boards also reviewed a narrative and statistical analysis of the Lipper data that was prepared by BlackRock, which analyzed various factors that affect Lipper's rankings. In connection with its review, each Board received and reviewed information regarding the investment performance of its respective Fund as compared to a representative group of similar funds as determined by Lipper and to all funds in such Fund's applicable Lipper category and, where applicable, a customized peer group selected by BlackRock. Each Board was provided with a description of the methodology used by Lipper to select peer funds. Each Board regularly reviews the performance of its respective Fund throughout the year.

The Board of BPS noted that, in general, BPS performed better than its Peers in that BPS's performance was at or above the median of its Lipper performance universe composite in two of the one-, three- and five-year periods reported.

The Board of each of BKN, BFK and BSD noted that, in general, each of BKN, BFK and BSD performed better than their respective Peers in that the performance of each of BKN, BFK and BSD was at or above the median of their respective customized Lipper peer group composite in each of the one-, three- and five-year periods reported.

The Board of BKK noted that BKK performed below the median of its Lipper performance universe composite in the one-, three- and five-year periods reported. The Board of BKK and BlackRock reviewed the reasons for BKK's underperformance during these periods compared with its Peers. The Board of BKK was informed that, among other things, performance was

heavily influenced by BKK's sector allocation which experienced volatile market movement last year.

The Board of BTA noted that BTA performed below the median of its customized Lipper peer group composite in the one-year period reported. The Board of BTA and BlackRock reviewed the reasons for BTA's underperformance during this period compared with its Peers. The Board of BTA was informed

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## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements (continued)

that, among other things, BTA's above market weight exposure to both credit and the long end of the yield curve negatively impacted performance.

For BKK and BTA, the Board of each respective Fund and BlackRock discussed BlackRock's commitment to providing the resources necessary to assist the portfolio managers and to improve each such Fund's performance.

C. Consideration of the Advisory Fees and the Cost of the Services and Profits to be Realized by BlackRock and its Affiliates from their Relationship with the Funds: Each Board, including its Independent Board Members, reviewed its respective Fund's contractual advisory fee rates compared with the other funds in its respective Lipper category. Each Board also compared its respective Fund's total expenses, as well as actual management fees, to those of other comparable funds. Each Board considered the services provided and the fees charged by BlackRock to other types of clients with similar investment mandates, including separately managed institutional accounts.

The Boards received and reviewed statements relating to BlackRock's financial condition and profitability with respect to the services it provided the Funds. The Boards were also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to the Funds. The Boards reviewed BlackRock's profitability with respect to the Funds and other funds the Boards currently oversee for the year ended December 31, 2008 compared to available aggregate profitability data provided for the year ended December 31, 2007. The Boards reviewed BlackRock's profitability with respect to other fund complexes managed by the Manager and/or its affiliates. The Boards reviewed BlackRock's assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Boards recognized that profitability may be affected by numerous factors including, among other things, fee waivers by the Manager, the types of funds managed, expense allocations and business mix, and therefore comparability of profitability is somewhat limited.

The Boards noted that, in general, individual fund or product line profitability of other advisors is not publicly available. Nevertheless, to the extent such information is available, the Boards considered BlackRock's overall operating margin, in general, compared to the operating margin for leading investment management firms whose operations include advising closed-end funds, among other product types. The comparison indicated that operating margins for BlackRock with respect to its registered funds are generally consistent with margins earned by similarly situated publicly traded competitors. In addition, the Boards considered, among other things, certain third-party data comparing BlackRock's operating margin with that of other publicly-traded asset management firms, which con-



cluded that larger asset bases do not, in themselves, translate to higher profit margins.

In addition, the Boards considered the cost of the services provided to the Funds by BlackRock, and BlackRock's and its affiliates' profits relating to

the management and distribution of the Funds and the other funds advised by BlackRock and its affiliates. As part of their analysis, the Boards reviewed BlackRock's methodology in allocating its costs to the management of the Funds. The Boards also considered whether BlackRock has the financial resources necessary to attract and retain high quality investment management personnel to perform its obligations under the Agreements and to continue to provide the high quality of services that is expected by the Boards.

The Board of each of BKN, BKK, BFK, BPS and BSD noted that its respective Fund paid contractual management fees, which do not take into account any expense reimbursement or fee waivers, lower than or equal to the median contractual management fees paid by such Fund's Peers.

The Board of BTA noted that although BTA paid contractual management fees higher than the median of its Peers, its actual management fees were lower than or equal to the median of its Peers.

D. Economies of Scale: Each Board, including its Independent Board Members, considered the extent to which economies of scale might be realized as the assets of its respective Fund increase and whether there should be changes in the advisory fee rate or structure in order to enable such Fund to participate in these economies of scale, for example through the use of breakpoints in the advisory fee based upon the assets of such Fund. The Boards considered that the funds in the BlackRock fund complex share some common resources and, as a result, an increase in the overall size of the complex could permit each fund to incur lower expenses than it would otherwise as a stand-alone entity. The Boards also considered BlackRock's overall operations and its efforts to expand the scale of, and improve the quality of, its operations.

The Boards noted that most closed-end fund complexes do not have fund level breakpoints because closed-end funds generally do not experience substantial growth after the initial public offering and each fund is managed independently, consistent with its own investment objectives. The Boards noted that only one closed-end fund in the Fund Complex has breakpoints in its fee structure. Information provided by Lipper also revealed that only one closed-end fund complex used a complex-level breakpoint structure.

E. Other Factors: The Boards also took into account other ancillary or fall-out benefits that BlackRock or its affiliates and significant shareholders may derive from their relationship with the Funds, both tangible and intangible, such as BlackRock's ability to leverage its investment professionals who manage other portfolios, an increase in BlackRock's profile in the investment advisory community, and the engagement of BlackRock's affi-

ates and significant shareholders as service providers to the Funds, including for administrative and distribution services. The Boards also noted that BlackRock may use third-party research obtained by soft dollars generated by certain mutual fund transactions to assist itself in managing all or a number of its other client accounts.

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## Disclosure of Investment Advisory Agreements and Sub-Advisory Agreements (concluded)

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

### Conclusion

Each Board, including its Independent Board Members, unanimously approved the continuation of the Advisory Agreement between its respective Fund and the Manager for a one-year term ending June 30, 2010 and the Sub-Advisory Agreement between such Fund, the Manager and such Fund's Sub-Advisor for a one-year term ending June 30, 2010. Based upon its evaluation of all these factors in their totality, each Board, including its Independent Board Members, was satisfied that the terms of the

Agreements were fair and reasonable and in the best interest of its respective Fund and its shareholders. In arriving at a decision to approve the Agreements, each Board did not identify any single factor or group of factors as all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the various factors considered. The Independent Board Members were also assisted by the advice of independent legal counsel in making this determination. The contractual fee arrangements for each Fund reflects the results of several years of review by such Fund's Board Members and predecessor Board Members, and discussions between such Board Members (and predecessor Board Members) and BlackRock. Certain aspects of the arrangements may be the subject of more attention in some years than in others, and the Board Members' conclusions may be based in part on their consideration of these arrangements in prior years.

## Officers and Trustees

Richard E. Cavanagh, Chairman of the Board and Trustee  
Karen P. Robards, Vice Chair of the Board, Chair of the Audit Committee and Trustee  
G. Nicholas Beckwith, III, Trustee  
Kent Dixon, Trustee and Member of the Audit Committee  
Frank J. Fabozzi, Trustee and Member of the Audit Committee  
Kathleen F. Feldstein, Trustee  
James T. Flynn, Trustee and Member of the Audit Committee  
Jerrold B. Harris, Trustee  
R. Glenn Hubbard, Trustee  
W. Carl Kester, Trustee  
Richard S. Davis, Trustee  
Henry Gabbay, Trustee  
Anne F. Ackerley, President and Chief Executive Officer  
Brendan Kyne, Vice President  
Neal J. Andrews, Chief Financial Officer  
Jay M. Fife, Treasurer  
Brian P. Kindelan, Chief Compliance Officer  
Howard B. Surloff, Secretary

### **Investment Advisor**

BlackRock Advisors, LLC  
Wilmington, DE 19809

### **Sub-Advisor**

BlackRock Financial Management, Inc.  
New York, NY 10022

### **Custodian**

State Street Bank and Trust Company  
Boston, MA 02101

### **Transfer Agent**

#### **Common Shares:**

Computershare Trust Companies, N.A.  
Canton, MA 02021

### **Auction Agent**

#### **Preferred Shares:**

The Bank of New York Mellon<sup>1</sup>  
New York, NY 10286

Deutsche Bank Trust Company Americas<sup>2</sup>  
New York, NY 10005

### **Accounting Agent**

State Street Bank and Trust Company  
Princeton, NJ 08540

**Independent Registered Public Accounting Firm**

Deloitte & Touche LLP  
Princeton, NJ 08540

**Legal Counsel**

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

**Address of the Trusts**

100 Bellevue Parkway  
Wilmington, DE 19809

<sup>1</sup> For BFK and BKK.

<sup>2</sup> For BPS, BSD and BKN.

Effective July 31, 2009, Donald C. Burke, President and Chief Executive Officer of the Trusts, retired. The Trusts Board wishes Mr. Burke well in his retirement.

Effective August 1, 2009, Anne F. Ackerley became President and Chief Executive Officer of the Trusts, and Brendan Kyne became Vice President of the Trusts.

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## Additional Information

### Proxy Results

The Annual Meeting of Shareholders was held on August 26, 2009 for shareholders of record on June 29, 2009 to elect director or trustee nominees of

each Trust. The Board is organized into three classes, one class of which is elected annually. Each Director/Trustee serves a three-year term concurrent with

the class into which he or she is elected.

Approved the Class II Directors/Trustees as follows:

|     | Richard S. Davis |           | Frank J. Fabozzi   |                  | James T. Flynn |           | Karen P. Robards |           |
|-----|------------------|-----------|--------------------|------------------|----------------|-----------|------------------|-----------|
|     | Votes            |           | Votes              |                  | Votes          |           | Votes            |           |
|     | Votes For        | Withheld  | Votes For          | Withheld         | Votes For      | Withheld  | Votes For        | Withheld  |
| BKN | 13,918,656       | 326,800   | 2,802 <sup>1</sup> | 61 <sup>1</sup>  | 13,918,656     | 326,800   | 13,899,913       | 345,543   |
| BTA | 11,497,191       | 485,388   | 11,497,191         | 485,388          | 11,498,176     | 484,403   | 11,491,219       | 491,360   |
| BKK | 18,716,891       | 813,374   | 4,786 <sup>1</sup> | 2 <sup>1</sup>   | 18,716,891     | 813,374   | 18,668,706       | 861,559   |
| BFK | 39,949,681       | 1,163,093 | 6,204 <sup>1</sup> | 100 <sup>1</sup> | 39,949,681     | 1,163,093 | 39,908,253       | 1,204,521 |
| BPS | 1,871,079        | 64,623    | 366 <sup>1</sup>   | 0 <sup>1</sup>   | 1,871,079      | 64,623    | 1,861,324        | 74,378    |
| BSD | 6,245,302        | 328,194   | 931 <sup>1</sup>   | 38 <sup>1</sup>  | 6,245,302      | 328,194   | 6,240,302        | 333,194   |

<sup>1</sup> Voted on by holders of Preferred Shares only.

### General Information

#### Electronic Delivery

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

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

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

#### Householding

The Trusts will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called householding and it is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be househanded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact the Trusts

at (800) 441-7762.

#### Availability of Quarterly Schedule of Investments

Each Trust files its complete schedule of portfolio holdings with the Securities and Exchange Commission ( SEC ) for the first and third quarters of each fiscal year on Form N-Q. The Trusts' Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling (202) 551-8090. Each Trust's Forms N-Q may also be obtained upon request and without charge by calling (800) 441-7762.

#### Availability of Proxy Voting Policies and Procedures

A description of the policies and procedures that the Trusts use to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling toll-free (800) 441-7762; (2) at [www.blackrock.com](http://www.blackrock.com); and (3) on the SEC's website at <http://www.sec.gov>.

#### Availability of Proxy Voting Record

Information about how the Trusts voted proxies relating to securities held in the Trusts' portfolios during the most recent 12-month period ended June 30 is available upon request and without charge (1) at [www.blackrock.com](http://www.blackrock.com) or by calling (800) 441-7762 and (2) on the SEC's website at <http://www.sec.gov>.

## Additional Information (concluded)

### BlackRock Privacy Principles

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

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

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

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

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

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This report is transmitted to shareholders only. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. Certain Trusts have leveraged their Common Shares, which creates risks for Common Shareholders, including the likelihood of greater volatility of net asset value and market price of the Common Shares and the risk that fluctuations in the short-term dividend rates of the Preferred Shares, currently set at the maximum reset rate as a result of failed auctions, may affect the yield to Common Shareholders. Statements and other information herein are as dated and are subject to change.

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Item 2 Code of Ethics Not Applicable to this semi-annual report

Item 3 Audit Committee Financial Expert Not Applicable to this semi-annual report

Item 4 Principal Accountant Fees and Services Not Applicable to this semi-annual report

Item 5 Audit Committee of Listed Registrants Not Applicable to this semi-annual report

Item 6 Investments

(a) The registrant's Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this form.

(b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.

Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies Not Applicable to this semi-annual report

Item 8 Portfolio Managers of Closed-End Management Investment Companies Not Applicable to this semi-annual report

Item 9 Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers Not Applicable

Item 10 Submission of Matters to a Vote of Security Holders The registrant's Nominating and Governance Committee will consider nominees to the board of directors recommended by shareholders when a vacancy becomes available. Shareholders who wish to recommend a nominee should send nominations that include biographical information and set forth the qualifications of the proposed nominee to the registrant's Secretary. There have been no material changes to these procedures.

Item 11 Controls and Procedures

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

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

Item 12 Exhibits attached hereto

12(a)(1) Code of Ethics Not Applicable to this semi-annual report

12(a)(2) Certifications Attached hereto

12(a)(3) Not Applicable

12(b) Certifications Attached hereto

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

BlackRock Municipal Income Trust

By: /s/ Anne F. Ackerley

Anne F. Ackerley

Chief Executive Officer of

BlackRock Municipal Income Trust

Date: December 21, 2009

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

By: /s/ Anne F. Ackerley

Anne F. Ackerley

Chief Executive Officer (principal executive officer) of

BlackRock Municipal Income Trust

Date: December 21, 2009

By: /s/ Neal J. Andrews

Neal J. Andrews

Chief Financial Officer (principal financial officer) of

BlackRock Municipal Income Trust

Date: December 21, 2009

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