

BLACKROCK MUNIENHANCED FUND, INC.

Form N-CSR

July 01, 2014

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT**

**INVESTMENT COMPANIES**

Investment Company Act file number: 811-05739

Name of Fund: BlackRock MuniEnhanced Fund, Inc. (MEN)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock MuniEnhanced Fund, Inc., 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: 04/30/2014

Date of reporting period: 04/30/2014

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Item 1 Report to Stockholders

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APRIL 30, 2014

**ANNUAL REPORT**

**BlackRock MuniAssets Fund, Inc. (MUA)**

**BlackRock MuniEnhanced Fund, Inc. (MEN)**

**BlackRock MuniHoldings Fund, Inc. (MHD)**

**BlackRock MuniHoldings Fund II, Inc. (MUH)**

**BlackRock MuniHoldings Quality Fund, Inc. (MUS)**

**BlackRock Muni Intermediate Duration Fund, Inc. (MUI)**

**BlackRock MuniVest Fund II, Inc. (MVT)**

**Not FDIC Insured   May Lose Value   No Bank Guarantee**

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### Shareholder Letter

Dear Shareholder,

Markets have remained highly attuned to potential changes in U.S. monetary policy over the past year. This was markedly evident one year ago in May of 2013 when then-Federal Reserve Chairman Bernanke first mentioned the possibility of reducing (or tapering) the central bank's asset purchase programs—comments that were widely misinterpreted as signaling an end to the Fed's zero-interest-rate policy. U.S. Treasury yields rose sharply following his comments, triggering a steep sell-off across fixed income markets. (Bond prices move in the opposite direction of yields.) Global equities also suffered as investors feared the implications of a potential end to a program that had greatly supported stocks. Emerging markets, which are more sensitive to changes in global liquidity, were especially hurt by the prospect of ebbing cash flows from the United States. Markets broadly rebounded in late June, however, when the Fed's tone turned more dovish. At the same time, improving economic indicators and better corporate earnings helped extend gains through most of the summer.

Although the tone of economic and financial news was mixed last autumn, it was a surprisingly positive period for most asset classes. Early on, the Fed defied market expectations with its decision to delay tapering, but higher volatility returned in late September 2013 when the U.S. Treasury Department warned that the national debt would soon breach its statutory maximum. The ensuing political brinksmanship led to a partial government shutdown, roiling global financial markets through the first half of October. Equities and other so-called risk assets managed to resume their rally when politicians finally engineered a compromise to reopen the government and extend the debt ceiling.

The remainder of 2013 was a generally positive period for stock markets in the developed world, although investors continued to grapple with uncertainty about when and how much the Fed would scale back on stimulus. When the Fed ultimately announced its tapering plans in mid-December, markets reacted positively, as this action signaled the Fed's perception of real improvement in the economy, and investors were finally released from the anxiety that had gripped them for quite some time.

The start of the new year brought a stark change in sentiment. Heightened volatility in emerging markets—driven by reduced global liquidity, severe currency weakness, high levels of debt and uneven growth—combined with mixed U.S. economic data caused global equities to weaken in January while bond markets found renewed strength from investors seeking relatively safer assets. Although these headwinds persisted, equities were back on the rise in February as investors were encouraged by a one-year extension of the U.S. debt ceiling and market-friendly comments from new Fed Chair Janet Yellen. While U.S. economic data had softened, investors were assuaged by increasing evidence that this was a temporary trend resulting from harsher-than-usual winter weather.

In the final months of the period, signs of decelerating growth in China and geopolitical tensions in Russia and Ukraine made for a bumpy ride, but markets continued their climb as investors focused on improving U.S. economic data, stronger corporate earnings and a still-dovish central bank. Within developed markets, investors shifted from growth to value stocks as the strong performance of growth stocks in 2013 had pushed valuations higher in many of these sectors. Emerging markets also benefited from this broad rotation into cheaper valuations and were further supported by an improving growth outlook for a number of developing countries.

Even though investors were gearing up for a modest shift toward tighter monetary policy from the Fed, equity markets in the developed world posted solid gains for the six- and 12-month periods ended April 30. Emerging markets, however, experienced increased volatility amid heightened risks for the asset class. Interest rate uncertainty posed a headwind for fixed income assets, and higher-quality sectors of the market performed poorly over the reporting period. Conversely, high yield bonds benefited from income-oriented investors' search for yield in the overall low-rate environment. Short-term interest rates remained near zero, keeping yields on money market securities close to historic lows.

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

Sincerely,

Rob Kapito

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President, BlackRock Advisors, LLC

*In a modest global growth environment, expectations around monetary policy changes continued to be a key theme in financial market performance.*

Rob Kapito

President, BlackRock Advisors, LLC

## Total Returns as of April 30, 2014

	6-month	12-month
U.S. large cap equities (S&P 500® Index)	8.36%	20.44%
U.S. small cap equities (Russell 2000® Index)	3.08	20.50
International equities (MSCI Europe, Australasia, Far East Index)	4.44	13.35
Emerging market equities (MSCI Emerging Markets Index)	(2.98)	(1.84)
3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index)	0.03	0.06
U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index)	0.88	(5.25)
U.S. investment-grade bonds (Barclays U.S. Aggregate Bond Index)	1.74	(0.26)
Tax-exempt municipal bonds (S&P Municipal Bond Index)	4.24	0.46
U.S. high yield bonds  (Barclays U.S. Corporate High Yield 2% Issuer Capped Index)	4.72	6.28

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

THIS PAGE NOT PART OF YOUR FUND REPORT

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**Table of Contents****Municipal Market Overview****For the Reporting Period Ended April 30, 2014****Municipal Market Conditions**

After a strong start to 2013, the municipal market was upturned as investors reacted to statements issued by the U.S. Federal Reserve in May and June relating to the eventual reduction of its bond-buying stimulus program (which ultimately took effect in January 2014). The prospect of U.S. monetary policy tightening sooner than previously expected led to a sharp rise in interest rates and waning municipal bond performance. (Bond prices fall as rates rise.) Municipal bond mutual funds saw strong outflows through the remainder of 2013, before investors again sought the relative safety of the asset class in the New Year. For the 12-month period ended April 30, 2014, net outflows were approximately \$60 billion (based on data from the Investment Company Institute).

High levels of interest rate volatility, particularly on the long-end of the curve resulted in a sharp curtailment of tax-exempt issuance in May of 2013 through the end of the period. However, from a historical perspective, total new issuance for the 12 months ended April 30, 2014 remained relatively strong at \$300 billion (but meaningfully lower than the \$388 billion issued in the prior 12-month period). A significant portion of new supply during this period was attributable to refinancing activity (roughly 40%) as issuers took advantage of lower interest rates to reduce their borrowing costs.

<b>S&amp;P Municipal Bond Index</b>	
<b>Total Returns as of April 30, 2014</b>	
6 months :	4.24%
12 months :	0.46%

**A Closer Look at Yields**

From April 30, 2013 to April 30, 2014, muni yields increased by 65 basis points ( bps ) from 2.84% to 3.49% on AAA-rated 30-year municipal bonds, while increasing 61 bps from 1.69% to 2.30% on 10-year bonds and rising another 49 bps from 0.74% to 1.23% on 5-year issues (as measured by Thomson Municipal Market Data). Overall, the municipal yield curve remained relatively steep over the 12-month period as the spread between 2- and 30-year maturities widened by 59 bps and the spread between 2- and 10-year maturities widened by 55 bps.

During the same time period, U.S. Treasury rates rose by 58 bps on 30-year and 98 bps on 10-year bonds, while moving up 100 bps in 5-years. Accordingly, tax-exempt municipal bonds underperformed Treasuries on the long end of the yield curve as investors sought to reduce interest rate risk later in the period. On the short and intermediate parts of the curve, the outperformance of municipal bonds versus Treasuries was driven largely by a supply/demand imbalance within the municipal market and a rotation from long-duration assets (which are more sensitive to interest rate movements) into short- and intermediate-duration investments (which are less sensitive to interest rate movements). Additionally, municipal bonds benefited from the increased appeal of tax-exempt investing in the new higher tax rate environment. The asset class is known for its lower relative volatility and preservation of principal with an emphasis on income as tax rates rise. The municipal market continues to be an attractive avenue for investors seeking yield in today's environment. However, opportunities have not been as broad-based as in 2011 and 2012, warranting a more tactical approach going forward.

**Financial Conditions of Municipal Issuers Continue to Improve**

Following an extended period of nation-wide austerity and de-leveraging as states sought to balance their budgets, 15 consecutive quarters of positive revenue growth coupled with the elimination of more than 750,000 jobs in recent years have put state and local governments in a better financial position. Many local municipalities, however, continue to face increased health care and pension costs passed down from the state level. BlackRock maintains the view that municipal bond defaults will be minimal and remain in the periphery, and that the overall market is fundamentally sound. We continue to recognize that careful credit research, appropriate structure and security selection remain imperative amid uncertainty in a modestly improving economic environment.

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



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### **The Benefits and Risks of Leveraging**

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

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

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

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

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

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

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

### **Derivative Financial Instruments**

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

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**Table of Contents****Fund Summary** as of April 30, 2014**BlackRock MuniAssets Fund, Inc.****Fund Overview**

BlackRock MuniAssets Fund, Inc.'s (MUA) (the Fund) investment objective is to provide high current income exempt from federal income taxes by investing primarily in a portfolio of medium- to lower-grade or unrated municipal obligations, the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal income taxes. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Fund invests at least 65% of its assets in municipal bonds that are rated in the medium to lower categories by nationally recognized rating services (for example, Baa or lower by Moody's Investors Service, Inc. or BBB or lower by Standard & Poor's Corporation) or non-rated securities which are of comparable quality. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

**Performance**

For the 12-month period ended April 30, 2014, the Fund returned (2.06)% based on market price and 0.47% based on NAV. For the same period, the closed-end Lipper High Yield Municipal Debt Funds category posted an average return of (3.45)% based on market price and 0.09% based on NAV. All returns reflect reinvestment of dividends and/or distributions. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund benefited from holding unrated and non-investment grade bonds, which exhibited superior performance compared to investment grade bonds during the period. The Fund's concentrations in project finance, development district and corporate-related debt also had a positive impact on results. The Fund's more seasoned holdings possessing high coupons generated a high level of income while exhibiting low volatility over the 12-month period.

As interest rates moved sharply higher early in the period, the Fund's duration exposure (sensitivity to interest rate movements) was the most significant detractor from performance. (Bond prices fall when rates rise.) Modest exposure to Detroit municipal bonds hurt results. In the beginning of the period, the Fund's exposure to Puerto Rico government-related credits, although limited, was a detractor from results as credit spreads on these bonds widened materially due to investors' lack of confidence and a weak local economy. The Fund sold its exposure to these underperforming securities, but later in the period, purchased a different bond with more attractive characteristics. The Fund's state and local tax-backed and transportation holdings generally produced negative returns. Additionally, the Fund's higher quality holdings incurred mild price declines over the period.

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

**Fund Information**

Symbol on New York Stock Exchange ( NYSE )	MUA
Initial Offering Date	June 25, 1993
Yield on Closing Market Price as of April 30, 2014 (\$12.85) <sup>1</sup>	5.84%
Tax Equivalent Yield <sup>2</sup>	10.32%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.0625
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.7500
Economic Leverage as of April 30, 2014 <sup>4</sup>	13%

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

<sup>3</sup> The distribution rate 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 Fund, including any assets attributable to TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 5.

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**BlackRock MuniAssets Fund, Inc.**

**Market Price and Net Asset Value Per Share Summary**

	<b>4/30/14</b>	<b>4/30/13</b>	<b>Change</b>	<b>High</b>	<b>Low</b>
Market Price	\$ 12.85	\$ 13.96	(7.95)%	\$ 14.00	\$ 11.13
Net Asset Value	\$ 13.56	\$ 14.36	(5.57)%	\$ 14.39	\$ 12.53

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

**Overview of the Fund's Long-Term Investments**

<b>Sector Allocation</b>	<b>4/30/14</b>	<b>4/30/13</b>
Health	23%	25%
Transportation	20	21
County/City/Special District/School District	16	15
Corporate	14	14
Utilities	12	12
Tobacco	6	4
Education	5	5
State	4	4
<b>Credit Quality Allocation<sup>1</sup></b>	<b>4/30/14</b>	<b>4/30/13</b>
AAA/Aaa		1%
AA/Aa	21%	20
A	9	11
BBB/Baa	27	28
BB/Ba	7	4
B	9	7
CCC/Caa		1
Not Rated <sup>2</sup>	27	28

<sup>1</sup> Using the higher of Standard & Poor's (S&P's) or Moody's Investors Service (Moody's) ratings.

<sup>2</sup> The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of April 30, 2014 and April 30, 2013, the market value of these securities was \$21,133,957, and \$22,305,427, each representing 4%, respectively, of the Fund's long-term investments.

**Call/Maturity Schedule<sup>3</sup>**

Calendar Year Ended December 31,

2014	14%
2015	3
2016	3
2017	5
2018	11

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



**Table of Contents****Fund Summary** as of April 30, 2014**BlackRock MuniEnhanced Fund, Inc.****Fund Overview**

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

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

**Performance**

For the 12-month period ended April 30, 2014, the Fund returned (4.76)% based on market price and 1.06% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of (5.00)% based on market price and (0.78)% based on NAV. All returns reflect reinvestment of dividends and/or distributions. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund benefited from the accrual of income generated from coupon payments on its municipal bond holdings. Additionally, short positions in U.S. Treasury futures contracts used to manage interest rate risk had a positive impact on the Fund's performance for the period.

The largest detractor from performance was the Fund's duration exposure (sensitivity to interest rate movements) as tax-exempt municipal rates increased significantly during the first half of the period. (Bond prices fall when rates rise.) During the second half of the period, however, intermediate and long-term rates fell, resulting in less significant rate increases for the overall annual period. The Fund's exposure to the long-end of the yield curve also detracted from performance, especially in the first half of the period when shorter rates (two to five years) rose less than long rates (twenty years and longer). In the beginning of the period, the Fund's exposure to Puerto Rico government-related credits, although limited, was a detractor from results as credit spreads on these bonds widened materially due to investors' lack of confidence and a weak local economy. The Fund sold its exposure to these securities early in the period.

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

**Fund Information**

Symbol on NYSE	MEN
Initial Offering Date	March 2, 1989
Yield on Closing Market Price as of April 30, 2014 (\$11.27) <sup>1</sup>	6.44%
Tax Equivalent Yield <sup>2</sup>	11.38%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.0605
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.7260
Economic Leverage as of April 30, 2014 <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 marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.
- <sup>3</sup> The distribution rate is not constant and is subject to change.
- <sup>4</sup> Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock MuniEnhanced Fund, Inc.

**Market Price and Net Asset Value Per Share Summary**

	<b>4/30/14</b>	<b>4/30/13</b>	<b>Change</b>	<b>High</b>	<b>Low</b>
Market Price	\$ 11.27	\$ 12.65	(10.91)%	\$ 13.25	\$ 9.96
Net Asset Value	\$ 11.94	\$ 12.63	(5.46)%	\$ 12.67	\$ 10.68

**Market Price and Net Asset Value History For the Past Five Years****Overview of the Fund's Long-Term Investments**

<b>Sector Allocation</b>	<b>4/30/14</b>	<b>4/30/13</b>
County/City/Special District/School District	24%	22%
State	22	20
Transportation	19	24
Utilities	15	14
Education	8	7
Health	8	9
Corporate	2	2
Housing	2	2
<b>Credit Quality Allocation<sup>1</sup></b>	<b>4/30/14</b>	<b>4/30/13</b>
AAA/Aaa	13%	14%
AA/Aa	58	57
A	25	25
BBB/Baa	4	3
B		1

<sup>1</sup> Using the higher of S&P's or Moody's ratings.**Call/Maturity Schedule<sup>2</sup>**

Calendar Year Ended December 31,	
2014	5%
2015	7
2016	4
2017	12
2018	11

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

**Table of Contents****Fund Summary** as of April 30, 2014**BlackRock MuniHoldings Fund, Inc.****Fund Overview**

BlackRock MuniHoldings Fund, Inc.'s (MHD) (the Fund) investment objective is to provide shareholders with current income exempt from federal income taxes. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Fund invests, under normal market conditions, at least 75% of its assets in municipal bonds rated investment grade and invests primarily in long-term municipal bonds with a maturity of more than ten years at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

**Performance**

For the 12-month period ended April 30, 2014, the Fund returned (5.55)% based on market price and (0.15)% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of (5.00)% based on market price and (0.78)% based on NAV. All returns reflect reinvestment of dividends and/or distributions. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

As interest rates moved sharply higher early in the period, the Fund's duration exposure (sensitivity to interest rate movements) was the most significant detractor from performance. (Bond prices fall when rates rise.) The Fund's state and local tax-backed and transportation holdings generally produced slightly negative returns for the period. In the beginning of the period, the Fund's exposure to Puerto Rico government-related credits, although limited, was a detractor from results as credit spreads on these bonds widened materially due to investors' lack of confidence and a weak local economy. The Fund sold its exposure to these securities during the period. Additionally, the Fund's holdings of higher quality investment grade bonds generated modestly negative returns.

During a period in which interest rates increased in the earlier half and declined in the latter half, the additional income afforded by the Fund's use of leverage, a persistently low cost of borrowing and the Fund's emphasis on credit exposure helped mitigate much of the market-related volatility. The Fund benefited from holding unrated as well as low investment grade and non-investment grade bonds, which exhibited superior performance compared to higher quality investment grade bonds during the period. The Fund's concentrations in education, school district, utilities and corporate-related debt also had a positive impact on results.

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

**Fund Information**

Symbol on NYSE	MHD
Initial Offering Date	May 2, 1997
Yield on Closing Market Price as of April 30, 2014 (\$16.01) <sup>1</sup>	6.63%
Tax Equivalent Yield <sup>2</sup>	11.71%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.0885
Current Annualized Distribution per Common Share <sup>3</sup>	\$1.0620
Economic Leverage as of April 30, 2014 <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 marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.
- <sup>3</sup> The distribution rate is not constant and is subject to change.
- <sup>4</sup> Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 5.

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### BlackRock MuniHoldings Fund, Inc.

#### Market Price and Net Asset Value Per Share Summary

	4/30/14	4/30/13	Change	High	Low
Market Price	\$16.01	\$18.20	(12.03)%	\$18.21	\$14.17
Net Asset Value	\$16.85	\$18.12	(7.01)%	\$18.17	\$14.84

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

#### Overview of the Fund's Long-Term Investments

Sector Allocation	4/30/14	4/30/13
Transportation	22%	22%
Health	19	21
County/City/Special District/School District	13	13
State	13	13
Utilities	10	12
Corporate	10	7
Education	9	9
Tobacco	3	1
Housing	1	2
Credit Quality Allocation <sup>1</sup>	4/30/14	4/30/13
AAA/Aaa	9%	9%
AA/Aa	39	42
A	29	29
BBB/Baa	11	9
BB/Ba	3	1
B	3	3
Not Rated <sup>2</sup>	6	7

<sup>1</sup> Using the higher of S&P's or Moody's ratings.

<sup>2</sup> The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of April 30, 2014 and April 30, 2013, the market value of these securities was \$4,061,128, representing 1%, and \$7,320,539, representing 2%, respectively, of the Fund's long-term investments.

#### Call/Maturity Schedule<sup>3</sup>

Calendar Year Ended December 31,

2014	9%
2015	1
2016	3
2017	5
2018	6

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



**Table of Contents****Fund Summary** as of April 30, 2014**BlackRock MuniHoldings Fund II, Inc.****Fund Overview**

BlackRock MuniHoldings Fund II, Inc. s (MUH) (the Fund ) investment objective is to provide shareholders with current income exempt from federal income taxes. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Fund invests, under normal market conditions, at least 75% of its assets in municipal bonds rated investment grade and invests primarily in long-term municipal bonds with a maturity of more than ten years at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

**Performance**

For the 12-month period ended April 30, 2014, the Fund returned (4.30)% based on market price and (0.40)% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of (5.00)% based on market price and (0.78)% based on NAV. All returns reflect reinvestment of dividends and/or distributions. The Fund s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

As interest rates moved sharply higher early in the period, the Fund s duration exposure (sensitivity to interest rate movements) was the most significant detractor from performance. (Bond prices fall when rates rise.) The Fund s state and local tax-backed and transportation holdings generally produced slightly negative returns for the period. In the beginning of the period, the Fund s exposure to Puerto Rico government-related credits, although limited, was a detractor from results as credit spreads on these bonds widened materially due to investors lack of confidence and a weak local economy. The Fund sold its exposure to these securities during the period. Additionally, the Fund s various holdings of mid-tier quality investment grade bonds generated modestly negative returns.

During a period in which interest rates increased in the earlier half and declined in the latter half, the additional income afforded by the Fund s use of leverage, a persistently low cost of borrowing and the Fund s emphasis on credit exposure helped mitigate much of the market-related volatility. The Fund benefited from holding unrated as well as low investment grade and non-investment grade bonds, which exhibited superior performance compared to higher quality investment grade bonds during the period. The Fund s concentrations in health care, school district, utilities, project finance and corporate-related debt also had a positive impact on results.

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

**Fund Information**

Symbol on NYSE	MUH
Initial Offering Date	February 27, 1998
Yield on Closing Market Price as of April 30, 2014 (\$14.84) <sup>1</sup>	6.71%
Tax Equivalent Yield <sup>2</sup>	11.86%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.083
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.996
Economic Leverage as of April 30, 2014 <sup>4</sup>	37%

<sup>1</sup>

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

- <sup>2</sup> Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.
- <sup>3</sup> The distribution rate is not constant and is subject to change.
- <sup>4</sup> Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 5.

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### BlackRock MuniHoldings Fund II, Inc.

#### Market Price and Net Asset Value Per Share Summary

	4/30/14	4/30/13	Change	High	Low
Market Price	\$14.84	\$16.75	(11.40)%	\$16.87	\$13.06
Net Asset Value	\$15.61	\$16.93	(7.80)%	\$16.98	\$13.93

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

#### Overview of the Fund's Long-Term Investments

Sector Allocation	4/30/14	4/30/13
Health	21%	20%
Transportation	19	21
County/City/Special District/School District	15	17
State	14	15
Utilities	10	10
Education	10	8
Corporate	7	7
Tobacco	3	1
Housing	1	1
Credit Quality Allocation <sup>1</sup>	4/30/14	4/30/13
AAA/Aaa	9%	9%
AA/Aa	43	48
A	26	26
BBB/Baa	11	8
BB/Ba	2	
B	3	2
CCC/Caa		1
Not Rated <sup>2</sup>	6	6

<sup>1</sup> Using the higher of S&P's or Moody's ratings.

<sup>2</sup> The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of April 30, 2014 and April 30, 2013, the market value of these securities was \$15,305,545, representing 6%, and \$7,446,854, representing 2%, respectively, of the Fund's long-term investments.

#### Call/Maturity Schedule<sup>3</sup>

Calendar Year Ended December 31,

2014	8%
2015	1
2016	4

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2017  
2018

6  
7

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

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**Table of Contents****Fund Summary** as of April 30, 2014**BlackRock MuniHoldings Quality Fund, Inc.****Fund Overview**

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

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

**Performance**

For the 12-month period ended April 30, 2014, the Fund returned (7.78)% based on market price and (1.07)% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of (5.00)% based on market price and (0.78)% based on NAV. All returns reflect reinvestment of dividends and/or distributions. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund's longer duration holdings (those with greater sensitivity to interest rate movements) and exposure to the long-end of the yield curve had a negative impact on performance as interest rates moved sharply higher and the municipal yield curve steepened significantly during the first half of the period, with shorter rates (two to five years) increasing less than long rates (twenty years and longer). This especially impacted the Fund's holdings in the tax-backed, utilities, transportation and education sectors. During the second half of the period, however, intermediate and long-term rates fell, resulting in less significant rate increases for the overall annual period. In the beginning of the period, the Fund's exposure to Puerto Rico government-related credits was a detractor from results as credit spreads on these bonds widened materially due to investors' lack of confidence and a weak local economy. The Fund sold its exposure to these securities early in the period.

The Fund benefited from maintaining short positions in U.S. Treasury futures contracts used to manage interest rate risk. Additionally, the Fund's holdings in pre-refunded bonds with terms of up to five years helped 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.

**Fund Information**

Symbol on NYSE	MUS
Initial Offering Date	May 1, 1998
Yield on Closing Market Price as of April 30, 2014 (\$12.88) <sup>1</sup>	6.29%
Tax Equivalent Yield <sup>2</sup>	11.11%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.0675
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.8100
Economic Leverage as of April 30, 2014 <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 marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

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

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

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**BlackRock MuniHoldings Quality Fund, Inc.**

**Market Price and Net Asset Value Per Share Summary**

	<b>4/30/14</b>	<b>4/30/13</b>	<b>Change</b>	<b>High</b>	<b>Low</b>
Market Price	\$ 12.88	\$ 14.92	(13.67)%	\$ 15.08	\$ 11.33
Net Asset Value	\$ 14.18	\$ 15.31	(7.38)%	\$ 15.37	\$ 12.67

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

**Overview of the Fund's Long-Term Investments**

<b>Sector Allocation</b>	<b>4/30/14</b>	<b>4/30/13</b>
Transportation	33%	26%
County/City/Special District/School District	27	27
Utilities	19	17
Health	9	9
State	7	13
Education	2	6
Housing	2	1
Tobacco	1	1
<b>Credit Quality Allocation<sup>1</sup></b>	<b>4/30/14</b>	<b>4/30/13</b>
AAA/Aaa	6%	11%
AA/Aa	67	55
A	25	32
BBB/Baa	2	2

<sup>1</sup> Using the higher of S&P's or Moody's ratings.

**Call/Maturity Schedule<sup>2</sup>**

Calendar Year Ended December 31,

2014	1%
2015	3
2016	4
2017	
2018	27

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

**Table of Contents****Fund Summary** as of April 30, 2014**BlackRock Muni Intermediate Duration Fund, Inc.****Fund Overview**

BlackRock Muni Intermediate Duration Fund, Inc.'s (MUI) (the Fund) investment objective is to provide common shareholders with high current income exempt from federal income taxes. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Fund invests at least 75% of its assets in municipal bonds rated investment grade and invests at least 80% of its assets in municipal bonds with a duration of three to ten years at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

**Performance**

For the 12-month period ended April 30, 2014, the Fund returned (3.73)% based on market price and 0.50% based on NAV. For the same period, the closed-end Lipper Intermediate Municipal Debt Funds category posted an average return of (1.95)% based on market price and 0.41% based on NAV. All returns reflect reinvestment of dividends and/or distributions. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund benefited from the accrual of income generated from coupon payments on its municipal bond holdings. Exposure to corporate and health care credits contributed positively to returns as these sectors were among the better performing during the period. While the tobacco sector broadly underperformed the market, the Fund's select tobacco holdings added to performance. The Fund's use of 10-year U.S. Treasury futures contracts as a means of managing interest rate risk enhanced results for the period.

As interest rates moved sharply higher early in the period, the Fund's long duration (high sensitivity to interest rate movements) was the most significant detractor from performance. (Bond prices fall when rates rise.) Concentrated exposure on the long-end of the yield curve within the Fund's intermediate duration mandate was detrimental as rates increased more in the long-end than in the short-end of the curve. The Fund's exposure to the utility sector also had a negative impact on returns. In the beginning of the period, the Fund's exposure to Puerto Rico government-related credits, although limited, was a detractor from results as credit spreads on these bonds widened materially due to investors' lack of confidence and a weak local economy. The Fund sold its exposure to these securities early in the period.

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

**Fund Information**

Symbol on NYSE	MUI
Initial Offering Date	August 1, 2003
Yield on Closing Market Price as of April 30, 2014 (\$14.55) <sup>1</sup>	5.65%
Tax Equivalent Yield <sup>2</sup>	9.98%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.0685
Current Annualized Distribution per Common Share <sup>3</sup>	\$0.8220
Economic Leverage as of April 30, 2014 <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.

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- <sup>2</sup> Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.
- <sup>3</sup> The distribution rate is not constant and is subject to change.
- <sup>4</sup> Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 5.

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### BlackRock Muni Intermediate Duration Fund, Inc.

#### Market Price and Net Asset Value Per Share Summary

	4/30/14	4/30/13	Change	High	Low
Market Price	\$ 14.55	\$ 16.12	(9.74)%	\$ 16.20	\$ 13.04
Net Asset Value	\$ 15.64	\$ 16.60	(5.78)%	\$ 16.64	\$ 14.33

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

#### Overview of the Fund's Long-Term Investments

Sector Allocation	4/30/14	4/30/13
County/City/Special District/School District	24%	26%
Transportation	20	13
State	16	18
Health	12	12
Education	9	10
Corporate	8	8
Utilities	7	8
Housing	2	2
Tobacco	2	3
Credit Quality Allocation <sup>1</sup>	4/30/14	4/30/13
AAA/Aaa	3%	4%
AA/Aa	48	53
A	35	29
BBB/Baa	8	6
BB/Ba	1	1
B	1	2
Not Rated <sup>2</sup>	4	5

<sup>1</sup> Using the higher of S&P's or Moody's ratings.

<sup>2</sup> The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of April 30, 2014 and April 30, 2013, the market value of these securities was \$4,453,656, representing less than 1%, and \$8,944,363, representing 1%, respectively, of the Fund's long-term investment.

#### Call/Maturity Schedule<sup>3</sup>

Calendar Year Ended December 31,

2014	5%
2015	3
2016	5
2017	6
2018	7

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



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### Fund Summary as of April 30, 2014

BlackRock MuniVest Fund II, Inc.

#### Fund Overview

BlackRock MuniVest Fund II, Inc. s (MVT) (the Fund ) investment objective is to provide shareholders with as high a level of current income exempt from federal income taxes as is consistent with its investment policies and prudent investment management. The Fund seeks to achieve its investment objective by investing at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Fund invests, under normal market conditions, at least 75% of its assets in municipal bonds rated investment grade and invests primarily in long-term municipal bonds with a maturity of more than ten years at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

#### Performance

For the 12-month period ended April 30, 2014, the Fund returned (5.74)% based on market price and (0.37)% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of (5.00)% based on market price and (0.78)% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

As interest rates moved sharply higher early in the period, the Fund s duration exposure (sensitivity to interest rate movements) was the most significant detractor from performance. (Bond prices fall when rates rise.) The Fund s state and local tax-backed and transportation holdings generally produced slightly negative returns for the period. In the beginning of the period, the Fund s exposure to Puerto Rico government-related credits, although limited, was a detractor from results as credit spreads on these bonds widened materially due to investors lack of confidence and a weak local economy. The Fund sold its exposure to these securities during the period. Additionally, the Fund s various holdings of higher quality investment grade bonds generated modestly negative returns.

During a period in which interest rates increased in the earlier half and declined in the latter half, the additional income afforded by the Fund s use of leverage, a persistently low cost of borrowing and the Fund s emphasis on credit exposure helped mitigate much of the market-related volatility. The Fund benefited from holding unrated as well as low investment grade and non-investment grade bonds, which exhibited superior performance compared to higher quality investment grade bonds during the period. The Fund s concentrations in education, health care, project finance and corporate-related debt also had a positive impact on results.

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

#### Fund Information

Symbol on NYSE	MVT
Initial Offering Date	March 29, 1993
Yield on Closing Market Price as of April 30, 2014 (\$15.16) <sup>1</sup>	7.01%
Tax Equivalent Yield <sup>2</sup>	12.39%
Current Monthly Distribution per Common Share <sup>3</sup>	\$0.0885
Current Annualized Distribution per Common Share <sup>3</sup>	\$1.0620
Economic Leverage as of April 30, 2014 <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. Past performance does not guarantee future results.

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- <sup>2</sup> Tax equivalent yield assumes the maximum marginal federal tax rate of 43.4%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.
- <sup>3</sup> The distribution rate is not constant and is subject to change.
- <sup>4</sup> Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 5.

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### BlackRock MuniVest Fund II, Inc.

#### Market Price and Net Asset Value Per Share Summary

	4/30/14	4/30/13	Change	High	Low
Market Price	\$15.16	\$17.31	(12.42)%	\$17.34	\$13.50
Net Asset Value	\$15.45	\$16.69	(7.43)%	\$16.74	\$13.70

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

#### Overview of the Fund's Long-Term Investments

Sector Allocation	4/30/14	4/30/13
Health	21%	20%
Transportation	20	22
State	15	15
Utilities	12	11
County/City/Special District/School District	11	11
Corporate	8	10
Education	8	7
Tobacco	3	2
Housing	2	2
Credit Quality Allocation <sup>1</sup>	4/30/14	4/30/13
AAA/Aaa	8%	9%
AA/Aa	42	46
A	28	25
BBB/Baa	10	10
BB/Ba	3	1
B	3	2
Not Rated <sup>2</sup>	6	7

<sup>1</sup> Using the higher of S&P's or Moody's ratings.

<sup>2</sup> The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of April 30, 2014 and April 30, 2013 the market value of these securities was \$4,021,023, representing less than 1%, and \$6,940,695, representing 1%, respectively, of the Fund's long-term investments.

#### Call/Maturity Schedule<sup>3</sup>

Calendar Year Ended December 31,

2014	7%
2015	1
2016	3
2017	8
2018	13

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



**Table of Contents****Schedule of Investments** April 30, 2014**BlackRock MuniAssets Fund, Inc. (MUA)**

(Percentages shown are based on Net Assets)

	<b>Par</b>	
	<b>(000)</b>	<b>Value</b>
<b>Municipal Bonds</b>		
<b>Alabama 2.9%</b>		
Alabama State Docks Department, Refunding RB, 6.00%, 10/01/40	\$ 2,165	\$ 2,469,702
County of Jefferson Alabama, RB, Limited Obligation School, Series A:		
5.25%, 1/01/17	895	899,896
5.25%, 1/01/19	2,000	2,009,860
5.50%, 1/01/21	1,215	1,215,036
4.75%, 1/01/25	3,145	3,013,099
County of Jefferson Alabama Sewer, Refunding RB:		
Convertible CAB, Senior Lien, Series C (AGM), 0.00%, 10/01/38 (a)	615	373,760
Convertible CAB, Senior Lien, Series C (AGM), 0.00%, 10/01/42 (a)	535	323,065
Senior Lien, Series A (AGM), 5.00%, 10/01/44	10	10,148
Sub-Lien, Series D, 6.00%, 10/01/42	3,745	3,950,600
		14,265,166
<b>Alaska 1.2%</b>		
Northern Tobacco Securitization Corp., Refunding RB, Tobacco Settlement, Asset-Backed, Series A:		
4.63%, 6/01/23	1,610	1,553,730
5.00%, 6/01/32	1,500	1,195,470
5.00%, 6/01/46	4,000	2,903,840
		5,653,040
<b>Arizona 2.2%</b>		
City of Phoenix Arizona IDA, RB:		
Great Hearts Academies Veritas Project, 6.30%, 7/01/42	500	507,015
Great Hearts Academies Veritas Project, 6.40%, 7/01/47	425	430,317
Series A, 6.50%, 7/01/34	570	562,379
Series A, 6.75%, 7/01/44	1,000	992,860
City of Show Low Arizona, Special Assessment Bonds, Improvement District No. 5, 6.38%, 1/01/15	50	50,349
County of Maricopa Arizona IDA, RB, Arizona Charter School Project 1, Series A, 6.63%, 7/01/20	865	824,362
Phoenix IDA Arizona, Refunding RB, America West Airlines, Inc. Project, AMT, 6.30%, 4/01/23	5,750	5,761,672
University Medical Center Corp. Arizona, RB:		
6.25%, 7/01/29	820	903,730
6.50%, 7/01/39	500	551,440
		10,584,124
<b>Municipal Bonds</b>	<b>Par</b>	
	<b>(000)</b>	<b>Value</b>
<b>California 3.8%</b>		
California Pollution Control Financing Authority, RB, County of San Diego California Water Authority Desalination Project Pipeline, 5.00%, 11/21/45 (b)	\$ 1,270	\$ 1,270,279
California School Finance Authority, RB:		
Alliance for College Ready Public School 2023 Union LLC Project, Series A, 6.40%, 7/01/48	1,570	1,637,871
Value Schools, 6.65%, 7/01/33	435	451,904
Value Schools, 6.90%, 7/01/43	975	1,011,796
California Statewide Communities Development Authority, Refunding RB, American Baptist Homes of the West, 6.25%, 10/01/39	2,175	2,319,551
City of Fontana California, Refunding RB, Special Tax Bonds, Community Facilities District No. 22-Sierra, Series H, 6.00%, 9/01/34	2,320	2,330,370
City of San Jose California Hotel Tax, RB, Convention Center Expansion & Renovation Project:		
6.50%, 5/01/36	900	1,054,215
6.50%, 5/01/42	2,220	2,594,425

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City of Stockton California Public Financing Authority, RB, Delta Water Supply Project, Series A, 6.25%, 10/01/40	375	419,419
County of Riverside California Transportation Commission, RB, Senior Lien, Series A, 5.75%, 6/01/48	2,885	3,035,713
Tobacco Securitization Authority of Southern California, Refunding RB, Tobacco Settlement, Asset-Backed, Senior Series A-1, 4.75%, 6/01/25	2,205	2,153,844
		18,279,387
<b>Colorado 2.0%</b>		
Denver Health & Hospital Authority, RB, Series A (c):		
5.00%, 12/01/39	1,100	1,130,316
5.25%, 12/01/45	1,650	1,725,801
Plaza Metropolitan District No. 1 Colorado, Tax Allocation Bonds, Public Improvement Fee, Tax Increment, 8.00%, 6/01/14 (d)	4,850	4,882,737
Plaza Metropolitan District No. 1 Colorado, Refunding, Tax Allocation Bonds, Public Improvement Fee, Tax Increment, 5.00%, 12/01/40	575	575,811
Regional Transportation District, RB, Denver Transit Partners Eagle P3 Project, 6.00%, 1/15/34	1,500	1,604,655
		9,919,320

### Portfolio Abbreviations

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

<b>AGC</b>	Assured Guaranty Corp.	<b>HFA</b>	Housing Finance Agency
<b>AGM</b>	Assured Guaranty Municipal Corp.	<b>HRB</b>	Housing Revenue Bonds
<b>AMBAC</b>	American Municipal Bond Assurance Corp.	<b>HUD</b>	Department of Housing and Urban Development
<b>AMT</b>	Alternative Minimum Tax (subject to)	<b>IDA</b>	Industrial Development Authority
<b>ARB</b>	Airport Revenue Bonds	<b>ISD</b>	Independent School District
<b>BARB</b>	Building Aid Revenue Bonds	<b>LRB</b>	Lease Revenue Bonds
<b>BHAC</b>	Berkshire Hathaway Assurance Corp.	<b>MRB</b>	Mortgage Revenue Bonds
<b>CAB</b>	Capital Appreciation Bonds	<b>NPFGC</b>	National Public Finance Guarantee Corp.
<b>COP</b>	Certificates of Participation	<b>PSF-GTD</b>	Permanent School Fund Guaranteed
<b>EDA</b>	Economic Development Authority	<b>Radian</b>	Radian Financial Guaranty
<b>EDC</b>	Economic Development Corp.	<b>RB</b>	Revenue Bonds
<b>ERB</b>	Education Revenue Bonds	<b>SBPA</b>	Stand-by Bond Purchase Agreements
<b>GARB</b>	General Airport Revenue Bonds	<b>S/F</b>	Single-Family
<b>GO</b>	General Obligation Bonds	<b>Syncora</b>	Syncora Guarantee
<b>HDA</b>	Housing Development Authority	<b>VRDN</b>	Variable Rate Demand Notes

See Notes to Financial Statements.

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## Schedule of Investments (continued)

BlackRock MuniAssets Fund, Inc. (MUA)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
<b>Municipal Bonds</b>		
<b>Connecticut 0.3%</b>		
Mohegan Tribe of Indians of Connecticut, Refunding RB, Public Improvement, Priority Distribution, 6.25%, 1/01/31	\$ 1,370	\$ 1,370,356
<b>Delaware 0.9%</b>		
County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Power LLC Project, 6.00%, 10/01/40	1,000	1,070,150
Delaware State EDA, RB, Exempt Facilities, Indian River Power LLC Project, 5.38%, 10/01/45	3,120	3,183,430
		4,253,580
<b>District of Columbia 0.9%</b>		
District of Columbia, RB, Methodist Home District of Columbia, Series A:		
7.38%, 1/01/30	1,665	1,669,812
7.50%, 1/01/39	1,615	1,618,779
District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.50%, 5/15/33	1,055	1,129,937
		4,418,528
<b>Florida 10.7%</b>		
Boggy Creek Improvement District, Refunding RB, Special Assessment Bonds, 5.13%, 5/01/43	4,100	4,018,123
County of Collier Florida IDA, Refunding RB, Arlington of Naples Project, Series A, 8.13%, 5/15/44 (b)	2,510	2,578,222
County of Hillsborough Florida IDA, RB, National Gypsum Co. AMT:		
Series A, 7.13%, 4/01/30	3,000	3,013,500
Series B, 7.13%, 4/01/30	1,560	1,561,232
County of Palm Beach Florida Health Facilities Authority, RB, Acts Retirement Life Community, 5.50%, 11/15/33	3,500	3,662,050
Greenway Improvement District, RB, Special Assessment Bonds, 5.13%, 5/01/43	4,090	4,008,323
Harbor Bay Community Development District Florida, Special Assessment Bonds, Series A, 7.00%, 5/01/33	410	411,173
Jacksonville Economic Development Commission, RB, Gerdau Ameristeel U.S. Inc., AMT, 5.30%, 5/01/37	4,500	4,377,600
Jacksonville Economic Development Commission, Refunding RB, Florida Proton Therapy Institute, Series A, 6.00%, 9/01/17	905	1,017,184
Lakewood Ranch Stewardship District, Refunding, Special Assessment Bonds, Lakewood Center & New Sector Projects, 8.00%, 5/01/40	1,485	1,846,731
Mid-Bay Bridge Authority, RB, Springing Lien, Series A, 7.25%, 10/01/40	4,550	5,189,957
Midtown Miami Community Development District, Refunding, Special Assessment Bonds (c):		
Series A, 5.00%, 5/01/37	850	845,742
Series B, 5.00%, 5/01/37	500	497,495
Midtown Miami Community Development District, Special Assessment Bonds, Series A:		
6.00%, 5/01/24	1,085	1,088,776
6.25%, 5/01/37	4,605	4,621,716
Palm Beach County Health Facilities Authority, Refunding RB, Series A, 7.25%, 6/01/34 (c)	500	537,345
Santa Rosa Bay Bridge Authority, RB, 6.25%, 7/01/28 (e)(f)	4,739	1,941,682
Tampa Palms Open Space and Transportation Community Development District, RB, Capital Improvement, Richmond Place Project, 7.50%, 5/01/18	1,075	1,075,892
Tolomato Community Development District, Refunding, CAB Special Assessment Bonds:		
Series A-1, 6.65%, 5/01/40	910	919,227
	<b>Par</b>	
	(000)	Value
<b>Municipal Bonds</b>		

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## Florida (concluded)

Tolomato Community Development District, Refunding, CAB Special Assessment Bonds

(concluded):

Convertible Series A-2, 0.00%, 5/01/39 (a)	\$ 250	\$ 183,010
Convertible Series A-3, 0.00%, 5/01/40 (a)	585	348,894
Convertible Series A-4, 0.00%, 5/01/40 (a)	305	134,624

Tolomato Community Development District (e)(f):

Series 1, 6.65%, 5/01/40	50	50,579
Series 2, 6.65%, 5/01/40	2,110	1,225,615
Series 3, 6.65%, 5/01/40	710	7

Village Community Development District No. 9, Special Assessment Bonds:

6.75%, 5/01/31	1,765	2,105,239
7.00%, 5/01/41	2,865	3,461,264
5.50%, 5/01/42	1,320	1,397,880

52,119,082

## Georgia 2.0%

City of Atlanta Georgia, Tax Allocation Bonds, Princeton Lakes Project, 5.50%, 1/01/31	1,035	1,043,932
County of Clayton Georgia, Tax Allocation Bonds, Ellenwood Project, 7.50%, 7/01/33	2,755	2,838,339
County of Clayton Georgia Development Authority, Refunding RB, Delta Air Lines, Inc. Project, Series A, 8.75%, 6/01/29	3,365	4,085,850
County of Gainesville & Hall Georgia Development Authority, Refunding RB, Acts Retirement Life Community, Series A-2:		
6.38%, 11/15/29	700	780,416
6.63%, 11/15/39	880	966,275

9,714,812

## Guam 1.5%

Guam Government Waterworks Authority, RB, Water & Wastewater System:

5.25%, 7/01/33	1,450	1,518,657
5.50%, 7/01/43	2,415	2,540,145

Guam Government Waterworks Authority, Refunding RB, Water & Wastewater System, 6.00%, 7/01/25

1,265 1,290,920

Territory of Guam, GO, Series A:

6.00%, 11/15/19	615	664,797
7.00%, 11/15/39	1,115	1,201,636

7,216,155

## Illinois 4.3%

City of Chicago Board of Education, GO, Series A,

5.25%, 12/01/41	3,450	3,460,523
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Illinois Finance Authority, Refunding RB:

CAB, Clare Water Tower, Series B,

0.00%, 5/15/50 (e)(f)(g)	1,214	12
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Clare Water Tower, Series A-7,

6.13%, 5/15/41 (e)(f)	3,129	31
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Friendship Village of Schaumburg, 7.25%, 2/15/45

4,000 4,150,120

Lutheran Home & Services Obligated Group,

5.63%, 5/15/42	2,395	2,294,889
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Primary Health Care Centers Program, 6.60%, 7/01/24

1,175 1,175,776

Roosevelt University Project, 6.50%, 4/01/44

4,170 4,315,575

Railsplitter Tobacco Settlement Authority, RB:

5.50%, 6/01/23	1,400	1,631,560
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6.00%, 6/01/28	710	823,898
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Village of Lincolnshire Illinois, Special Tax Bonds, Sedgebrook Project, 6.25%, 3/01/34

1,800 1,834,578

Village of Wheeling Illinois, Tax Allocation Bonds, North Milwaukee/Lake-Cook TIF Project,

6.00%, 1/01/25	1,420	1,420,312
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21,107,274

See Notes to Financial Statements.

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## Schedule of Investments (continued)

BlackRock MuniAssets Fund, Inc. (MUA)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
<b>Municipal Bonds</b>		
<b>Indiana 1.1%</b>		
City of Valparaiso Indiana, RB, Exempt Facilities, Pratt Paper LLC Project, AMT:		
6.75%, 1/01/34	\$ 825	\$ 884,821
7.00%, 1/01/44	2,000	2,158,600
Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges East End Crossing Project, Series A, AMT:		
5.00%, 7/01/44	470	474,583
5.00%, 7/01/48	1,555	1,575,448
		5,093,452
<b>Iowa 2.8%</b>		
Iowa Finance Authority, Refunding RB:		
Midwestern Disaster Area, Iowa Fertilizer Co. Project, 5.50%, 12/01/22	4,090	4,155,971
Midwestern Disaster Area, Iowa Fertilizer Co. Project, 5.25%, 12/01/25	2,190	2,189,146
Sunrise Retirement Community Project, 5.50%, 9/01/37	1,355	1,237,142
Sunrise Retirement Community Project, 5.75%, 9/01/43	2,115	1,937,721
Iowa Tobacco Settlement Authority, Refunding RB, Series C, 5.38%, 6/01/38	4,900	4,225,319
		13,745,299
<b>Kentucky 0.9%</b>		
Kentucky Public Transportation Infrastructure Authority, RB, Downtown Crossing, First Tier, Series A, 5.75%, 7/01/49	4,000	4,325,160
<b>Louisiana 2.8%</b>		
Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp. Project, 6.75%, 11/01/32	5,000	5,548,750
Louisiana Public Facilities Authority, RB, Belle Chasse Educational Foundation Project, 6.75%, 5/01/41	1,855	2,003,901
Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.25%, 5/15/35	5,570	5,845,715
		13,398,366
<b>Maine 0.7%</b>		
Maine Health & Higher Educational Facilities Authority, RB, Maine General Medical Center, 6.75%, 7/01/41	2,955	3,191,075
<b>Maryland 2.5%</b>		
County of Frederick Maryland, RB, Jefferson Technology Park Project, Series B, 7.13%, 7/01/43	2,840	3,034,114
Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35	3,615	3,765,782
Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25	4,785	5,119,423
		11,919,319
<b>Massachusetts 1.0%</b>		
Massachusetts Development Finance Agency, RB, Series A:		
Foxborough Regional Charter School, 7.00%, 7/01/42	1,025	1,139,472
North Hill Communities Issue, 6.50%, 11/15/43	2,020	2,042,806
Massachusetts Development Finance Agency, Refunding RB:		
Eastern Nazarene College, 5.63%, 4/01/19	25	25,005
Eastern Nazarene College, 5.63%, 4/01/29	80	80,038
Tufts Medical Center, Series I, 6.75%, 1/01/36	1,490	1,731,470
		5,018,791
	Par	
	(000)	Value
<b>Municipal Bonds</b>		
<b>Michigan 2.7%</b>		
City of Detroit Michigan, GO, Taxable Capital Improvement Limited Tax (e)(f):		

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Series A-1, 5.00%, 4/01/16	\$ 650	\$ 175,487
Series A-2, 8.00%, 4/01/15	3,185	859,886
City of Detroit Michigan Sewage Disposal System, Refunding RB, Senior Lien, Series A:		
5.00%, 7/01/32	1,610	1,553,972
5.25%, 7/01/39	2,785	2,708,970
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, Series V,		
8.25%, 9/01/18 (d)	6,310	7,739,341
		13,037,656
<b>Minnesota 0.4%</b>		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series A,		
6.75%, 11/15/32	1,785	2,106,800
<b>Missouri 0.5%</b>		
Kirkwood IDA Missouri, RB, Aberdeen Heights, Series A, 8.25%, 5/15/39	2,315	2,637,132
<b>New Jersey 5.1%</b>		
New Jersey EDA, RB:		
Kapkowski Road Landfill Project, Series B, AMT, 6.50%, 4/01/31	2,250	2,573,618
Patterson Charter School for Science and Technology, Inc. Project, Series A, 6.10%, 7/01/44	1,085	1,115,781
Team Academy Charter School Project,		
6.00%, 10/01/43	1,530	1,585,570
The Goethals Bridge Replacement Project, AMT,		
5.38%, 1/01/43	2,155	2,268,547
New Jersey EDA, Refunding RB, Newark Airport Marriott Hotel, 7.00%, 10/01/14	4,000	4,070,000
New Jersey Health Care Facilities Financing Authority, Refunding RB:		
St. Barnabas Health Care System, Series A,		
5.63%, 7/01/37	2,650	2,847,584
St. Joseph's Healthcare System, 6.63%, 7/01/38	4,090	4,352,782
Tobacco Settlement Financing Corp. New Jersey, Refunding RB, Series 1A:		
4.63%, 6/01/26	2,000	1,760,400
5.00%, 6/01/29	5,000	4,270,450
		24,844,732
<b>New Mexico 0.5%</b>		
New Mexico Hospital Equipment Loan Council, Refunding RB, Gerald Champion Regional Medical Center Project, 5.50%, 7/01/42	2,970	2,547,458
<b>New York 4.2%</b>		
City of New York New York Industrial Development Agency, RB:		
American Airlines, Inc., JFK International Airport, AMT, 8.00%, 8/01/28 (h)	1,765	1,951,790
British Airways PLC Project, AMT,		
7.63%, 12/01/32	4,130	4,151,022
Special Needs Facilities Pooled Program, Series C-1, 6.50%, 7/01/24	610	603,198
Special Needs Facilities Pooled Program, Series C-1, 6.63%, 7/01/29	1,100	1,060,092
County of Chautauqua New York Industrial Development Agency, RB, NRG Dunkirk Power Project,		
5.88%, 4/01/42	3,695	3,892,313
County of Dutchess New York IDA, Refunding RB, St. Francis Hospital, Series A, 7.50%, 3/01/29 (e)(f)	1,400	1,273,860

See Notes to Financial Statements.

**Table of Contents****Schedule of Investments (continued)****BlackRock MuniAssets Fund, Inc. (MUA)**

(Percentages shown are based on Net Assets)

	<b>Par</b>	
	<b>(000)</b>	<b>Value</b>
<b>Municipal Bonds</b>		
<b>New York (concluded)</b>		
Dutchess County Industrial Development Agency New York, RB, St. Francis Hospital, Series B, 7.50%, 3/01/29	\$ 1,000	\$ 909,900
Metropolitan Transportation Authority, RB, Series C, 6.50%, 11/15/28	2,000	2,395,020
New York Liberty Development Corp., Refunding RB, 2nd Priority, Bank of America Tower at One Bryant Park Project, Class 3, 6.38%, 7/15/49	1,270	1,381,277
Niagara Area Development Corp., Refunding RB, Solid Waste Disposal Facility, Covanta Energy Project, Series A, AMT, 5.25%, 11/01/42	1,335	1,342,196
Port Authority of New York & New Jersey, ARB, Special Project, JFK International Air Terminal LLC Project, Series 8, 6.00%, 12/01/36	1,340	1,473,826
		20,434,494
<b>North Carolina 1.6%</b>		
North Carolina Medical Care Commission, Refunding RB, First Mortgage Series A: Deerfield Project, 6.13%, 11/01/38	4,565	4,953,299
Retirement Facilities Whitestone Project, 7.75%, 3/01/31	1,000	1,114,310
Retirement Facilities Whitestone Project, 7.75%, 3/01/41	1,420	1,562,511
		7,630,120
<b>North Dakota 0.5%</b>		
City of Williston North Dakota, RB, Eagle Crest Apartments LLC Project, 7.75%, 9/01/38	2,155	2,204,867
<b>Ohio 2.7%</b>		
Buckeye Tobacco Settlement Financing Authority, RB, Asset-Backed Bonds, Series A-2: 5.75%, 6/01/34	6,745	5,514,914
6.00%, 6/01/42	3,040	2,483,011
State of Ohio, RB, Ford Motor Co. Project, AMT, 5.75%, 4/01/35	4,880	4,952,517
		12,950,442
<b>Oklahoma 0.3%</b>		
Oklahoma Development Finance Authority, Refunding RB, Inverness Village Community, 6.00%, 1/01/32	1,305	1,332,992
<b>Pennsylvania 6.1%</b>		
Allentown Neighborhood Improvement Zone Development Authority, Refunding RB, Series A: 5.00%, 5/01/35	1,815	1,832,878
5.00%, 5/01/42	4,170	4,175,463
City of Philadelphia Pennsylvania Hospitals & Higher Education Facilities Authority, RB, Series A, 5.63%, 7/01/36	2,000	1,963,800
City of Philadelphia Pennsylvania Industrial Development, RB, Commercial Development, AMT, 7.75%, 12/01/17	8,000	8,021,680
County of Cumberland Pennsylvania Municipal Authority, Refunding RB, Diakon Lutheran, 6.38%, 1/01/39	6,165	6,633,047
County of Lancaster Pennsylvania Hospital Authority, Refunding RB, Brethren Village Project, Series A, 6.25%, 7/01/26	1,160	1,215,935
County of Lehigh Pennsylvania General Purpose Authority, Refunding RB, Bible Fellowship Church Homes, 5.13%, 7/01/32	2,705	2,500,664
County of Northampton Pennsylvania IDA, Tax Allocation Bonds, 7.00%, 7/01/32	2,110	2,192,691
Pennsylvania Economic Development Financing Authority, RB, National Gypsum Co., Series A, AMT, 6.25%, 11/01/27	1,250	1,250,187
		29,786,345
	<b>Par</b>	
	<b>(000)</b>	<b>Value</b>
<b>Municipal Bonds</b>		

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<b>Puerto Rico 1.1%</b>		
Commonwealth of Puerto Rico, GO, Refunding Series A, 8.00%, 7/01/35	\$ 6,000	\$ 5,550,120
<b>Rhode Island 0.6%</b>		
Central Falls Detention Facility Corp., Refunding RB, 7.25%, 7/15/35	4,190	3,070,851
<b>Texas 12.5%</b>		
Brazos River Authority, Refunding RB, Texas Utility Co., Series A, AMT, 7.70%, 4/01/33 (e)(f)	5,080	139,700
Central Texas Regional Mobility Authority, Refunding RB:		
CAB, 0.00%, 1/01/28 (g)	1,000	515,960
CAB, 0.00%, 1/01/29 (g)	2,000	973,340
CAB, 0.00%, 1/01/30 (g)	1,170	536,363
CAB, 0.00%, 1/01/33 (g)	3,690	1,397,219
CAB, 0.00%, 1/01/34 (g)	4,000	1,407,840
Senior Lien, 5.75%, 1/01/25	675	736,135
Senior Lien, 6.25%, 1/01/46	2,210	2,418,558
Sub-Lien, 5.00%, 1/01/42	330	320,823
City of Houston Texas Airport System, RB, Special Facilities Continental Airlines, Inc. AMT:		
Series A, 6.63%, 7/15/38	2,890	3,142,788
Series E, 6.75%, 7/01/21	4,550	4,551,319
Clifton Higher Education Finance Corp., ERB, Idea Public Schools:		
5.50%, 8/15/31	955	1,019,854
5.75%, 8/15/41	720	773,050
Clifton Higher Education Finance Corp., Refunding RB, Uplift Education, Series A, 4.40%, 12/01/47	810	732,491
County of Bexar Texas Health Facilities Development Corp., RB, Army Retirement Residence Project, 6.20%, 7/01/45	5,040	5,446,022
County of Harris Texas Cultural Education Facilities Finance Corp., RB, 1st Mortgage, Brazos Presbyterian Homes, Inc. Project, Series B, 7.00%, 1/01/48	475	504,056
County of Harris Texas-Houston Sports Authority, Refunding RB, CAB, Senior Lien, Series A (NPFGC), 0.00%, 11/15/38 (g)	10,000	2,345,200
County of Matagorda Texas Navigation District No. 1, Refunding RB, Central Power & Light Co. Project, Series A, 6.30%, 11/01/29	2,090	2,366,361
County of Tarrant Texas Cultural Education Facilities Finance Corp., RB, Series A:		
CC Young Memorial Home, 8.00%, 2/15/38	1,745	1,917,860
Senior Living Center Project, 8.25%, 11/15/44	4,200	3,418,842
County of Travis Texas Health Facilities Development Corp., Refunding RB, 7.13%, 1/01/46	3,080	3,222,234
La Vernia Higher Education Finance Corp., RB, Kipp, Inc., Series A, 6.38%, 8/15/44	860	954,746
New Hope Cultural Education Facilities Corp., RB, Stephenville Tarleton St.: 5.88%, 4/01/36	1,210	1,241,581
6.00%, 4/01/45	1,845	1,887,066
North Texas Education Finance Corp., ERB, Uplift Education, Series A, 5.25%, 12/01/47	1,600	1,653,120
North Texas Tollway Authority, RB, CAB, Special Project System, Series B, 0.00%, 9/01/37 (g)	2,110	589,893
North Texas Tollway Authority, Refunding RB, 2nd Tier System, Series F, 6.13%, 1/01/31	4,425	4,740,502
Red River Health Facilities Development Corp., First MRB Project:		
Eden Home, Inc., 7.25%, 12/15/42	2,895	2,940,191
Wichita Falls Retirement Foundation, 5.13%, 1/01/41	900	817,704

See Notes to Financial Statements.

**Table of Contents****Schedule of Investments (continued)****BlackRock MuniAssets Fund, Inc. (MUA)**

(Percentages shown are based on Net Assets)

	<b>Par</b>	<b>Value</b>
	<b>(000)</b>	
<b>Municipal Bonds</b>		
<b>Texas (concluded)</b>		
Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien:		
LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40	\$ 3,775	\$ 4,377,037
NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39	3,000	3,424,260
		60,512,115
<b>Utah 0.6%</b>		
State of Utah Charter School Finance Authority, Refunding RB, 6.75%, 10/15/43	2,950	3,078,001
<b>Vermont 0.2%</b>		
Vermont EDA, Refunding, MRB, Wake Robin Corp. Project, 5.40%, 5/01/33	770	780,680
<b>Virginia 3.0%</b>		
County of Fairfax Virginia EDA, Refunding RB:		
Goodwin House, Inc., 5.13%, 10/01/42	2,500	2,550,500
Vinson Hall LLC, Series A, 5.00%, 12/01/42	1,330	1,306,113
Mosaic District Community Development Authority, Special Assessment, Series A:		
6.63%, 3/01/26	1,485	1,667,893
6.88%, 3/01/36	1,300	1,470,872
Virginia Small Business Financing Authority, RB, Senior Lien, Elizabeth River Crossings OpCo LLC Project, AMT, 6.00%, 1/01/37	6,805	7,379,682
		14,375,060
<b>Washington 0.6%</b>		
County of King Washington Public Hospital District No. 4, GO, Refunding, Snoqualmie Valley Hospital, 7.00%, 12/01/40	1,455	1,527,182
Greater Wenatchee Regional Events Center Public Facilities District, Refunding RB, Series A, 5.50%, 9/01/42	1,495	1,498,349
		3,025,531
<b>Wisconsin 0.3%</b>		
Wisconsin Health & Educational Facilities Authority, Refunding RB, St. Johns Communities, Inc., Series A:		
7.25%, 9/15/29	425	476,871
7.63%, 9/15/39	855	963,431
		1,440,302
<b>Total Municipal Bonds 88.0%</b>		426,937,984
<b>Municipal Bonds Transferred to Tender Option Bond Trusts (i)</b>		
<b>Colorado 2.4%</b>		
Colorado Health Facilities Authority, Refunding RB, Sisters of Leavenworth Health System, Series A, 5.00%, 1/01/40	11,475	11,974,392
	<b>Par</b>	
<b>Municipal Bonds Transferred to Tender Option Bond Trusts (i)</b>	<b>(000)</b>	<b>Value</b>
<b>District of Columbia 1.6%</b>		
District of Columbia Water & Sewer Authority, Refunding RB, Senior Lien, Series A, 6.00%, 10/01/35 (j)	\$ 6,679	\$ 7,660,417
<b>Florida 3.4%</b>		
County of Miami-Dade Florida, Refunding RB, Miami International Airport, Series A, AMT (AGC), 5.25%, 10/01/33	15,000	16,466,400
<b>Illinois 3.0%</b>		
	6,510	6,783,550

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City of Chicago Illinois, GARB, O Hare International Airport, 3rd Lien, Series A (NPFGC),  
5.00%, 1/01/33 (j)

Illinois Finance Authority, RB, The Carle Foundation, Series A (AGM), 6.00%, 8/15/41	7,180	8,099,327
		14,882,877

### New York 13.5%

City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer  
System 2nd General Resolution:

Fiscal 2013, Series C, 5.00%, 6/15/47	14,181	15,199,577
Series EE, 5.50%, 6/15/43	7,605	8,764,154
Series HH, 5.00%, 6/15/31 (j)	8,609	9,645,683
Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (j)	4,520	5,018,927
New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated, 5.25%, 12/15/43	18,105	19,541,813
New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (j)	6,600	7,300,194

		65,470,348
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### Washington 1.8%

City of Bellingham Washington, RB, Water & Sewer, 5.00%, 8/01/40	7,966	8,614,167
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### Total Municipal Bonds Transferred to

Tender Option Bond Trusts 25.7%		125,068,601
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### Total Long-Term Investments

(Cost \$535,933,435) 113.7%		552,006,585
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### Short-Term Securities

### Shares

FFI Institutional Tax-Exempt Fund, 0.03% (k)(l)	259,703	259,703
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### Total Short-Term Securities

(Cost \$259,703) 0.1%		259,703
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Total Investments (Cost \$536,193,138) 113.8%		552,266,288
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Liabilities in Excess of Other Assets 0.9%		4,212,036
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Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (14.7)%		(71,158,949)
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Net Assets Applicable to Common Shares 100.0%		\$ 485,319,375
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### Notes to Schedule of investments

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

(b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.

See Notes to Financial Statements.

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### Schedule of Investments (continued)

BlackRock MuniAssets Fund, Inc. (MUA)

(c) When-issued security. Unsettled when-issued transactions were as follows:

Counterparty	Value	Unrealized Appreciation
Citigroup Global Markets, Inc.	\$ 845,742	\$ 23,928
FMSC FMS Bond, Inc.	\$ 497,495	\$ 14,075
Piper Jaffray & Co.	\$ 2,856,117	\$ 22,451
SIMS HERBERT	\$ 537,345	\$ 37,345

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

(e) Non-income producing security.

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

(g) Zero-coupon bond.

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

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

(j) All or a portion of security is subject to a recourse agreement, which may require the Fund to pay the liquidity provider in the event there is a shortfall between the TOB trust certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire from January 1, 2015 to November 15, 2019 is \$21,570,076.

(k) Investments in issuers considered to be an affiliate of the Fund during the year ended April 30, 2014, for purposes of Section 2(a)(3) of the Investment Company Act 1940, were as follows:

Affiliate	Shares Held at April 30, 2013	Net Activity	Shares Held at April 30, 2014	Income
FFI Institutional Tax-Exempt Fund	9,209,652	(8,949,949)	259,703	\$ 898

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

Financial futures contracts outstanding as of April 30, 2014 were as follows:

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<b>Contracts Sold</b>	<b>Issue</b>	<b>Exchange</b>	<b>Expiration</b>	<b>Notional Value</b>	<b>Unrealized Depreciation</b>
(500)	10-Year US Treasury Note	Chicago Board of Trade	June 2014	\$ 62,210,938	\$ (111,475)

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

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

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