

BLACKROCK MUNICIPAL INCOME TRUST  
Form N-CSR  
July 08, 2010

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

**FORM N-CSR**

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

Investment Company Act file number 811-10339

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 52nd 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: 04/30/2010

Item 1 Report to Stockholders

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# Annual Report

APRIL 30, 2010

[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

Although overall global economic and financial conditions have generally improved over the past year, the period ended with high levels of market volatility and diminishing investor confidence sparked by the sovereign debt crisis in Europe, concerns over the strength of the economic recovery and uncertainty surrounding the future of interest rate policies. Additionally, as the period drew to a close, the increasing likelihood of more stringent financial market regulations added to the overall sense of investment uncertainty. Despite the uneven nature of recent market conditions, we continue to believe that the Great Recession likely ended at some point last summer, thanks primarily to massive fiscal and monetary stimulus, and that the global economy remains in recovery mode.

Global equity markets bottomed in early 2009 and since that time have moved unevenly higher as investors were lured back into the markets by depressed valuations, desire for higher yields and improvements in corporate earnings prospects. There have been several corrections along the way and volatility levels have remained elevated reflections of mixed economic data, lingering deflation issues (especially in Europe) and uncertainty surrounding financial regulations. On balance, however, improving corporate revenues and profits and a positive macro backdrop helped push stock prices higher over the last twelve and six months. From a geographic perspective, US equities have outpaced their international counterparts in recent months, as the domestic economic recovery has been more pronounced and as credit-related issues have held European markets down.

Within fixed income markets, yields have been moving unevenly as improving economic conditions have been acting to push Treasury yields higher (and prices correspondingly lower), while concerns over ongoing deflation threats have acted as a counterweight. As the period drew to a close, Treasury yields were falling as investors flocked to the safe haven asset class in the face of escalating uncertainty. Over the course of the last twelve and six months, however, Treasuries underperformed other areas of the bond market, particularly the high yield sector, which has been benefiting from increased investor demand. Meanwhile, municipal bonds slightly outperformed taxable sectors over both the six- and twelve-month periods thanks to continued high demand levels, but have continued to face the headwinds of ongoing state and local budget problems. As in the taxable arena, high yield municipals have been outperforming the rest of the market.

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

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

| <b>Total Returns as of April 30, 2010</b> | <b>6-month</b> | <b>12-month</b> |
|---|----------------|-----------------|
| US equities (S&P 500 Index)               | 15.66%         | 38.84%          |

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|  |        |        |
|--|--------|--------|
| Small cap US equities (Russell 2000 Index)   | 28.17  | 48.95  |
| International equities (MSCI Europe, Australasia, Far East Index)                  | 2.48   | 34.43  |
| 3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)             | 0.04   | 0.15   |
| US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)              | (0.54) | (1.32) |
| Taxable fixed income (Barclays Capital US Aggregate Bond Index)                    | 2.54   | 8.30   |
| Tax-exempt fixed income (Barclays Capital Municipal Bond Index)                    | 3.68   | 8.85   |
| High yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index) | 11.60  | 42.53  |

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

Global financial markets continue to show signs of improvement, but questions about the strength and sustainability of the recovery abound. Through periods of uncertainty, as ever, BlackRock's full resources are dedicated to the management of our clients' assets. For additional market perspective and investment insight, visit [www.blackrock.com/shareholdermagazine](http://www.blackrock.com/shareholdermagazine), where you will find the most recent issue of our award-winning Shareholder® magazine, as well as its quarterly companion newsletter, Shareholder Perspectives. As always, we thank you for entrusting BlackRock with your investments, and we look forward to your continued partnership in the months and years ahead.

THIS PAGE NOT PART OF YOUR FUND REPORT

## Trust Summary as of April 30, 2010

### 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 12 months ended April 30, 2010, the Trust returned 34.50% based on market price and 26.55% 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 28.13% on a market price basis and 22.67% on a NAV basis. All returns reflect reinvestment of dividends. During the period, the Trust moved from a discount to NAV to a premium, which accounts for the difference between performance based on price and performance based on NAV. The Trust benefited from a tightening of credit spreads, specifically within the corporate high yield sector, which helped the Trust's lower-quality holdings outperform. In addition, we actively structured new-issue deals with discounted coupons at the longer end of the Trust's duration range. These holdings benefited from the outperformance of the new-issue market, the flattening of the yield curve and the reduced supply of tax-exempt issuance due to Build America Bonds (BAB) issuance. We also diversified the Trust's holdings to increase exposure to specialty-state paper, which outperformed as a result of increased demand by retail buyers. Conversely, the Trust's shorter maturity holdings, as well as its bonds with greater negative convexity, underperformed the market.

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

#### Trust Information

|   |                   |
|---|-------------------|
| Symbol on New York Stock Exchange (NYSE)                                  | BKN               |
| Initial Offering Date   | February 19, 1993 |
| Yield on Closing Market Price as of April 30, 2010 (\$14.19) <sup>1</sup> | 7.10%             |
| Tax Equivalent Yield <sup>2</sup>   | 10.92%            |
| Current Monthly Distribution per Common Share <sup>3</sup>                | \$0.084           |
| Current Annualized Distribution per Common Share <sup>3</sup>             | \$1.008           |
| Leverage as of April 30, 2010 <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 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:

|                 | 4/30/10 | 4/30/09 | Change | High    | Low     |
|-----------------|---------|---------|--------|---------|---------|
| Market Price    | \$14.19 | \$11.35 | 25.02% | \$14.35 | \$11.21 |
| Net Asset Value | \$13.68 | \$11.63 | 17.63% | \$13.86 | \$11.63 |

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

### Sector Allocations

|  | 4/30/10 | 4/30/09 |
|--|---------|---------|
| Health   | 25%     | 25%     |
| County/City/Special District/<br>School District | 17      | 20      |
| State  | 13      | 12      |
| Education  | 10      | 7       |
| Utilities  | 9       | 8       |
| Transportation                                   | 9       | 10      |
| Housing  | 8       | 11      |
| Corporate  | 7       | 5       |
| Tobacco  | 2       | 2       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/10 | 4/30/09 |
|------------------------|---------|---------|
| AAA/Aaa                | 18%     | 22%     |
| AA/Aa                  | 24      | 30      |
| A                      | 33      | 26      |
| BBB/Baa                | 14      | 9       |
| BB/Ba                  | 1       | 3       |
| B                      | 3       | 1       |
| CCC/Caa                |         | 1       |
| Not Rated <sup>6</sup> | 7       | 8       |

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

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<sup>6</sup> The investment advisor has deemed certain of these securities to be of investment grade quality. As of April 30, 2010 and April 30, 2009, the market value of these securities was \$17,071,058 representing 5% and \$12,511,098 representing 4%, respectively, of the Trust's long-term investments.

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## Trust Summary as of April 30, 2010

### 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 12 months ended April 30, 2010, the Trust returned 31.25% based on market price and 26.81% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 28.13% on a market price basis and 22.67% 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 was attributable in part to sector allocation decisions and included concentrations in health care, tobacco and corporate-related debt, which all performed well. Increasing risk appetite has also proven beneficial given the portfolio's focus on lower-rated credits. Additionally, portfolio positioning with respect to a modestly long duration stance and an emphasis on longer-dated bonds was additive in an environment where yields on the long end of the curve fell substantially. Negative factors included underweight positioning in the transportation, public utilities and education sectors, all of which have performed well on a relative basis.

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 April 30, 2010 (\$10.77) <sup>1</sup> | 6.63%             |
| Tax Equivalent Yield <sup>2</sup>   | 10.20%            |
| Current Monthly Distribution per Common Share <sup>3</sup>                | \$0.0595          |
| Current Annualized Distribution per Common Share <sup>3</sup>             | \$0.7140          |
| Leverage as of April 30, 2010 <sup>4</sup>                                | 36%               |

<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.

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<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:

|                 | 4/30/10 | 4/30/09 | Change | High    | Low    |
|-----------------|---------|---------|--------|---------|--------|
| Market Price    | \$10.77 | \$8.79  | 22.53% | \$10.97 | \$8.72 |
| Net Asset Value | \$11.27 | \$9.52  | 18.38% | \$11.40 | \$9.52 |

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

### Sector Allocations

|  | 4/30/10 | 4/30/09 |
|--|---------|---------|
| Health   | 19%     | 12%     |
| Education  | 16      | 16      |
| County/City/Special District/<br>School District | 14      | 15      |
| Transportation                                   | 11      | 10      |
| Utilities  | 10      | 8       |
| Housing  | 10      | 12      |
| State  | 9       | 9       |
| Tobacco  | 7       | 13      |
| Corporate  | 4       | 5       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/10 | 4/30/09 |
|------------------------|---------|---------|
| AAA/Aaa                | 16%     | 18%     |
| AA/Aa                  | 45      | 37      |
| A                      | 9       | 8       |
| BBB/Baa                | 8       | 15      |
| BB/Ba                  | 2       | 1       |
| B                      | 2       | 3       |
| CCC/Caa                | 1       |         |
| Not Rated <sup>6</sup> | 17      | 18      |

<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 April 30, 2010 and April 30, 2009, the market value of these securities was \$5,264,180 representing 2% and \$1,468,107 representing 1%, respectively, of the Trust's long-term investments.

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## Trust Summary as of April 30, 2010

### 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 12 months ended April 30, 2010, the Trust returned 23.52% based on market price and 26.97% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 28.13% on a market price basis and 22.67% on a NAV basis.

All returns reflect reinvestment of dividends. The Trust's premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The Trust benefited from declining interest rates, which pushed bond prices higher. Although the Trust has a generally shorter maturity profile relative to its Lipper category, performance was enhanced by the Trust's allocation to longer maturities in the high yield sector. This sector outperformed as credit spreads narrowed in an improving market. Additionally, the Trust's allocations to the health care sector overall and the hospitals sub-sector in particular outperformed for the period. 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 among longer-dated securities.

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  | BKK                |
| Initial Offering Date   | September 30, 2003 |
| Termination Date (on or about)  | December 31, 2020  |
| Yield on Closing Market Price as of April 30, 2010 (\$14.89) <sup>1</sup> | 5.02%              |
| Tax Equivalent Yield <sup>2</sup>   | 7.72%              |
| 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 April 30, 2010 <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.

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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 attribu-

table 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:

|                 | 4/30/10 | 4/30/09 | Change | High    | Low     |
|-----------------|---------|---------|--------|---------|---------|
| Market Price    | \$14.89 | \$12.70 | 17.24% | \$15.00 | \$12.47 |
| Net Asset Value | \$14.51 | \$12.04 | 20.51% | \$14.51 | \$12.04 |

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

### Sector Allocations

|  | 4/30/10 | 4/30/09 |
|--|---------|---------|
| Corporate  | 19%     | 17%     |
| County/City/Special District/<br>School District | 15      | 17      |
| Health   | 15      | 15      |
| Transportation                                   | 11      | 9       |
| State  | 10      | 9       |
| Utilities  | 9       | 8       |
| Education  | 9       | 9       |
| Tobacco  | 7       | 10      |
| Housing  | 5       | 6       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/10 | 4/30/09 |
|------------------------|---------|---------|
| AAA/Aaa                | 19%     | 22%     |
| AA/Aa                  | 10      | 16      |
| A                      | 23      | 17      |
| BBB/Baa                | 29      | 27      |
| BB/Ba                  | 3       | 1       |
| B                      | 4       | 3       |
| CC/Ca                  |         | 1       |
| Not Rated <sup>6</sup> | 12      | 13      |

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<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 April 30, 2010 and April 30, 2009, the market value of these securities was \$11,978,514 representing 3% and \$5,768,611 representing 1%, respectively, of the Trust's long-term investments.

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## Trust Summary as of April 30, 2010

### 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 12 months ended April 30, 2010, the Trust returned 30.49% based on market price and 32.75% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 28.13% on a market price basis and 22.67% on a NAV basis.

All returns reflect reinvestment of dividends. The Trust's premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. Positive performance was derived primarily from sector allocation decisions and included concentrations in health care, tobacco, county/city/special district/school district and corporate-related debt, which all performed well. Increasing risk appetite has also proven beneficial given the portfolio's focus on lower-rated credits. Additionally, portfolio positioning with respect to a modestly long duration stance and an emphasis on longer-dated bonds was additive in an environment where yields on the long end of the curve fell substantially. Negative factors included underweight positioning in the tax-backed and public utilities sectors, both of which have performed well on a relative basis. Above market weight exposure to capital appreciation bonds also proved detrimental given their relative underperformance.

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 April 30, 2010 (\$13.44) <sup>1</sup> | 7.02%         |
| Tax Equivalent Yield <sup>2</sup>   | 10.80%        |
| 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 April 30, 2010 <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 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:

|                 | 4/30/10 | 4/30/09 | Change | High    | Low     |
|-----------------|---------|---------|--------|---------|---------|
| Market Price    | \$13.44 | \$11.10 | 21.08% | \$14.25 | \$10.68 |
| Net Asset Value | \$13.23 | \$10.74 | 23.18% | \$13.34 | \$10.74 |

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

### Sector Allocations

|  | 4/30/10 | 4/30/09 |
|--|---------|---------|
| Health   | 18%     | 22%     |
| State  | 14      | 9       |
| Transportation                                   | 13      | 11      |
| Corporate  | 12      | 12      |
| Education  | 11      | 11      |
| County/City/Special District/<br>School District | 11      | 8       |
| Utilities  | 11      | 13      |
| Housing  | 6       | 9       |
| Tobacco  | 4       | 5       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/10 | 4/30/09 |
|------------------------|---------|---------|
| AAA/Aaa                | 18%     | 34%     |
| AA/Aa                  | 25      | 15      |
| A                      | 27      | 21      |
| BBB/Baa                | 16      | 14      |
| BB/Ba                  | 1       | 3       |
| B                      | 7       | 4       |
| CCC/Caa                | 1       | 1       |
| Not Rated <sup>6</sup> | 5       | 8       |

<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 April 30, 2010 and April 30, 2009, the market value of these securities was \$16,636,260 repre-

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senting 2% and \$17,649,155 representing 2%, respectively, of the Trust's long-term investments.

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## Trust Summary as of April 30, 2010

### 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 12 months ended April 30, 2010, the Trust returned 49.41% based on market price and 23.80% based on NAV. For the same period, the closed-end Lipper Pennsylvania Municipal Debt Funds category posted an average return of 29.96% on a market price basis and 18.43% on a NAV basis. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The Trust benefited from efforts to increase weighting in interest-rate-sensitive bonds, as tax-exempt 30-year interest rates rallied 30 basis points (0.30%) lower. A greater weighting in the housing and health care sectors also contributed to Trust performance, as credit spreads generally tightened in these sectors. Conversely, a low relative distribution yield detracted from performance. Over the period, the Trust's income component was a drag on total return performance, but recent efforts to increase current income have resulted in dividend growth and should be a positive factor in future returns.

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

#### Trust Information

|   |                 |
|---|-----------------|
| Symbol on NYSE Amex   | BPS             |
| Initial Offering Date   | August 25, 1999 |
| Yield on Closing Market Price as of April 30, 2010 (\$13.88) <sup>1</sup> | 6.05%           |
| Tax Equivalent Yield <sup>2</sup>   | 9.31%           |
| 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 April 30, 2010 <sup>4</sup>                                | 40%             |

<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 Monthly Distribution per Common Share, declared on June 1, 2010, was increased to \$0.0725 per share. The Yield on Closing Market Price,

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Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

<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:

|                 | 4/30/10 | 4/30/09 | Change | High    | Low     |
|-----------------|---------|---------|--------|---------|---------|
| Market Price    | \$13.88 | \$ 9.85 | 40.91% | \$13.93 | \$ 9.84 |
| Net Asset Value | \$13.86 | \$11.87 | 16.76% | \$14.03 | \$11.86 |

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

### Sector Allocations

|  | 4/30/10 | 4/30/09 |
|--|---------|---------|
| Health   | 31%     | 24%     |
| Housing  | 16      | 14      |
| State  | 15      | 15      |
| Education  | 14      | 9       |
| Transportation                                   | 10      | 11      |
| County/City/Special District/<br>School District | 8       | 15      |
| Utilities  | 5       | 8       |
| Corporate  | 1       | 4       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/10 | 4/30/09 |
|------------------------|---------|---------|
| AAA/Aaa                | 18%     | 23%     |
| AA/Aa                  | 40      | 46      |
| A                      | 21      | 17      |
| BBB/Baa                | 15      | 7       |
| BB/Ba                  | 1       | 1       |
| Not Rated <sup>6</sup> | 5       | 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 April 30, 2010 and April 30, 2009, the market value of these securities was \$2,069,225 representing 5% and \$1,623,020 representing 4%, respectively, of the Trust's long-term investments.

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## Trust Summary as of April 30, 2010

### 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 12 months ended April 30, 2010, the Trust returned 36.87% based on market price and 27.36% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 28.13% on a market price basis and 22.67% 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 was attributable in part to sector allocation decisions and included concentrations in health care, housing and corporate-related debt, which all performed well. Increasing risk appetite has also proven beneficial given the portfolio's focus on lower-rated credits. Additionally, portfolio positioning with respect to a modestly long duration stance and an emphasis on longer-dated bonds was additive in an environment where yields on the long end of the curve fell substantially. Negative factors included underweight positioning in the tax-backed sector, which performed well on a relative basis. Above market weight exposure to capital appreciation bonds also proved detrimental given their relative underperformance.

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 April 30, 2010 (\$12.95) <sup>1</sup> | 6.72%           |
| Tax Equivalent Yield <sup>2</sup>   | 10.34%          |
| Current Monthly Distribution per Common Share <sup>3</sup>                | \$0.0725        |
| Current Annualized Distribution per Common Share <sup>3</sup>             | \$0.8700        |
| Leverage as of April 30, 2010 <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 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:

|                 | 4/30/10 | 4/30/09 | Change | High    | Low     |
|-----------------|---------|---------|--------|---------|---------|
| Market Price    | \$12.95 | \$10.15 | 27.59% | \$12.97 | \$10.14 |
| Net Asset Value | \$13.00 | \$10.95 | 18.72% | \$13.15 | \$10.95 |

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

### Sector Allocations

|  | 4/30/10 | 4/30/09 |
|--|---------|---------|
| Health   | 21%     | 19%     |
| Transportation                                   | 16      | 13      |
| County/City/Special District/<br>School District | 12      | 16      |
| Education  | 12      | 10      |
| State  | 11      | 13      |
| Corporate  | 9       | 10      |
| Utilities  | 9       | 8       |
| Housing  | 7       | 10      |
| Tobacco  | 3       | 1       |

### Credit Quality Allocations<sup>5</sup>

|                        | 4/30/10 | 4/30/09 |
|------------------------|---------|---------|
| AAA/Aaa                | 27%     | 31%     |
| AA/Aa                  | 26      | 29      |
| A                      | 22      | 20      |
| BBB/Baa                | 14      | 5       |
| BB/Ba                  | 1       | 4       |
| B                      | 4       | 5       |
| CCC/Caa                | 1       | 1       |
| Not Rated <sup>6</sup> | 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 April 30, 2010 and April 30, 2009, the market value of these securities was \$2,354,758 repre-

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senting 2% and \$2,678,936 representing 2%, respectively, of the Trust's long-term investments.

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

The Trusts may also leverage their assets through the use of tender option bond (TOB) programs, as described in Note 1 of the Notes to Financial Statements. TOB investments generally will provide the Trusts with economic benefits in periods of declining short-term interest rates, but expose the Trusts to risks during periods of rising short-term interest rates similar to

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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 April 30, 2010, 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 | 37%                            |
| BTA | 36%                            |
| BKK | 38%                            |
| BFK | 37%                            |
| BPS | 40%                            |
| BSD | 37%                            |

## Derivative Financial Instruments

The Trusts may invest in various derivative instruments, including financial futures contracts, as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such instruments are used to obtain exposure to a market without owning or taking physical custody of securities or to hedge market and/or interest rate risks. Such derivative instruments involve risks, including the imperfect correlation between the value of a derivative instrument and the underlying asset or illiquidity of the derivative instrument. The Trusts' ability to successfully use a derivative instrument depends on the investment advisor's ability to accu-

rately 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 April 30, 2010

## BlackRock Investment Quality Municipal Trust Inc. (BKN)

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Alabama 2.3%</b>  |              |              |
| Birmingham Special Care Facilities Financing Authority,<br>RB, Children s Hospital (AGC):  |              |              |
| 6.00%, 6/01/34   | \$ 1,745     | \$ 1,896,309 |
| 6.00%, 6/01/39   | 500          | 542,820      |
| Coosa Valley Water Supply District Inc., RB (AGC):   |              |              |
| 4.50%, 10/01/34  | 900          | 902,718      |
| 4.50%, 10/01/36  | 1,645        | 1,646,201    |
| 4.50%, 10/01/39  | 300          | 297,570      |
|  |              | 5,285,618    |
| <b>Arizona 5.6%</b>  |              |              |
| City of Goodyear Arizona, GO (AGM), 4.25%, 7/01/36   | 1,125        | 1,071,956    |
| Mohave County Unified School District No. 20 Kingman,<br>GO, School Improvement Project of 2006, Series C<br>(AGC), 5.00%, 7/01/26 |              |              |
|  | 1,800        | 1,924,092    |
| Pima County IDA, Refunding IDR, Tucson Electric Power,<br>5.75%, 9/01/29   |              |              |
|  | 1,375        | 1,399,172    |
| Salt Verde Financial Corp., RB, Senior:  |              |              |
| 5.00%, 12/01/32  | 1,035        | 938,683      |
| 5.00%, 12/01/37  | 4,585        | 4,065,749    |
| San Luis Facility Development Corp., RB, Senior Lien,<br>Regional Detention Center Project:  |              |              |
| 6.25%, 5/01/15   | 490          | 458,454      |
| 7.00%, 5/01/20   | 490          | 455,744      |
| 7.25%, 5/01/27   | 980          | 900,189      |
| State of Arizona, COP, Department of Administration,<br>Series A (AGM), 5.00%, 10/01/29  |              |              |
|  | 1,100        | 1,114,806    |
| University Medical Center Corp. Arizona, RB,<br>6.50%, 7/01/39   |              |              |
|  | 750          | 799,485      |
|  |              | 13,128,330   |
| <b>Arkansas 2.4%</b>   |              |              |
| Bentonville School District No. 6, GO, Refunding,<br>Construction, Series A, 4.25%, 6/01/34 (a)                                    |              |              |
|  | 5,800        | 5,629,422    |
| <b>California 25.4%</b>  |              |              |

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|  |              |              |
|--|--------------|--------------|
| California County Tobacco Securitization Agency, RB, CAB,<br>Stanislaus, Sub-Series C, 6.30%, 6/01/55 (b)                            | 7,090        | 86,002       |
| California State Department of Veterans Affairs, RB,<br>Series B, AMT, 5.25%, 12/01/37   | 5,000        | 4,534,450    |
| Carlsbad Unified School District, GO, Election, Series B,<br>6.09%, 5/01/34 (c)  | 1,500        | 895,980      |
| County of Sacramento California, RB, Senior Series A<br>(AGM), 5.00%, 7/01/41  | 2,000        | 2,003,860    |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |              |              |
| <b>California (concluded)</b>  |              |              |
| Dinuba Unified School District, GO, Election of 2006 (AGM):  |              |              |
| 5.63%, 8/01/31   | \$ 250       | \$ 263,905   |
| 5.75%, 8/01/33   | 535          | 563,574      |
| Foothill Eastern Transportation Corridor Agency California,<br>Refunding RB:   |              |              |
| 5.75%, 1/15/40   | 3,495        | 3,351,285    |
| CAB, 5.88%, 7/15/28  | 7,000        | 6,920,410    |
| Golden State Tobacco Securitization Corp. California,<br>Refunding RB, Asset-Backed, Senior Series A-1,<br>5.13%, 6/01/47            | 805          | 559,282      |
| Hartnell Community College District California, GO, CAB,<br>Election of 2002, Series D, 7.35%, 8/01/34 (b)                           | 2,475        | 1,236,634    |
| Los Altos Elementary School District, GO, CAB, Election<br>of 1998, Series B (NPFGC), 5.93%, 8/01/13 (b)(d)                          | 10,945       | 5,606,467    |
| Norwalk-La Mirada Unified School District California, GO,<br>Refunding, CAB, Election of 2002, Series E (AGC),<br>6.47%, 8/01/38 (b) | 12,000       | 2,179,320    |
| San Diego Community College District California, GO,<br>CAB, Election of 2002, 6.20%, 8/01/19 (c)                                    | 4,200        | 2,513,532    |
| State of California, GO, Refunding (CIFG), 4.50%, 8/01/28  | 3,000        | 2,825,010    |
| State of California, GO, Various Purpose:  |              |              |
| 5.75%, 4/01/31   | 3,000        | 3,220,440    |
| 5.00%, 6/01/32   | 4,545        | 4,547,500    |
| 6.00%, 3/01/33   | 3,220        | 3,544,286    |
| 6.50%, 4/01/33   | 2,900        | 3,287,933    |
| 5.50%, 3/01/40   | 3,650        | 3,781,546    |
| (CIFG), 5.00%, 3/01/33   | 5,000        | 4,992,900    |
| University of California, RB, Limited Project, Series B,<br>4.75%, 5/15/38   | 2,050        | 2,031,119    |

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58,945,435

**Colorado 0.5%**

City of Colorado Springs Colorado, RB, Subordinate Lien,  
Improvement, Series C (AGM), 5.00%, 11/15/45

1,030 1,053,978

**Connecticut 1.2%**

Connecticut State Health & Educational Facility Authority,  
RB, Fairfield University, New Money, Series O:

5.00%, 7/01/35

1,800 1,834,380

5.00%, 7/01/40

900 914,292

2,748,672

**District of Columbia 2.1%**

District of Columbia Tobacco Settlement Financing Corp.,  
Refunding RB, Asset-Backed, 6.50%, 5/15/33

4,960 4,866,950

**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>ACA</b>   | American Capital Access Corp.           | <b>GO</b>      | General Obligation Bonds                |
| <b>AGC</b>   | Assured Guaranty Corp.                  | <b>HDA</b>     | Housing Development Authority           |
| <b>AGM</b>   | Assured Guaranty Municipal Corp.        | <b>HFA</b>     | Housing Finance Agency                  |
| <b>AMBAC</b> | American Municipal Bond Assurance Corp. | <b>HRB</b>     | Housing Revenue Bonds                   |
| <b>AMT</b>   | Alternative Minimum Tax (subject to)    | <b>IDA</b>     | Industrial Development Authority        |
| <b>CAB</b>   | Capital Appreciation Bonds              | <b>IDB</b>     | Industrial Development Board            |
| <b>CIFG</b>  | CDC IXIS Financial Guaranty             | <b>IDRB</b>    | Industrial Development Revenue Bonds    |
| <b>COP</b>   | Certificates of Participation           | <b>ISD</b>     | Independent School District             |
| <b>EDA</b>   | Economic Development Authority          | <b>MRB</b>     | Mortgage Revenue Bonds                  |
| <b>EDC</b>   | Economic Development Corp.              | <b>NPFGC</b>   | National Public Finance Guarantee Corp. |
| <b>ERB</b>   | Economic Revenue Bonds                  | <b>PILOT</b>   | Payment in Lieu of Taxes                |
| <b>FGIC</b>  | Financial Guaranty Insurance Co.        | <b>PSF-GTD</b> | Permanent School Fund Guaranteed        |
| <b>FNMA</b>  | Federal National Mortgage Association   | <b>RAN</b>     | Revenue Anticipation Notes              |
| <b>FSA</b>   | Financial Security Assurance Inc.       | <b>RB</b>      | Revenue Bonds                           |
| <b>GAN</b>   | Grant Anticipation Notes                |                |   |

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 13.3%</b>  |              |            |
| County of Miami-Dade Florida, RB:   |              |            |
| CAB, Sub-Series A (NPFGC), 5.20%, 10/01/32 (b) \$   | 4,225        | \$ 980,200 |
| CAB, Sub-Series A (NPFGC), 5.21%, 10/01/33 (b)  | 4,000        | 850,160    |
| CAB, Sub-Series A (NPFGC), 5.21%, 10/01/34 (b)  | 4,580        | 913,344    |
| CAB, Sub-Series A (NPFGC), 5.22%, 10/01/35 (b)  | 5,000        | 927,200    |
| CAB, Sub-Series A (NPFGC), 5.23%, 10/01/36 (b)  | 10,000       | 1,723,900  |
| CAB, Sub-Series A (NPFGC), 5.24%, 10/01/37 (b)  | 10,000       | 1,605,700  |
| Water & Sewer System, 5.00%, 10/01/34   | 2,400        | 2,444,808  |
| County of Orange Florida, Refunding RB (Syncora),<br>4.75%, 10/01/32  | 5,000        | 4,925,200  |
| FishHawk Community Development District II, Special<br>Assessment Bonds, Series A, 6.13%, 5/01/34                                 | 1,955        | 1,871,072  |
| Hillsborough County IDA, RB, National Gypsum Co.,<br>Series A, AMT, 7.13%, 4/01/30  | 3,700        | 3,222,737  |
| Miami Beach Health Facilities Authority, RB, Mount Sinai<br>Medical Center of Florida, 6.75%, 11/15/21                            | 1,960        | 2,001,728  |
| Sumter Landing Community Development District Florida,<br>RB, Sub-Series B, 5.70%, 10/01/38                                       | 3,635        | 2,845,478  |
| Village Community Development District No. 6, Special<br>Assessment Bonds, 5.63%, 5/01/22   | 6,810        | 6,537,532  |
|   |              | 30,849,059 |
| <b>Georgia 3.0%</b>   |              |            |
| City of Atlanta Georgia, RB (AGM), 5.00%, 11/01/34  | 1,500        | 1,513,830  |
| Gainesville & Hall County Hospital Authority, RB, Northeast<br>Georgia Healthcare, Series B, 5.00%, 2/15/33                       | 3,000        | 2,979,600  |
| Gwinnett County Hospital Authority, RB, Gwinnett Hospital<br>System, Series C (AGM), 5.50%, 7/01/42                               | 650          | 664,027    |
| Milledgeville & Baldwin County Development Authority,<br>RB, Georgia College & State University Foundation,<br>6.00%, 9/01/14 (d) | 1,500        | 1,792,800  |
|   |              | 6,950,257  |
| <b>Hawaii 1.1%</b>  |              |            |
| Hawaii State Department of Budget & Finance,  |              |            |

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|  |              |              |
|--|--------------|--------------|
| Refunding RB, Hawaiian Electric Co. Inc., Series D, AMT<br>(AMBAC), 6.15%, 1/01/20   | 2,500        | 2,503,500    |
| <b>Idaho 1.6%</b>  |              |              |
| Idaho Health Facilities Authority, Refunding RB, Trinity<br>Health Group, Series B, 6.25%, 12/01/33                                | 2,500        | 2,745,125    |
| Idaho Housing & Finance Association, RB, GAN, RAN,<br>Federal Highway Trust, Series A, 5.00%, 7/15/27                              | 900          | 961,551      |
|  |              | 3,706,676    |
| <b>Illinois 7.1%</b>   |              |              |
| Chicago Public Building Commission Building Illinois, RB,<br>Series A (NPFGC), 7.00%, 1/01/20 (e)                                  | 5,000        | 6,496,500    |
| Illinois Finance Authority, RB:  |              |              |
| MJH Education Assistance IV LLC, Sub-Series B,<br>5.38%, 6/01/35 (f)(g)  | 700          | 189,021      |
| Northwestern Memorial Hospital, Series A,<br>5.50%, 8/15/14 (d)  | 5,800        | 6,771,210    |
| Roosevelt University Project, 6.50%, 4/01/44   | 1,500        | 1,573,065    |
| Rush University Medical Center, Series C,<br>6.63%, 11/01/39   | 1,200        | 1,293,084    |
| Illinois Finance Authority, Refunding RB, Friendship Village<br>Schaumburg, Series A, 5.63%, 2/15/37                               | 345          | 274,920      |
|  |              | 16,597,800   |
| <b>Indiana 0.6%</b>  |              |              |
| Indiana Finance Authority, Refunding RB, Improvement,<br>U.S. Steel Corp., 6.00%, 12/01/26 (a)                                     | 1,350        | 1,360,071    |
| <b>Iowa 1.6%</b>   |              |              |
| Iowa Finance Authority, RB, Series A (AGC),<br>5.63%, 8/15/37  | 3,600        | 3,842,496    |
|  | <b>Par</b>   |              |
| <b>Municipal Bonds</b>   | <b>(000)</b> | <b>Value</b> |
| <b>Kansas 0.4%</b>   |              |              |
| Kansas Development Finance Authority, RB, University of<br>Kansas Tenant, Series O, 4.75%, 6/15/41                                 | \$ 1,000     | \$ 993,510   |
| <b>Kentucky 3.0%</b>   |              |              |
| Kentucky Economic Development Finance Authority,<br>RB, Louisville Arena, Sub-Series A-1 (AGC),<br>6.00%, 12/01/38                 | 700          | 759,129      |
| Kentucky Economic Development Finance Authority,<br>Refunding RB, Norton Healthcare Inc., Series B<br>(NPFGC), 6.19%, 10/01/23 (b) | 8,500        | 3,923,345    |

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|  |       |                         |
|--|-------|-------------------------|
| Louisville/Jefferson County Metropolitan Government,<br>Refunding RB, Jewish Hospital & St. Mary's HealthCare,<br>6.13%, 2/01/37 | 2,250 | 2,336,130<br>7,018,604  |
| <b>Michigan 4.7%</b>   |       |                         |
| Michigan State Building Authority, Refunding RB,<br>Facilities Program, Series I, 6.25%, 10/15/38                                | 1,875 | 2,063,513               |
| Michigan State Hospital Finance Authority, Refunding RB:<br>Henry Ford Health System, Series A, 5.25%, 11/15/46                  | 1,670 | 1,523,224               |
| Hospital, Henry Ford Health, 5.75%, 11/15/39   | 4,110 | 4,052,419               |
| Royal Oak Hospital Finance Authority Michigan,<br>Refunding RB, William Beaumont Hospital,<br>8.25%, 9/01/39                     | 2,750 | 3,245,907<br>10,885,063 |
| <b>Minnesota 1.7%</b>  |       |                         |
| City of Minneapolis Minnesota, Refunding RB, Fairview<br>Health Services, Series B (AGC), 6.50%, 11/15/38                        | 3,500 | 3,925,880               |
| <b>Mississippi 3.6%</b>  |       |                         |
| Mississippi Development Bank Special Obligation,<br>RB (AGC):<br>Jackson County Limited Tax Note, 5.50%, 7/01/32                 | 2,655 | 2,803,468               |
| Jones County Junior College, 5.13%, 3/01/39  | 1,500 | 1,532,505               |
| University of Southern Mississippi, RB, Campus Facilities<br>Improvements Project, 5.38%, 9/01/36                                | 3,750 | 4,009,462<br>8,345,435  |
| <b>Missouri 2.6%</b>   |       |                         |
| Missouri Joint Municipal Electric Utility Commission, RB,<br>Plum Point Project (NPFGC), 4.60%, 1/01/36                          | 2,790 | 2,408,886               |
| Missouri State Health & Educational Facilities Authority,<br>RB, SSM Health Care, Series B (a):<br>4.25%, 6/01/25                | 2,080 | 2,016,768               |
| 4.75%, 6/01/34   | 1,750 | 1,737,523<br>6,163,177  |
| <b>Multi-State 3.1%</b>  |       |                         |
| Centerline Equity Issuer Trust, 7.60%, 12/15/50 (h)(i)   | 7,000 | 7,166,740               |
| <b>Nebraska 0.2%</b>   |       |                         |
| Douglas County Hospital Authority No. 2, RB, Health<br>Facilities, Immanuel Obligation Group, 5.50%, 1/01/30                     | 575   | 572,901                 |
| <b>Nevada 0.5%</b>   |       |                         |
| County of Clark Nevada, Refunding RB, Alexander Dawson<br>School Nevada Project, 5.00%, 5/15/29                                  | 1,065 | 1,066,076               |

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### New Jersey 7.9%

Middlesex County Improvement Authority, RB,

Subordinate, Heldrich Center Hotel, Series B,

6.25%, 1/01/37

1,510

278,927

New Jersey EDA, RB:

Cigarette Tax, 5.75%, 6/15/29

7,000

6,872,180

Motor Vehicle Surcharge, Series A (NPFGC),

5.00%, 7/01/27

1,150

1,165,893

School Facilities Construction, Series CC-2,

4.38%, 12/15/32 (a)

1,750

1,702,103

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 Jersey (concluded)</b>   |              |              |
| New Jersey Educational Facilities Authority, RB, Princeton University, Series B, 4.25%, 7/01/40             | \$ 2,600     | \$ 2,573,662 |
| New Jersey Educational Facilities Authority, Refunding RB, University of Medicine & Dentistry, Series B:    |              |              |
| 7.13%, 12/01/23   | 950          | 1,097,573    |
| 7.50%, 12/01/32   | 1,225        | 1,403,005    |
| New Jersey State Housing & Mortgage Finance Agency, RB, Series AA, 6.50%, 10/01/38                          | 1,010        | 1,102,152    |
| Port Authority of New York & New Jersey, Refunding RB, Consolidated, 152nd Series, AMT, 5.75%, 11/01/30     | 1,000        | 1,067,990    |
| University of Medicine & Dentistry of New Jersey, RB, Series A (AMBAC), 5.50%, 12/01/27                     | 1,000        | 1,009,050    |
|   |              | 18,272,535   |
| <b>New York 7.7%</b>  |              |              |
| Albany Industrial Development Agency, RB, New Covenant Charter School Project, Series A, 7.00%, 5/01/35 (f) | 725          | 290,007      |
| City of Troy New York, Refunding RB, Rensselaer Polytechnic, Series A, 5.13%, 9/01/40                       | 650          | 663,826      |
| Long Island Power Authority, Refunding RB, Series A:  |              |              |
| 6.25%, 4/01/33  | 480          | 554,486      |
| 5.75%, 4/01/39  | 2,475        | 2,707,749    |
| Metropolitan Transportation Authority, Refunding RB, Series A, 5.13%, 1/01/29                               | 3,000        | 3,064,920    |
| New York City Industrial Development Agency, RB:  |              |              |
| American Airlines Inc., JFK International Airport, AMT, 7.63%, 8/01/25                                      | 2,600        | 2,636,322    |
| Queens Baseball Stadium, PILOT (AGC), 6.50%, 1/01/46  | 1,100        | 1,214,829    |
| New York Liberty Development Corp., RB, Goldman Sachs Headquarters, 5.25%, 10/01/35                         | 2,000        | 2,008,300    |
| New York State Dormitory Authority, RB:   |              |              |
| 5.83%, 7/01/39 (c)  | 1,825        | 1,512,432    |
| Rochester Institute of Technology, Series A,  |              |              |

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|   |       |            |
|---|-------|------------|
| 6.00%, 7/01/33                                    | 1,625 | 1,792,310  |
| University of Rochester, Series A, 5.13%, 7/01/39 | 550   | 574,299    |
| State of New York, GO, Series A, 5.00%, 2/15/39   | 950   | 1,001,756  |
|   |       | 18,021,236 |

### North Carolina 2.2%

|  |       |           |
|--|-------|-----------|
| City of Charlotte North Carolina, Refunding RB, Series A,<br>5.50%, 7/01/34  | 325   | 345,534   |
| Gaston County Industrial Facilities & Pollution Control<br>Financing Authority North Carolina, RB, Exempt<br>Facilities, National Gypsum Co. Project, AMT,<br>5.75%, 8/01/35 | 2,425 | 1,741,950 |
| North Carolina Medical Care Commission, RB, WakeMed,<br>Series A (AGC), 5.88%, 10/01/38  | 1,000 | 1,042,310 |
| North Carolina Medical Care Commission, Refunding RB,<br>University Health System, Series D, 6.25%, 12/01/33   | 1,750 | 1,934,537 |
|  |       | 5,064,331 |

### Ohio 5.7%

|   |       |            |
|---|-------|------------|
| County of Cuyahoga Ohio, Refunding RB, Series A,<br>6.00%, 1/01/21                                      | 5,000 | 5,478,500  |
| Kent State University, Refunding RB, General Receipts,<br>Series B (AGC), 4.25%, 5/01/31                | 1,400 | 1,393,070  |
| Ohio Higher Educational Facility Commission,<br>Refunding RB:<br>Kenyon College Project, 4.75%, 7/01/39 | 550   | 551,727    |
| Summa Health System, 2010 Project (AGC),<br>5.25%, 11/15/40 (a)   | 2,400 | 2,350,224  |
| State of Ohio, Refunding RB, Kenyon College Project,<br>5.00%, 7/01/41                                  | 3,595 | 3,598,523  |
|   |       | 13,372,044 |

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

### Oklahoma 1.3%

|  |          |              |
|--|----------|--------------|
| Tulsa Airports Improvement Trust, RB, Series A, AMT,<br>7.75%, 6/01/35 (j) | \$ 2,900 | \$ 2,930,740 |
|--|----------|--------------|

### Oregon 1.5%

|   |       |           |
|---|-------|-----------|
| Oregon Health & Science University, RB, Series A,<br>5.75%, 7/01/39               | 2,250 | 2,381,220 |
| Port of Morrow Oregon, RB, Portland General Electric,<br>Series A, 5.00%, 5/01/33 | 1,200 | 1,214,940 |
|   |       | 3,596,160 |

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### Pennsylvania 5.6%

|   |       |            |
|---|-------|------------|
| Delaware River Port Authority, RB, Port District Project,<br>Series B (AGM), 5.70%, 1/01/22                     | 2,000 | 2,002,700  |
| McKeesport Area School District, GO, CAB (FGIC) (b):<br>5.53%, 10/01/31   | 2,435 | 742,870    |
| 5.53%, 10/01/31 (e)   | 870   | 343,937    |
| Pennsylvania Economic Development Financing Authority,<br>RB, AMT, Series A:<br>Amtrak Project, 6.25%, 11/01/31 | 2,000 | 2,023,920  |
| Amtrak Project, 6.38%, 11/01/41   | 3,100 | 3,140,827  |
| Reliant Energy, 6.75%, 12/01/36   | 4,645 | 4,792,479  |
|   |       | 13,046,733 |

### Puerto Rico 4.3%

|   |       |           |
|---|-------|-----------|
| Puerto Rico Electric Power Authority, Refunding RB,<br>Series UU (AGM), 5.00%, 7/01/23                              | 2,900 | 3,044,913 |
| Puerto Rico Housing Finance Authority, Refunding RB,<br>Subordinate, Capital Fund Modernization,<br>5.13%, 12/01/27 | 2,500 | 2,495,575 |
| Puerto Rico Sales Tax Financing Corp., RB, First<br>Sub-Series A, 5.75%, 8/01/37                                    | 3,000 | 3,180,750 |
| Puerto Rico Sales Tax Financing Corp., Refunding RB,<br>CAB, Series A (NPFGC), 5.77%, 8/01/41 (b)                   | 7,500 | 1,184,625 |
|   |       | 9,905,863 |

### Rhode Island 3.6%

|   |       |           |
|---|-------|-----------|
| Rhode Island Health & Educational Building Corp., RB,<br>Hospital Financing, LifeSpan Obligation, Series A (AGC),<br>7.00%, 5/15/39 | 3,000 | 3,457,080 |
| Rhode Island Health & Educational Building Corp.,<br>Refunding RB, Hospital, Lifespan (NPFGC),<br>5.50%, 5/15/16                    | 200   | 200,258   |
| Rhode Island Housing & Mortgage Finance Corp.,<br>RB, Homeownership Opportunity, Series 54, AMT,<br>4.85%, 10/01/41                 | 2,165 | 2,038,044 |
| Rhode Island Turnpike & Bridge Authority, RB, Series A,<br>5.00%, 12/01/35  | 1,330 | 1,328,032 |
| State of Rhode Island, COP, Series C, School for the Deaf<br>(AGC), 5.38%, 4/01/28  | 1,330 | 1,409,654 |
|   |       | 8,433,068 |

### South Carolina 5.1%

|  |       |           |
|--|-------|-----------|
| South Carolina Jobs-EDA, Refunding RB:<br>Palmetto Health Alliance, Series A, 6.25%, 8/01/31 | 2,185 | 2,236,238 |
|--|-------|-----------|

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|   |       |            |
|---|-------|------------|
| Palmetto Health, Series C, 6.88%, 8/01/13 (d)   | 3,560 | 4,172,356  |
| Palmetto Health, Series C, 6.88%, 8/01/13 (d)   | 440   | 517,528    |
| South Carolina State Housing Finance & Development<br>Authority, Refunding RB, Series A-2, AMT (AMBAC),<br>5.15%, 7/01/37 | 4,975 | 4,967,388  |
|   |       | 11,893,510 |
| <br><b>Tennessee 1.5%</b>   |       |            |
| Memphis-Shelby County Airport Authority, RB, Series D,<br>AMT (AMBAC), 6.00%, 3/01/24                                     | 1,360 | 1,373,899  |
| Memphis-Shelby County Sports Authority Inc.,<br>Refunding RB, Memphis Arena Project, Series A:                            |       |            |
| 5.25%, 11/01/27   | 1,135 | 1,162,297  |
| 5.38%, 11/01/28   | 1,000 | 1,028,850  |
|   |       | 3,565,046  |

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)

| Municipal Bonds  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Texas 8.1%</b>  |              |              |
| Harris County Health Facilities Development Corp.,<br>Refunding RB, Memorial Hermann Healthcare System, B:<br>7.13%, 12/01/31      | \$ 1,000     | \$ 1,124,520 |
| 7.25%, 12/01/35  | 2,650        | 2,987,001    |
| Harris County-Houston Sports Authority, Refunding RB,<br>CAB, Senior Lien, Series A (NPFGC), 6.17%,<br>11/15/38 (b)                | 5,000        | 697,800      |
| Lower Colorado River Authority, Refunding RB:<br>(AMBAC), 4.75%, 5/15/36   | 2,000        | 1,976,380    |
| (NPFGC), 5.00%, 5/15/13 (d)  | 20           | 22,257       |
| Series A (NPFGC), 5.00%, 5/15/13 (d)   | 5            | 5,564        |
| 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        | 2,381,544    |
| San Antonio Energy Acquisition Public Facility Corp., RB,<br>Gas Supply, 5.50%, 8/01/24  | 2,550        | 2,587,587    |
| Texas State Turnpike Authority, RB (AMBAC):<br>CAB, 6.05%, 8/15/31 (b)   | 15,000       | 3,834,450    |
| First Tier, Series A, 5.00%, 8/15/42   | 3,325        | 3,191,136    |
|  |              | 18,808,239   |
| <b>Virginia 0.9%</b>   |              |              |
| Tobacco Settlement Financing Corp. Virginia,<br>Refunding RB, Senior Series B1, 5.00%, 6/01/47                                     | 2,900        | 1,996,157    |
| <b>Washington 1.0%</b>   |              |              |
| Washington Health Care Facilities Authority, RB, MultiCare<br>Health System, Series B (AGC), 6.00%, 8/15/39                        | 2,100        | 2,242,149    |
| <b>Wisconsin 1.9%</b>  |              |              |
| Wisconsin Health & Educational Facilities Authority, RB,<br>Aurora Health Care, 6.40%, 4/15/33                                     | 3,220        | 3,287,491    |
| Wisconsin Housing & EDA, Refunding RB, Series A, AMT,<br>4.75%, 9/01/33  | 1,250        | 1,191,113    |
|  |              | 4,478,604    |
| <b>Wyoming 1.7%</b>  |              |              |

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|  |               |                    |
|--|---------------|--------------------|
| County of Sweetwater Wyoming, Refunding RB, Idaho          |               |                    |
| Power Co. Project, 5.25%, 7/15/26                          | 1,800         | 1,903,032          |
| Wyoming Community Development Authority, RB, Series 3,     |               |                    |
| AMT, 4.75%, 12/01/37                                       | 2,145         | 2,068,230          |
|  |               | 3,971,262          |
| <b>Total Municipal Bonds 147.6%</b>                        |               | <b>343,203,327</b> |
| <b>Municipal Bonds Transferred to</b>                      |               |                    |
| <b>Tender Option Bond Trusts (k)</b>                       |               |                    |
| <b>Colorado 2.3%</b>                                       |               |                    |
| Colorado Health Facilities Authority, RB, Catholic Health, |               |                    |
| Series C-7 (AGM), 5.00%, 9/01/36                           | 5,250         | 5,277,510          |
| <b>Illinois 1.4%</b>                                       |               |                    |
| Chicago Housing Authority, Refunding RB (AGM),             |               |                    |
| 5.00%, 7/01/24   | 3,194         | 3,318,905          |
| <b>Massachusetts 1.4%</b>                                  |               |                    |
| Massachusetts Water Resources Authority, Refunding RB,     |               |                    |
| General, Series A, 5.00%, 8/01/41                          | 3,070         | 3,164,464          |
| <b>New York 2.2%</b>                                       |               |                    |
| New York City Municipal Water Finance Authority, RB:       |               |                    |
| Fiscal 2009, Series A, 5.75%, 6/15/40                      | 690           | 780,520            |
| Series FF-2, 5.50%, 6/15/40                                | 810           | 900,552            |
| New York State Dormitory Authority, RB, New York           |               |                    |
| University, Series A, 5.00%, 7/01/38                       | 3,359         | 3,514,712          |
|  |               | 5,195,784          |
| <b>Municipal Bonds Transferred to</b>                      |               |                    |
| <b>Tender Option Bond Trusts (k)</b>                       |               |                    |
|  | <b>Par</b>    | <b>Value</b>       |
|  | <b>(000)</b>  |                    |
| <b>Ohio 1.9%</b>   |               |                    |
| County of Montgomery Ohio, RB, Catholic Health,            |               |                    |
| Series C-1 (FSA), 5.00%, 10/01/41                          | \$ 1,740      | \$ 1,739,930       |
| Ohio Higher Educational Facility Commission,               |               |                    |
| Refunding RB, Hospital, Cleveland Clinic Health,           |               |                    |
| Series A, 5.25%, 1/01/33                                   | 2,600         | 2,692,716          |
|  |               | 4,432,646          |
| <b>Total Municipal Bonds Transferred to</b>                |               |                    |
| <b>Tender Option Bond Trusts 9.2%</b>                      |               | <b>21,389,309</b>  |
| <b>Total Long-Term Investments</b>                         |               |                    |
| <b>(Cost \$359,984,457) 156.8%</b>                         |               | <b>364,592,636</b> |
| <b>Short-Term Securities</b>                               |               |                    |
|  | <b>Shares</b> |                    |
| FII Institutional Tax-Exempt Fund, 0.25% (l)(m)            | 7,659,955     | 7,659,955          |
| <b>Total Short-Term Securities</b>                         |               |                    |

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|   |               |
|---|---------------|
| (Cost \$7,659,955) 3.3%                                     | 7,659,955     |
| <b>Total Investments (Cost \$367,644,412*) 160.1%</b>       | 372,252,591   |
| <b>Liabilities in Excess of Other Assets (1.1)%</b>         | (2,667,687)   |
| <b>Liability for Trust Certificates, Including Interest</b> |               |
| <b>Expense and Fees Payable (4.8)%</b>                      | (11,145,820)  |
| <b>Preferred Shares, at Redemption Value (54.2)%</b>        | (125,967,819) |
| <b>Net Assets Applicable to Common Shares 100.0%</b>        | \$232,471,265 |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2010, as computed for federal income tax purposes, were as follows:

|                               |                |
|-------------------------------|----------------|
| Aggregate cost                | \$ 356,087,182 |
| Gross unrealized appreciation | \$ 16,591,803  |
| Gross unrealized depreciation | (11,563,795)   |
| Net unrealized appreciation   | \$ 5,028,008   |

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

| <b>Counterparty</b>            | <b>Value</b> | <b>Unrealized<br/>Appreciation</b> |
|--------------------------------|--------------|------------------------------------|
| Citigroup Global Markets, Inc. | \$3,754,291  | \$ 18,985                          |
| JPMorgan Securities            | \$2,350,224  | \$ 10,800                          |
| Merrill Lynch                  | \$7,331,525  | \$ 50,567                          |
| Morgan Stanley & Co., Inc.     | \$1,360,071  | \$ 10,071                          |

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

(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.

(d) 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.

(e) Security is collateralized by Municipal or US Treasury obligations.

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

(g) Non-income producing security.

(h) 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.

(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.

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

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See Notes to Financial Statements.

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## Schedule of Investments (concluded)

### BlackRock Investment Quality Municipal Trust Inc. (BKN)

(k) 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.

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

| Affiliate                            | Shares Held at | Net Activity | Shares Held at | Income   |
|--------------------------------------|----------------|--------------|----------------|----------|
|                                      | April 30, 2009 |              | April 30, 2010 |          |
| FFI Institutional<br>Tax-Exempt Fund | 11,400,000     | (3,740,045)  | 7,659,955      | \$21,268 |

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

The following table summarizes the inputs used as of April 30, 2010 in determining the fair valuation of the Trust's investments:

#### Investments in Securities

| Valuation Inputs         | Level 1 | Level 2       | Level 3 | Total         |
|--------------------------|---------|---------------|---------|---------------|
| <b>Assets:</b>           |         |               |         |               |
| Long-Term                |         |               |         |               |
| Investments <sup>1</sup> |         | \$364,592,636 |         | \$364,592,636 |
| Short-Term               |         |               |         |               |

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|              |              |               |               |
|--------------|--------------|---------------|---------------|
| Securities   | \$ 7,659,955 |               | \$ 7,659,955  |
| <b>Total</b> | \$ 7,659,955 | \$364,592,636 | \$372,252,591 |

<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 April 30, 2010

## BlackRock Long-Term Municipal Advantage Trust (BTA)

(Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value        |
|---|--------------|--------------|
| <b>Municipal Bonds</b>  |              |              |
| <b>Arizona 3.7%</b>   |              |              |
| Pima County IDA, RB, American Charter Schools<br>Foundation, Series A, 5.63%, 7/01/38   | \$ 1,700     | \$ 1,344,700 |
| Pima County IDA, Refunding IDRB, Tucson Electric Power,<br>5.75%, 9/01/29   | 380          | 386,680      |
| Pima County IDA, Refunding RB, Arizona Charter Schools<br>Project, Series O, 5.25%, 7/01/31                                     | 1,000        | 797,900      |
| Salt River Project Agricultural Improvement & Power<br>District, RB, Series A, 5.00%, 1/01/38                                   | 665          | 695,098      |
| Salt Verde Financial Corp., RB, Senior, 5.00%, 12/01/37   | 2,590        | 2,296,683    |
|   |              | 5,521,061    |
| <b>California 9.7%</b>  |              |              |
| California HFA, RB, Home Mortgage, AMT:<br>Series G, 5.50%, 8/01/42   | 2,620        | 2,651,361    |
| Series K, 5.50%, 2/01/42  | 940          | 994,877      |
| California Health Facilities Financing Authority,<br>Refunding RB:<br>Catholic Healthcare West, Series A, 6.00%, 7/01/39        | 680          | 728,953      |
| St. Joseph Health System, Series A, 5.75%, 7/01/39  | 385          | 400,258      |
| California State Public Works Board, RB, Various Capital<br>Projects, Sub-Series I-1, 6.38%, 11/01/34                           | 400          | 428,540      |
| California Statewide Communities Development Authority,<br>Refunding RB, Senior Living, Southern California:<br>6.25%, 11/15/19 | 1,000        | 1,079,030    |
| 6.63%, 11/15/24   | 540          | 573,901      |
| Los Angeles Department of Airports, RB, Series A,<br>5.25%, 5/15/39   | 270          | 279,823      |
| San Francisco City & County Public Utilities Commission,<br>RB, Series B, 5.00%, 11/01/39                                       | 3,225        | 3,341,003    |
| State of California, GO:<br>4.50%, 10/01/36   | 2,000        | 1,792,120    |
| Various Purpose, 6.50%, 4/01/33   | 2,000        | 2,267,540    |
|   |              | 14,537,406   |
| <b>Colorado 0.6%</b>  |              |              |

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|   |              |              |
|---|--------------|--------------|
| North Range Metropolitan District No. 2, GO, Limited Tax,<br>5.50%, 12/15/37                                | 1,200        | 871,956      |
| <b>Connecticut 0.6%</b>   |              |              |
| Connecticut Housing Finance Authority, RB,<br>Sub-Series C-1, 4.85%, 11/15/34                               | 825          | 830,989      |
| <b>District of Columbia 8.2%</b>  |              |              |
| District of Columbia, RB, Methodist Home District of<br>Columbia, Series A:                                 |              |              |
| 7.38%, 1/01/30  | 550          | 557,585      |
| 7.50%, 1/01/39  | 910          | 923,404      |
| District of Columbia Tobacco Settlement Financing Corp.,<br>Refunding RB, Asset-Backed:                     |              |              |
| 6.25%, 5/15/24  | 4,810        | 4,833,521    |
| 6.50%, 5/15/33  | 5,700        | 5,593,068    |
| Metropolitan Washington Airports Authority, RB,<br>First Senior Lien, Series A:                             |              |              |
| 5.00%, 10/01/39   | 170          | 176,462      |
| 5.25%, 10/01/44   | 270          | 282,274      |
|   |              | 12,366,314   |
| <b>Florida 4.2%</b>   |              |              |
| County of Miami-Dade Florida, RB, Water & Sewer<br>System, 5.00%, 10/01/34                                  | 1,950        | 1,986,406    |
| County of Miami-Dade Florida, Refunding RB, Miami<br>International Airport, Series A-1, 5.38%, 10/01/41     | 400          | 404,596      |
| Sarasota County Health Facilities Authority, Refunding RB,<br>Village On The Isle Project, 5.50%, 1/01/32   | 520          | 461,053      |
| Sumter Landing Community Development District Florida,<br>RB, Sub-Series B, 5.70%, 10/01/38                 | 1,415        | 1,107,662    |
|   | <b>Par</b>   |              |
| <b>Municipal Bonds</b>  | <b>(000)</b> | <b>Value</b> |
| <b>Florida (concluded)</b>  |              |              |
| Tolomato Community Development District, Special<br>Assessment Bonds, Special Assessment,<br>6.65%, 5/01/40 | \$ 1,750     | \$ 1,392,650 |
| Watergrass Community Development District, Special<br>Assessment Bonds, Series A, 5.38%, 5/01/39            | 1,850        | 947,256      |
|   |              | 6,299,623    |
| <b>Georgia 3.0%</b>   |              |              |
| DeKalb County Hospital Authority Georgia, RB, DeKalb<br>Medical Center Inc. Project, 6.13%, 9/01/40 (a)     | 1,475        | 1,475,413    |

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|  |       |           |
|--|-------|-----------|
| DeKalb Private Hospital Authority, Refunding RB,<br>Children s Healthcare, 5.25%, 11/15/39   | 285   | 295,824   |
| Metropolitan Atlanta Rapid Transit Authority, RB, Third<br>Series, 5.00%, 7/01/39  | 1,190 | 1,252,499 |
| Rockdale County Development Authority, RB, Visy Paper<br>Project, Series A, AMT, 6.13%, 1/01/34  | 1,600 | 1,475,552 |
|  |       | 4,499,288 |
| <b>Guam 0.5%</b>   |       |           |
| Territory of Guam, GO, Series A:   |       |           |
| 6.00%, 11/15/19  | 200   | 207,042   |
| 6.75%, 11/15/29  | 295   | 313,750   |
| 7.00%, 11/15/39  | 205   | 218,907   |
|  |       | 739,699   |
| <b>Illinois 1.8%</b>   |       |           |
| Illinois Finance Authority, RB, Advocate Health Care,<br>Series C, 5.38%, 4/01/44  | 1,845 | 1,891,549 |
| Illinois Finance Authority, Refunding RB, Central DuPage<br>Health, Series B, 5.50%, 11/01/39  | 550   | 571,445   |
| State of Illinois, RB, Build Illinois, Series B,<br>5.25%, 6/15/34   | 215   | 224,004   |
|  |       | 2,686,998 |
| <b>Indiana 2.4%</b>  |       |           |
| Delaware County Hospital Authority Indiana, RB, Cardinal<br>Health System Obligation Group, 5.25%, 8/01/36   | 2,000 | 1,769,160 |
| Indiana Finance Authority, RB, Sisters of St. Francis<br>Health, 5.25%, 11/01/39   | 290   | 295,211   |
| Indiana Finance Authority, Refunding RB, Parkview Health<br>System, Series A, 5.75%, 5/01/31   | 1,100 | 1,131,108 |
| Indiana Municipal Power Agency, RB, Indiana Municipal<br>Power Agency, Series B, 6.00%, 1/01/39  | 350   | 378,186   |
|  |       | 3,573,665 |
| <b>Kansas 0.3%</b>   |       |           |
| City of Lenexa Kansas, Refunding RB, 5.50%, 5/15/39  | 650   | 528,483   |
| <b>Kentucky 0.2%</b>   |       |           |
| Kentucky Economic Development Finance Authority,<br>Refunding RB, Owensboro Medical Health System,<br>Series A, 6.38%, 6/01/40                     | 350   | 359,800   |
| <b>Louisiana 1.4%</b>  |       |           |
| Louisiana Local Government Environmental Facilities<br>& Community Development Authority, RB, Westlake<br>Chemical Corp. Projects, 6.75%, 11/01/32 | 2,000 | 2,056,640 |

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### Maryland 1.2%

|   |     |           |
|---|-----|-----------|
| Maryland EDC, RB, Transportation Facilities Project,<br>Series A, 5.75%, 6/01/35  | 150 | 153,215   |
| Maryland Health & Higher Educational Facilities<br>Authority, RB, King Farm Presbyterian Community,<br>Series B, 5.00%, 1/01/17         | 725 | 664,622   |
| Maryland Health & Higher Educational Facilities<br>Authority, Refunding RB, University of Maryland<br>Medical System:<br>5.00%, 7/01/34 | 490 | 492,832   |
| 5.13%, 7/01/39  | 490 | 494,067   |
|   |     | 1,804,736 |

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>Massachusetts 0.4%</b>  |              |            |
| Massachusetts Health & Educational Facilities Authority,<br>Refunding RB, Partners Healthcare, Series J1,<br>5.00%, 7/01/39    | \$ 615       | \$ 623,542 |
| <b>Michigan 2.2%</b>   |              |            |
| City of Detroit Michigan, RB, Senior Lien, Series B (AGM),<br>7.50%, 7/01/33   | 560          | 672,426    |
| Garden City Hospital Finance Authority Michigan,<br>Refunding RB, Garden City Hospital Obligation,<br>Series A, 5.00%, 8/15/38 | 1,540        | 1,022,606  |
| Royal Oak Hospital Finance Authority Michigan,<br>Refunding RB, William Beaumont Hospital,<br>8.25%, 9/01/39                   | 1,400        | 1,652,462  |
|  |              | 3,347,494  |
| <b>Montana 0.5%</b>  |              |            |
| Two Rivers Authority, RB, Senior Lien (b)(c):<br>7.25%, 11/01/21   | 1,500        | 264,225    |
| 7.38%, 11/01/27  | 2,600        | 456,846    |
|  |              | 721,071    |
| <b>New York 5.5%</b>   |              |            |
| New York City Industrial Development Agency, RB,<br>American Airlines Inc., JFK International Airport, AMT,<br>7.63%, 8/01/25  | 4,000        | 4,055,880  |
| New York State Dormitory Authority, ERB, Series F,<br>5.00%, 3/15/35   | 2,005        | 2,070,483  |
| New York State Dormitory Authority, RB, New York<br>University, Series A, 5.25%, 7/01/48                                       | 2,000        | 2,116,180  |
|  |              | 8,242,543  |
| <b>North Carolina 0.9%</b>   |              |            |
| City of Charlotte North Carolina, RB, Series B,<br>5.00%, 7/01/38  | 320          | 344,838    |
| North Carolina Medical Care Commission, RB, Duke<br>University Health System, Series A:<br>5.00%, 6/01/39                      | 220          | 224,336    |

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|   |              |              |
|---|--------------|--------------|
| 5.00%, 6/01/42  | 480          | 487,335      |
| North Carolina Municipal Power Agency No. 1 Catawba,<br>Refunding RB, Series A, 5.00%, 1/01/30  | 365          | 373,483      |
|   |              | 1,429,992    |
| <b>Ohio 1.8%</b>  |              |              |
| County of Allen Ohio, Refunding RB, Catholic Healthcare,<br>Series A, 5.25%, 6/01/38 (a)  | 2,650        | 2,720,887    |
| <b>Pennsylvania 2.0%</b>  |              |              |
| Allegheny County Hospital Development Authority,<br>Refunding RB, Health System, West Penn, Series A,<br>5.38%, 11/15/40                          | 2,080        | 1,669,262    |
| Pennsylvania Economic Development Financing Authority,<br>RB, Aqua Pennsylvania Inc. Project, 5.00%, 11/15/40                                     | 650          | 669,377      |
| Pennsylvania Higher Educational Facilities Authority,<br>Refunding RB, Allegheny Delaware Valley Obligation,<br>Series A (NPFGC), 5.88%, 11/15/21 | 700          | 675,276      |
|   |              | 3,013,915    |
| <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        | 1,926,156    |
| <b>South Carolina 2.5%</b>  |              |              |
| South Carolina Jobs-EDA, Refunding RB:  |              |              |
| First Mortgage, Lutheran Homes, 5.50%, 5/01/28  | 600          | 521,952      |
| First Mortgage, Lutheran Homes, 5.63%, 5/01/42  | 1,000        | 828,130      |
| Palmetto Health, 5.50%, 8/01/26   | 565          | 560,632      |
| Senior Lien, Burroughs & Chapin, Series A (Radian),<br>4.70%, 4/01/35   | 2,470        | 1,867,987    |
|   |              | 3,778,701    |
|   | <b>Par</b>   |              |
| <b>Municipal Bonds</b>  | <b>(000)</b> | <b>Value</b> |
| <b>Texas 4.7%</b>   |              |              |
| Brazos River Authority, RB, TXU Electric, Series A, AMT,<br>8.25%, 10/01/30   | \$ 1,500     | \$ 930,105   |
| City of Houston Texas, RB, Senior Lien, Series A,<br>5.50%, 7/01/39   | 510          | 543,430      |
| HFDC of Central Texas Inc., RB, Village at Gleannloch<br>Farms, Series A, 5.50%, 2/15/27  | 1,150        | 954,281      |
| Matagorda County Navigation District No. 1 Texas,<br>Refunding RB, Central Power & Light Co. Project,<br>Series A, 6.30%, 11/01/29                | 700          | 757,764      |

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|  |       |             |
|--|-------|-------------|
| North Texas Tollway Authority, RB, Toll, 2nd Tier, Series F,<br>6.13%, 1/01/31   | 2,290 | 2,442,377   |
| Texas Private Activity Bond Surface Transportation Corp.,<br>RB, Senior Lien, Note Mobility, 6.88%, 12/31/39                 | 1,315 | 1,373,807   |
|  |       | 7,001,764   |
| <b>Utah 0.6%</b>   |       |             |
| City of Riverton Utah, RB, IHC Health Services Inc.,<br>5.00%, 8/15/41   | 955   | 971,264     |
| <b>Vermont 1.9%</b>  |       |             |
| Vermont HFA, RB, Series 27, AMT (AGM), 4.90%, 5/01/38  | 3,020 | 2,908,683   |
| <b>Virginia 3.9%</b>   |       |             |
| Fairfax County EDA, Refunding RB, Goodwin House Inc.,<br>5.13%, 10/01/42   | 850   | 813,118     |
| Peninsula Ports Authority, Refunding RB, Virginia Baptist<br>Homes, Series C, 5.38%, 12/01/26                                | 2,600 | 1,732,016   |
| Reynolds Crossing Community Development Authority,<br>Special Assessment Bonds, Reynolds Crossing Project,<br>5.10%, 3/01/21 | 1,000 | 944,490     |
| Tobacco Settlement Financing Corp. Virginia,<br>Refunding RB, Senior Series B1, 5.00%, 6/01/47                               | 1,480 | 1,018,728   |
| Virginia HDA, RB, Rental Housing, Series F,<br>5.00%, 4/01/45  | 1,000 | 1,002,940   |
| Virginia Small Business Financing Authority,<br>Refunding RB, Sentara Healthcare, 5.00%, 11/01/40                            | 330   | 336,772     |
|  |       | 5,848,064   |
| <b>Wisconsin 3.6%</b>  |       |             |
| Wisconsin Health & Educational Facilities Authority,<br>RB, Ascension Health Credit Group, Series A,<br>5.00%, 11/15/31      | 5,335 | 5,454,291   |
| <b>Wyoming 0.1%</b>  |       |             |
| Wyoming Municipal Power Agency, RB, Series A,<br>5.00%, 1/01/42  | 100   | 99,207      |
| <b>Total Municipal Bonds 69.7%</b>   |       | 104,764,232 |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (d)</b>  |       |             |
| <b>California 16.1%</b>  |       |             |
| Bay Area Toll Authority, Refunding RB, San Francisco<br>Bay Area, Series F-1, 5.63%, 4/01/44                                 | 1,085 | 1,181,305   |
| California Educational Facilities Authority, RB, University of<br>Southern California, Series A, 5.25%, 10/01/18             | 835   | 895,387     |
| Golden State Tobacco Securitization Corp. California,  |       |             |

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|   |        |            |
|---|--------|------------|
| Custodial Receipts, Series 1271, 5.00%, 6/01/45 (e)   | 5,000  | 4,548,300  |
| Los Angeles Department of Airports, Refunding RB,<br>Senior, Los Angeles International Airport, Series A,<br>5.00%, 5/15/40 | 2,045  | 2,083,773  |
| San Diego Community College District California, GO,<br>Election of 2002, 5.25%, 8/01/33                                    | 545    | 572,250    |
| University of California, RB, Series B (NPFGC),<br>4.75%, 5/15/38   | 15,000 | 14,861,850 |
|   |        | 24,142,865 |
| <b>Colorado 0.5%</b>  |        |            |
| Colorado Health Facilities Authority, Refunding RB,<br>Catholic Healthcare, Series A, 5.50%, 7/01/34                        | 735    | 779,468    |

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<br>Tender Option Bond Trusts (d)   | Par<br>(000) | Value         |
|---|--------------|---------------|
| <b>Illinois 10.0%</b>   |              |               |
| City of Chicago Illinois, Custodial Receipts, Series 1284,<br>5.00%, 1/01/33 (e)                          | \$ 15,000    | \$ 15,013,650 |
| <b>Indiana 9.3%</b>   |              |               |
| Carmel Redevelopment Authority, RB, Performing<br>Arts Center:<br>4.75%, 2/01/33                          | 7,230        | 7,262,029     |
| 5.00%, 2/01/33  | 6,580        | 6,744,697     |
|   |              | 14,006,726    |
| <b>Massachusetts 8.0%</b>   |              |               |
| Massachusetts HFA, Refunding HRB, Series D, AMT,<br>5.45%, 6/01/37  | 11,855       | 11,988,369    |
| <b>Nebraska 3.3%</b>  |              |               |
| Omaha Public Power District, RB, System, Sub-Series B<br>(NPFGC), 4.75%, 2/01/36                          | 5,000        | 5,039,700     |
| <b>New Hampshire 0.5%</b>   |              |               |
| New Hampshire Health & Education Facilities Authority,<br>Refunding RB, Dartmouth College, 5.25%, 6/01/39 | 660          | 716,549       |
| <b>New York 14.0%</b>   |              |               |
| New York City Municipal Water Finance Authority, RB,<br>Series FF-2, 5.50%, 6/15/40                       | 500          | 556,035       |
| New York City Municipal Water Finance Authority,<br>Refunding RB, Series D, 5.00%, 6/15/39                | 7,500        | 7,731,825     |
| New York State Dormitory Authority, ERB, Series B,<br>5.75%, 3/15/36                                      | 11,250       | 12,753,000    |
|   |              | 21,040,860    |
| <b>North Carolina 10.3%</b>   |              |               |
| University of North Carolina at Chapel Hill, Refunding RB,<br>General, Series A, 4.75%, 12/01/34          | 15,170       | 15,444,880    |
| <b>Ohio 3.2%</b>  |              |               |
| State of Ohio, Refunding RB, Cleveland Clinic Health,<br>Series A, 5.50%, 1/01/39                         | 4,630        | 4,837,285     |
| <b>South Carolina 2.0%</b>  |              |               |
| South Carolina State Housing Finance & Development  |              |               |

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|  |               |               |
|--|---------------|---------------|
| Authority, Refunding RB, Series B-1, 5.55%, 7/01/39  | 2,980         | 3,071,635     |
| <b>Texas 7.8%</b>  |               |               |
| County of Harris Texas, RB, Senior Lien, Toll Road,<br>Series A, 5.00%, 8/15/38  | 2,130         | 2,203,464     |
| New Caney ISD Texas, GO, School Building (PSF-GTD),<br>5.00%, 2/15/35  | 9,150         | 9,517,555     |
|  |               | 11,721,019    |
| <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         | 2,038,317     |
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts 86.4%</b>  |               | 129,841,323   |
| <b>Total Long-Term Investments<br/>(Cost \$242,594,806) 156.1%</b>   |               | 234,605,555   |
| <b>Short-Term Securities</b>   | <b>Shares</b> |               |
| FFI Institutional Tax-Exempt Fund, 0.25% (f)(g)  | 1,118,809     | 1,118,809     |
| <b>Total Short-Term Securities<br/>(Cost \$1,118,809) 0.7%</b>   |               | 1,118,809     |
| <b>Total Investments (Cost \$243,713,615*) 156.8%</b>  |               | 235,724,364   |
| <b>Other Assets Less Liabilities 0.7%</b>  |               | 1,022,513     |
| <b>Liability for Trust Certificates, Including Interest</b>  |               |               |
| <b>Expense and Fees Payable (57.5)%</b>  |               | (86,389,643)  |
| <b>Net Assets 100.0%</b>   |               | \$150,357,234 |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2010, as computed for federal income tax purposes, were as follows:

|                               |                |
|-------------------------------|----------------|
| Aggregate cost                | \$157,441,416  |
| Gross unrealized appreciation | \$ 4,582,347   |
| Gross unrealized depreciation | (12,389,399)   |
| Net unrealized depreciation   | \$ (7,807,052) |

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

| Counterparty              | Value       | Unrealized<br>Appreciation |
|---------------------------|-------------|----------------------------|
| JPMorgan Securities, Inc. | \$2,720,887 | \$ 25,361                  |
| Raymond C. Forbes & Co.   | \$1,475,413 | \$ 25,518                  |

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- (b) Issuer filed for bankruptcy and/or is in default of interest payments.
- (c) Non-income producing security.
- (d) Securities represent bonds transferred to a tender option bond trust in exchange for which the Trust acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (e) 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) Investments in companies considered to be an affiliate of the Trust during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| <b>Affiliate</b>                     | <b>Shares Held at<br/>April 30,<br/>2009</b> | <b>Net<br/>Activity</b> | <b>Shares Held at<br/>April 30,<br/>2010</b> | <b>Income</b> |
|--------------------------------------|--|-------------------------|--|---------------|
| FFI Institutional<br>Tax-Exempt Fund | 1,400,185                                    | (281,376)               | 1,118,809 \$                                 | 6,167         |

(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

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

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

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

The following table summarizes the inputs used as of April 30, 2010 in determining the fair valuation of the Trust's investments:

### Investments in Securities

| <b>Valuation Inputs</b>               | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>  |
|---------------------------------------|----------------|----------------|----------------|---------------|
| <b>Assets:</b>                        |                |                |                |               |
| Long-Term<br>Investments <sup>1</sup> |                | \$234,605,555  |                | \$234,605,555 |
| Short-Term                            |                |                |                |               |

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|              |                     |                      |                      |
|--------------|---------------------|----------------------|----------------------|
| Securities   | \$ 1,118,809        |                      | 1,118,809            |
| <b>Total</b> | <b>\$ 1,118,809</b> | <b>\$234,605,555</b> | <b>\$235,724,364</b> |

<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 April 30, 2010

**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     | \$ 1,148,643 |
| <b>Arizona 3.3%</b>  |              |              |
| Phoenix Civic Improvement Corp., RB, Junior Lien, Series A, 5.00%, 7/01/21   | 5,585        | 6,223,086    |
| Pima County IDA, Refunding RB, Tucson Electric Power Co., San Juan, Series A, 4.95%, 10/01/20                      | 1,015        | 1,025,668    |
| Salt Verde Financial Corp., RB, Senior:  |              |              |
| 5.00%, 12/01/18  | 1,500        | 1,489,605    |
| 5.25%, 12/01/20  | 1,000        | 999,550      |
|  |              | 9,737,909    |
| <b>California 19.6%</b>  |              |              |
| California Statewide Communities Development Authority, RB, John Muir Health, Series A, 5.00%, 8/15/22             | 5,000        | 5,080,550    |
| Foothill Eastern Transportation Corridor Agency California, Refunding RB, CAB (a):                                 |              |              |
| 5.95%, 1/15/21   | 12,500       | 5,952,375    |
| 5.86%, 1/15/22   | 10,000       | 4,443,100    |
| Golden State Tobacco Securitization Corp. California, RB (b):  |              |              |
| Asset-Backed, Series A-3, 7.88%, 6/01/13   | 975          | 1,169,542    |
| Asset-Backed, Series A-5, 7.88%, 6/01/13   | 1,470        | 1,763,309    |
| Enhanced Asset-Backed, Series B, 5.38%, 6/01/10  | 4,000        | 4,017,240    |
| Series 2003-A-1, 6.75%, 6/01/13  | 12,010       | 14,012,547   |
| Series 2003-A-1, 6.63%, 6/01/13  | 3,000        | 3,488,910    |
| Los Angeles Unified School District California, GO, Series I, 5.00%, 7/01/20                                       | 3,750        | 4,169,138    |
| Riverside County Asset Leasing Corp. California, RB, Riverside County Hospital Project (NPFGC), 5.75%, 6/01/25 (a) | 6,865        | 2,756,847    |
| San Manuel Entertainment Authority, Series 04-C, 4.50%, 12/01/16   | 4,000        | 3,603,200    |
| State of California, GO, Various Purpose, 5.00%, 11/01/22  | 7,050        | 7,222,231    |

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|   |              |              |
|---|--------------|--------------|
|   |              | 57,678,989   |
| <b>Colorado 1.7%</b>  |              |              |
| E-470 Public Highway Authority Colorado, RB, CAB,<br>Senior Series B (NPFGC), 5.51%, 9/01/22 (a)                  | 4,500        | 2,107,935    |
| Park Creek Metropolitan District Colorado, Refunding RB,<br>Senior, Limited Tax, Property Tax, 5.25%, 12/01/25    | 3,000        | 2,922,030    |
|   |              | 5,029,965    |
| <b>District of Columbia 5.1%</b>  |              |              |
| District of Columbia Tobacco Settlement Financing Corp.,<br>Refunding RB, Asset-Backed, 6.50%, 5/15/33            | 4,215        | 4,135,927    |
| District of Columbia, Refunding RB, Friendship Public<br>Charter School, Inc. (ACA):                              |              |              |
| 5.75%, 6/01/18  | 2,680        | 2,686,593    |
| 5.00%, 6/01/23  | 3,320        | 3,002,176    |
| Metropolitan Washington Airports Authority, Refunding RB,<br>Series C-2, AMT (AGM), 5.00%, 10/01/24               | 5,000        | 5,059,050    |
|   |              | 14,883,746   |
| <b>Florida 11.2%</b>  |              |              |
| Bellalago Educational Facilities Benefit District, Special<br>Assessment Bonds, Series A, 5.85%, 5/01/22          | 3,895        | 3,606,731    |
| Broward County School Board Florida, COP, Series A<br>(AGM), 5.25%, 7/01/22                                       | 1,250        | 1,339,450    |
| City of Jacksonville Florida, RB, Better Jacksonville,<br>5.00%, 10/01/22   | 5,160        | 5,651,077    |
| Grand Hampton Community Development District,<br>Special Assessment Bonds, Capital Improvement,<br>6.10%, 5/01/24 | 3,700        | 3,490,728    |
|   | <b>Par</b>   |              |
|   | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>  |              |              |
| <b>Florida (concluded)</b>  |              |              |
| Habitat Community Development District, Special<br>Assessment Bonds, 5.80%, 5/01/25                               | \$ 3,495     | \$ 3,178,668 |
| Miami Beach Health Facilities Authority, RB, Mount Sinai<br>Medical Center of Florida, 6.75%, 11/15/21            | 2,470        | 2,522,586    |
| Middle Village Community Development District, Special<br>Assessment Bonds, Series A, 5.80%, 5/01/22              | 3,745        | 3,534,793    |
| Pine Island Community Development District, RB,<br>5.30%, 11/01/10  | 250          | 246,593      |
| Stevens Plantation Community Development District,<br>Special Assessment Bonds, Series B, 6.38%, 5/01/13          | 3,530        | 2,987,369    |

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|   |        |            |
|---|--------|------------|
| Village Community Development District No. 5 Florida,<br>Special Assessment Bonds, Series A, 6.00%, 5/01/22                 | 2,390  | 2,416,194  |
| Westchester Community Development District No. 1,<br>Special Assessment Bonds, Community Infrastructure,<br>6.00%, 5/01/23  | 4,900  | 4,020,548  |
|   |        | 32,994,737 |
| <b>Georgia 0.8%</b>   |        |            |
| Richmond County Development Authority, RB,<br>Environment, Series A, AMT, 5.75%, 11/01/27                                   | 2,350  | 2,281,920  |
| <b>Illinois 12.9%</b>   |        |            |
| City of Chicago Illinois, RB, General Airport, Third Lien,<br>Series A (AMBAC):   |        |            |
| 5.00%, 1/01/21  | 5,000  | 5,227,900  |
| 5.00%, 1/01/22  | 7,000  | 7,283,080  |
| Illinois Finance Authority, RB:   |        |            |
| DePaul University, Series C, 5.25%, 10/01/24  | 5,000  | 5,120,400  |
| MJH Education Assistance IV LLC, Sub-Series A,<br>5.50%, 6/01/19 (c)(d)   | 3,250  | 1,787,598  |
| MJH Education Assistance IV LLC, Sub-Series B,<br>5.00%, 6/01/24 (c)(d)   | 1,075  | 290,282    |
| Northwestern University, 5.00%, 12/01/21  | 4,800  | 5,082,384  |
| Illinois State Toll Highway Authority, RB, Senior Priority,<br>Series A (AGM), 5.00%, 1/01/19                               | 2,250  | 2,470,387  |
| Lake Cook-Dane & McHenry Counties Community Unit<br>School District 220 Illinois, GO, Refunding (AGM),<br>5.25%, 12/01/20   | 1,000  | 1,183,120  |
| Metropolitan Pier & Exposition Authority Illinois,<br>Refunding RB, CAB, McCormick, Series A (NPFGC),<br>5.41%, 6/15/22 (a) | 13,455 | 7,333,110  |
| State of Illinois, RB, Build Illinois, Series B,<br>5.00%, 6/15/20  | 2,000  | 2,183,040  |
|   |        | 37,961,301 |
| <b>Indiana 4.8%</b>   |        |            |
| City of Vincennes Indiana, Refunding RB, Southwest<br>Indiana Regional Youth Village, 6.25%, 1/01/24                        | 4,425  | 3,688,503  |
| Indianapolis Airport Authority, Refunding RB, Special<br>Facilities, FedEx Corp. Project, AMT, 5.10%, 1/15/17               | 10,000 | 10,314,200 |
|   |        | 14,002,703 |
| <b>Kansas 2.2%</b>  |        |            |
| Kansas Development Finance Authority, Refunding RB,<br>Adventist Health, 5.25%, 11/15/20                                    | 2,500  | 2,723,025  |

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Wyandotte County-Kansas City Unified Government,

RB, Kansas International Speedway (NPFGC),

5.20%, 12/01/20 (a)

6,440

3,657,018

6,380,043

### **Kentucky 0.7%**

Kentucky Housing Corp., RB, Series C, AMT,

4.63%, 7/01/22

2,000

2,001,480

### **Louisiana 0.7%**

Parish of DeSoto Louisiana, RB, Series A, AMT,

5.85%, 11/01/27

2,000

1,963,520

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>Maryland 5.1%</b>  |              |              |
| County of Frederick Maryland, Special Tax Bonds, Urbana<br>Community Development Authority:                   |              |              |
| 6.63%, 7/01/25  | \$ 3,000     | \$ 3,000,090 |
| Series A, 5.80%, 7/01/20  | 4,453        | 4,408,826    |
| Maryland EDC, RB, Transportation Facilities Project,<br>Series A, 5.13%, 6/01/20                              |              |              |
|   | 1,250        | 1,260,238    |
| Maryland Health & Higher Educational Facilities Authority,<br>Refunding RB:                                   |              |              |
| MedStar Health, 5.38%, 8/15/24  | 5,500        | 5,633,760    |
| University of Maryland Medical System,<br>5.00%, 7/01/19  | 670          | 721,771      |
|   |              | 15,024,685   |
| <b>Massachusetts 1.7%</b>   |              |              |
| Massachusetts Development Finance Agency, RB,<br>Waste Management Inc. Project, AMT, 5.45%, 6/01/14           |              |              |
|   | 4,500        | 4,808,250    |
| Massachusetts State Water Pollution Abatement,<br>Refunding RB, MWRA Program, Sub-Series A,<br>6.00%, 8/01/23 |              |              |
|   | 140          | 141,709      |
|   |              | 4,949,959    |
| <b>Michigan 1.6%</b>  |              |              |
| Michigan State Hospital Finance Authority, Refunding RB,<br>Hospital, Sparrow Obligated, 4.50%, 11/15/26      |              |              |
|   | 1,500        | 1,378,635    |
| State of Michigan, Refunding RB:  |              |              |
| 5.00%, 11/01/20   | 1,000        | 1,099,820    |
| 5.00%, 11/01/21   | 2,000        | 2,182,100    |
|   |              | 4,660,555    |
| <b>Minnesota 0.4%</b>   |              |              |
| Minnesota Higher Education Facilities Authority, RB,<br>University of St. Thomas, Series 5-Y, 5.00%, 10/01/24 |              |              |
|   | 1,250        | 1,293,475    |
| <b>Mississippi 1.0%</b>   |              |              |
| County of Warren Mississippi, RB, Series A, AMT,<br>5.85%, 11/01/27   |              |              |
|   | 3,000        | 2,945,280    |
| <b>Missouri 3.7%</b>  |              |              |
| Missouri Development Finance Board, RB, Branson   |              |              |

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|  |              |              |
|--|--------------|--------------|
| Landing Project, Series A, 5.50%, 12/01/24   | 5,000        | 5,059,850    |
| Missouri State Health & Educational Facilities<br>Authority, Refunding RB, BJC Health System, Series A,<br>5.00%, 5/15/20                        | 5,500        | 5,733,475    |
|  |              | 10,793,325   |
| <b>Multi-State 6.2%</b>  |              |              |
| Centerline Equity Issuer Trust (e)(f):   |              |              |
| 5.75%, 5/15/15   | 1,000        | 1,043,140    |
| 6.00%, 5/15/15   | 4,000        | 4,158,000    |
| 6.00%, 5/15/19   | 2,500        | 2,610,000    |
| 6.30%, 5/15/19   | 2,500        | 2,621,250    |
| MuniMae TE Bond Subsidiary LLC (e)(f)(g):  |              |              |
| 5.40%  | 5,000        | 3,396,550    |
| 5.80%  | 5,000        | 3,319,350    |
| Series D, 5.90%  | 2,000        | 1,116,220    |
|  |              | 18,264,510   |
| <b>Nevada 2.0%</b>   |              |              |
| City of Henderson Nevada, Special Assessment Bonds,<br>District No. T-18, 5.15%, 9/01/21   | 1,765        | 794,444      |
| County of Clark Nevada, Refunding RB, Alexander Dawson<br>School Nevada Project, 5.00%, 5/15/20  | 5,000        | 5,179,000    |
|  |              | 5,973,444    |
| <b>New Hampshire 5.0%</b>  |              |              |
| New Hampshire Business Finance Authority, Refunding RB,<br>Public Service Co. of New Hampshire Project, Series B,<br>AMT (NPFGC), 4.75%, 5/01/21 | 10,000       | 9,865,200    |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>   |              |              |
| <b>New Hampshire (concluded)</b>   |              |              |
| New Hampshire Health & Education Facilities<br>Authority, Refunding RB, Elliot Hospital, Series B,<br>5.60%, 10/01/22                            | \$ 4,755     | \$ 4,766,460 |
|  |              | 14,631,660   |
| <b>New Jersey 12.6%</b>  |              |              |
| Middlesex County Improvement Authority, RB, Street<br>Student Housing Project, Series A, 5.00%, 8/15/23  | 1,000        | 1,021,210    |
| New Jersey EDA, RB:  |              |              |
| Cigarette Tax, 5.50%, 6/15/24  | 10,000       | 9,902,600    |
| Continental Airlines Inc. Project, AMT,<br>7.00%, 11/15/30   | 5,000        | 4,998,150    |

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|  |        |            |
|--|--------|------------|
| Continental Airlines Inc. Project, AMT,<br>9.00%, 6/01/33  | 1,500  | 1,579,035  |
| Kapkowski Road Landfill Project, Series 1998B, AMT,<br>6.50%, 4/01/31  | 7,500  | 7,806,150  |
| New Jersey EDA, Refunding RB, First Mortgage,<br>Winchester, Series A, 4.80%, 11/01/13   | 1,000  | 1,033,470  |
| New Jersey Educational Facilities Authority, Refunding RB,<br>University of Medicine & Dentistry, Series B,<br>6.25%, 12/01/18               | 2,500  | 2,765,475  |
| New Jersey Health Care Facilities Financing Authority,<br>Refunding RB:<br>AtlantiCare Regional Medical Center, 5.00%, 7/01/20               | 2,110  | 2,209,465  |
| Capital Health System Obligation Group, Series A,<br>5.75%, 7/01/13 (b)  | 4,000  | 4,487,160  |
| Newark Housing Authority, RB, South Ward Police Facility<br>(AGC), 5.00%, 12/01/21   | 1,250  | 1,344,763  |
|  |        | 37,147,478 |
| <br><b>New York 8.4%</b>   |        |            |
| New York City Industrial Development Agency, RB,<br>American Airlines Inc., JFK International Airport, AMT:<br>7.63%, 8/01/25                | 5,635  | 5,713,721  |
| 7.75%, 8/01/31   | 5,000  | 5,111,950  |
| New York State Energy Research & Development Authority,<br>Refunding RB, Brooklyn Union Gas/Keyspan, Series A,<br>AMT (FGIC), 4.70%, 2/01/24 | 8,500  | 8,422,990  |
| Tobacco Settlement Financing Corp. New York, RB,<br>Asset-Backed, Series B-1C, 5.50%, 6/01/20  | 5,000  | 5,422,700  |
|  |        | 24,671,361 |
| <br><b>North Carolina 0.6%</b>   |        |            |
| North Carolina Eastern Municipal Power Agency,<br>Refunding RB, Series B, 5.00%, 1/01/21   | 1,550  | 1,650,827  |
| <br><b>Ohio 7.0%</b>   |        |            |
| American Municipal Power-Ohio Inc., RB, Prairie State<br>Energy Campus Project, Series A, 5.25%, 2/15/23                                     | 5,000  | 5,438,300  |
| County of Cuyahoga Ohio, Refunding RB, Series A:<br>6.00%, 1/01/19   | 3,000  | 3,330,990  |
| 6.00%, 1/01/20   | 10,000 | 11,103,300 |
| Pinnacle Community Infrastructure Financing Authority,<br>RB, Facilities, Series A, 6.00%, 12/01/22  | 967    | 847,227    |
|  |        | 20,719,817 |
| <br><b>Oklahoma 1.1%</b>   |        |            |

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|   |       |            |
|---|-------|------------|
| Tulsa Airports Improvement Trust, RB, Series A, AMT,<br>7.75%, 6/01/35 (h)                      | 3,350 | 3,385,510  |
| <b>Pennsylvania 6.0%</b>  |       |            |
| Lancaster County Hospital Authority, RB, General Hospital<br>Project, 5.75%, 9/15/13 (b)        | 7,500 | 8,528,850  |
| Montgomery County IDA Pennsylvania, MRB, Whitemarsh<br>Continuing Care, 6.00%, 2/01/21          | 1,275 | 1,104,800  |
| Pennsylvania Higher Educational Facilities Authority, RB,<br>LaSalle University, 5.50%, 5/01/26 | 6,680 | 6,807,455  |
| Pennsylvania Turnpike Commission, RB, Sub-Series A<br>(AGC), 5.00%, 6/01/22                     | 1,000 | 1,081,700  |
|   |       | 17,522,805 |

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)

| Municipal Bonds   | Par<br>(000) | Value                    |
|---|--------------|--------------------------|
| <b>Puerto Rico 4.7%</b>   |              |                          |
| Commonwealth of Puerto Rico, GO, Public Improvement,<br>Series B, 5.25%, 7/01/17                          | \$ 3,300     | \$ 3,512,223             |
| Puerto Rico Electric Power Authority, RB, Series NN,<br>5.13%, 7/01/13 (b)                                | 9,000        | 10,140,210<br>13,652,433 |
| <b>Tennessee 3.4%</b>   |              |                          |
| Tennessee Energy Acquisition Corp., RB, Series A,<br>5.25%, 9/01/20                                       | 10,000       | 9,920,600                |
| <b>Texas 10.2%</b>  |              |                          |
| Brazos River Authority, Refunding RB, TXU Energy Co., LLC<br>Project, Series A, AMT, 6.75%, 4/01/38       | 1,100        | 905,520                  |
| Central Texas Regional Mobility Authority, RB, Senior Lien:<br>5.75%, 1/01/19                             | 800          | 832,024                  |
| 5.75%, 1/01/20  | 1,140        | 1,179,205                |
| City of Dallas Texas, Refunding RB (AGC),<br>5.00%, 8/15/21   | 2,500        | 2,674,450                |
| North Texas Tollway Authority, RB, Series C:<br>5.25%, 1/01/20  | 1,000        | 1,075,580                |
| 5.38%, 1/01/21  | 5,000        | 5,396,500                |
| Port Corpus Christi Industrial Development Corp. Texas,<br>Refunding RB, Valero, Series C, 5.40%, 4/01/18 | 3,255        | 3,241,166                |
| Texas State Turnpike Authority, RB, CAB, First Tier, Series A<br>(AMBAC) (a):<br>5.39%, 8/15/21           | 7,990        | 4,248,842                |
| 5.53%, 8/15/24  | 8,450        | 3,634,176                |
| Weatherford ISD, GO, Refunding, CAB (PSF-GTD) (a):<br>5.75%, 2/15/11 (b)                                  | 4,040        | 2,020,970                |
| 5.78%, 2/15/11 (b)  | 4,040        | 1,908,294                |
| 5.75%, 2/15/23  | 2,905        | 1,412,643                |
| 5.77%, 2/15/24  | 2,905        | 1,332,756                |
|   |              | 29,862,126               |
| <b>Virginia 8.0%</b>  |              |                          |
| Celebrate North Community Development Authority,<br>Special Assessment Bonds, Celebrate Virginia North    |              |                          |

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|  |        |            |
|--|--------|------------|
| Project, Series B, 6.60%, 3/01/25  | 4,902  | 3,934,492  |
| Charles City County EDA, RB, Waste Management Inc.   |        |            |
| Project, AMT, 5.13%, 8/01/27 (h)   | 10,000 | 10,015,100 |
| Mecklenburg County IDA Virginia, Refunding RB, Exempt Facility, UAE LP Project, AMT, 6.50%, 10/15/17 | 7,500  | 7,391,250  |
| Russell County IDA, Refunding RB, Appalachian Power, Series K, 4.63%, 11/01/21                       | 2,000  | 2,021,160  |
|  |        | 23,362,002 |

### Wisconsin 3.0%

|  |       |           |
|--|-------|-----------|
| State of Wisconsin, Refunding RB, Series A, 5.25%, 5/01/20         | 1,000 | 1,123,220 |
| Wisconsin Health & Educational Facilities Authority, Refunding RB: |       |           |
| Froedtert & Community Health Inc., 5.00%, 4/01/20                  | 1,515 | 1,583,690 |
| Wheaton Franciscan Services, Series A, 5.50%, 8/15/17              | 2,880 | 2,934,346 |
| Wheaton Franciscan Services, Series A, 5.50%, 8/15/18              | 3,190 | 3,230,832 |
|  |       | 8,872,088 |

### U.S. Virgin Islands 0.4%

|  |       |             |
|--|-------|-------------|
| Virgin Islands Public Finance Authority, RB, Senior Lien, Matching Fund Loan Note, Series A, 5.25%, 10/01/17 | 1,000 | 1,050,020   |
| <b>Total Municipal Bonds 155.5%</b>  |       | 456,418,916 |

| <b>Municipal Bonds Transferred to</b>                                      | <b>Par</b>    |              |
|--|---------------|--------------|
| <b>Tender Option Bond Trusts (i)</b>                                       | <b>(000)</b>  | <b>Value</b> |
| <b>Illinois 1.9%</b>   |               |              |
| City of Chicago Illinois, Refunding RB, Second Lien (AGM), 5.00%, 11/01/20 | \$ 5,000      | \$ 5,480,800 |
| <b>Total Municipal Bonds Transferred to</b>                                |               |              |
| <b>Tender Option Bond Trusts 1.9%</b>                                      |               | 5,480,800    |
| <b>Total Long-Term Investments</b>   |               |              |
| <b>(Cost \$464,194,995) 157.4%</b>   |               | 461,899,716  |
| <b>Short-Term Securities</b>   | <b>Shares</b> |              |
| FFI Institutional Tax-Exempt Fund, 0.25% (j)(k)                            | 1,901,695     | 1,901,695    |
| <b>Total Short-Term Securities</b>   |               |              |
| <b>(Cost \$1,901,695) 0.6%</b>   |               | 1,901,695    |
| <b>Total Investments (Cost \$466,096,690*) 158.0%</b>                      |               | 463,801,411  |
| <b>Other Assets Less Liabilities 2.5%</b>                                  |               | 7,367,635    |
| <b>Liability for Trust Certificates, Including Interest</b>                |               |              |
| <b>Expense and Fees Payable (1.3%)</b>                                     |               | (3,757,383)  |

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|  |               |
|--|---------------|
| <b>Preferred Shares, at Redemption Value</b> (59.2)% | (173,863,049) |
| <b>Net Assets Applicable to Common Shares</b> 100.0% | \$293,548,614 |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2010, as computed for federal income tax purposes, were as follows:

|                               |                |
|-------------------------------|----------------|
| Aggregate cost                | \$461,922,849  |
| Gross unrealized appreciation | \$ 14,665,686  |
| Gross unrealized depreciation | (16,537,124)   |
| Net unrealized depreciation   | \$ (1,871,438) |

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

(d) Non-income producing security.

(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 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.

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

(h) Variable rate security. Rate shown is as of report 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) Investments in companies considered to be an affiliate of the Trust during the year, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

| Affiliate         | Shares Held at | Net Activity | Shares Held at | Income  |
|-------------------|----------------|--------------|----------------|---------|
|                   | April 30, 2009 |              | April 30, 2010 |         |
| FFI Institutional |                |              |                |         |
| Tax-Exempt Fund   | 2,301,041      | (399,346)    | 1,901,695      | \$8,261 |

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

See Notes to Financial Statements.

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## Schedule of Investments (concluded)

### BlackRock Municipal 2020 Term Trust (BKK)

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

The following table summarizes the inputs used as of April 30, 2010 in determining the fair valuation of the Trust's investments:

#### Investments in Securities

| Valuation Inputs         | Level 1             | Level 2              | Level 3 | Total                |
|--------------------------|---------------------|----------------------|---------|----------------------|
| <b>Assets:</b>           |                     |                      |         |                      |
| Long-Term                |                     |                      |         |                      |
| Investments <sup>1</sup> |                     | \$461,899,716        |         | \$461,899,716        |
| Short-Term               |                     |                      |         |                      |
| Securities               | \$ 1,901,695        |                      |         | 1,901,695            |
| <b>Total</b>             | <b>\$ 1,901,695</b> | <b>\$461,899,716</b> |         | <b>\$463,801,411</b> |

<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 April 30, 2010

### BlackRock Municipal Income Trust (BFK)

(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Arizona 3.7%</b>  |              |              |
| Pima County IDA, RB, American Charter Schools<br>Foundation, Series A, 5.63%, 7/01/38  | \$ 4,590     | \$ 3,630,690 |
| Pima County IDA, Refunding IDR, Tucson Electric Power,<br>5.75%, 9/01/29   | 2,185        | 2,223,412    |
| Salt River Project Agricultural Improvement & Power<br>District, RB, Series A, 5.00%, 1/01/38  | 3,860        | 4,034,704    |
| Salt Verde Financial Corp., RB, Senior:<br>5.00%, 12/01/32   | 10,280       | 9,323,343    |
| 5.00%, 12/01/37  | 2,855        | 2,531,671    |
|  |              | 21,743,820   |
| <b>California 28.3%</b>  |              |              |
| Bay Area Toll Authority, Refunding RB, San Francisco<br>Bay Area, Series F-1, 5.63%, 4/01/44   | 4,445        | 4,839,538    |
| California County Tobacco Securitization Agency, RB, CAB,<br>Stanislaus, Sub-Series C, 6.30%, 6/01/55 (a)                              | 17,855       | 216,581      |
| California HFA, RB, Home Mortgage, Series G, AMT,<br>5.50%, 8/01/42  | 7,280        | 7,367,142    |
| California State Public Works Board, RB, Various Capital<br>Projects, Sub-Series I-1, 6.38%, 11/01/34                                  | 2,315        | 2,480,175    |
| California Statewide Communities Development Authority,<br>RB, Health Facility, Memorial Health Services, Series A,<br>5.50%, 10/01/33 | 5,000        | 5,075,050    |
| City of Lincoln California, Special Tax Bonds, Community<br>Facilities District No. 2003-1, 6.00%, 9/01/13 (b)                         | 3,115        | 3,647,260    |
| Foothill Eastern Transportation Corridor Agency California,<br>Refunding RB, CAB (a):<br>6.08%, 1/15/32                                | 54,635       | 12,140,990   |
| 6.09%, 1/15/38   | 75,000       | 10,452,750   |
| Golden State Tobacco Securitization Corp. California, RB,<br>Series 2003-A-1, 6.63%, 6/01/13 (b)                                       | 5,000        | 5,814,850    |
| Los Angeles Department of Airports, RB, Series A,<br>5.25%, 5/15/39  | 1,560        | 1,616,753    |
| Los Angeles Department of Airports, Refunding RB,<br>Senior, Los Angeles International Airport, Series A,                              |              |              |

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|  |              |              |
|--|--------------|--------------|
| 5.00%, 5/15/40   | 11,690       | 11,911,642   |
| Los Angeles Regional Airports Improvement Corp.            |              |              |
| California, Refunding RB, Facilities, LAXFUEL Corp.,       |              |              |
| LA International, AMT (AMBAC), 5.50%, 1/01/32              | 13,320       | 12,909,211   |
| Los Angeles Unified School District California, GO,        |              |              |
| Series D:  |              |              |
| 5.25%, 7/01/24   | 5,000        | 5,475,550    |
| 5.25%, 7/01/25   | 3,490        | 3,793,979    |
| 5.00%, 7/01/26   | 1,305        | 1,382,674    |
| Murrieta Community Facilities District Special Tax         |              |              |
| California, Special Tax Bonds, District No. 2, The Oaks    |              |              |
| Improvement Area A, 6.00%, 9/01/34                         | 5,000        | 4,576,550    |
| San Francisco City & County Public Utilities Commission,   |              |              |
| RB, Series B, 5.00%, 11/01/39                              | 18,550       | 19,217,243   |
| State of California, GO, Refunding, Various Purpose,       |              |              |
| 5.00%, 6/01/34   | 6,250        | 6,206,438    |
| State of California, GO, Various Purpose:                  |              |              |
| 5.00%, 6/01/32   | 4,000        | 4,002,200    |
| 6.00%, 3/01/33   | 4,970        | 5,470,529    |
| 6.50%, 4/01/33   | 20,410       | 23,140,246   |
| University of California, RB, Limited Project, Series B,   |              |              |
| 4.75%, 5/15/38   | 10,465       | 10,368,617   |
| West Valley-Mission Community College District, GO,        |              |              |
| Election of 2004, Series A (AGM), 4.75%, 8/01/30           | 4,015        | 4,031,983    |
|  |              | 166,137,951  |
| <b>Colorado 1.6%</b>                                       |              |              |
| City of Colorado Springs Colorado, RB, Subordinate Lien,   |              |              |
| Improvement, Series C (AGM), 5.00%, 11/15/45               | 2,545        | 2,604,248    |
| Colorado Health Facilities Authority, Refunding RB,        |              |              |
| Catholic Healthcare, Series A, 5.50%, 7/01/34              | 4,205        | 4,459,402    |
|  | <b>Par</b>   |              |
|  | <b>(000)</b> | <b>Value</b> |
| <b>Municipal Bonds</b>                                     |              |              |
| <b>Colorado (concluded)</b>                                |              |              |
| Park Creek Metropolitan District Colorado, Refunding RB,   |              |              |
| Senior, Limited Tax, Property Tax, 5.50%, 12/01/37         | \$ 2,530     | \$ 2,409,344 |
|  |              | 9,472,994    |
| <b>Connecticut 0.5%</b>                                    |              |              |
| Connecticut State Health & Educational Facility Authority, |              |              |
| RB, Ascension Health Senior Credit, 5.00%, 11/15/40        | 2,710        | 2,784,471    |
| <b>District of Columbia 7.2%</b>                           |              |              |

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|   |        |            |
|---|--------|------------|
| District of Columbia, RB, CAB, Georgetown, Series A<br>(NPFGC), 6.03%, 4/01/11 (a)(b):                                    | 15,600 | 3,547,284  |
| District of Columbia, RB, CAB, Georgetown, Series A<br>(NPFGC), 6.03%, 4/01/11 (a)(b):                                    | 51,185 | 10,963,315 |
| District of Columbia, Refunding RB, Friendship Public<br>Charter School Inc. (ACA), 5.25%, 6/01/33                        | 2,390  | 2,058,124  |
| District of Columbia Tobacco Settlement Financing Corp.,<br>Refunding RB, Asset-Backed, 6.75%, 5/15/40                    | 23,035 | 23,073,008 |
| Metropolitan Washington Airports Authority, RB, First<br>Senior Lien, Series A:   |        |            |
| 5.00%, 10/01/39   | 990    | 1,027,630  |
| 5.25%, 10/01/44   | 1,545  | 1,615,236  |
|   |        | 42,284,597 |
| <b>Florida 4.9%</b>   |        |            |
| County of Miami-Dade Florida, RB, Water & Sewer<br>System, 5.00%, 10/01/34  | 6,625  | 6,748,689  |
| County of Miami-Dade Florida, Refunding RB, Miami<br>International Airport, Series A-1, 5.38%, 10/01/41                   | 2,280  | 2,306,197  |
| County of Orange Florida, Refunding RB (Syncora),<br>4.75%, 10/01/32  | 2,895  | 2,851,691  |
| Miami Beach Health Facilities Authority, RB, Mount Sinai<br>Medical Center of Florida, 6.75%, 11/15/21                    | 7,485  | 7,644,356  |
| Stevens Plantation Community Development District,<br>Special Assessment Bonds, Series A, 7.10%, 5/01/35                  | 3,710  | 2,911,014  |
| Village Community Development District No. 6, Special<br>Assessment Bonds, 5.63%, 5/01/22                                 | 6,805  | 6,532,732  |
|   |        | 28,994,679 |
| <b>Georgia 2.2%</b>   |        |            |
| De Kalb Private Hospital Authority, Refunding RB,<br>Children s Healthcare, 5.25%, 11/15/39                               | 1,650  | 1,712,667  |
| Metropolitan Atlanta Rapid Transit Authority, RB, Third<br>Series, 5.00%, 7/01/39   | 6,805  | 7,162,399  |
| Richmond County Development Authority, Refunding RB,<br>International Paper Co. Project, Series A, AMT,<br>6.00%, 2/01/25 | 4,000  | 4,007,600  |
|   |        | 12,882,666 |
| <b>Guam 0.8%</b>  |        |            |
| Territory of Guam, GO, Series A:  |        |            |
| 6.00%, 11/15/19   | 1,245  | 1,288,837  |
| 6.75%, 11/15/29   | 1,775  | 1,887,819  |
| 7.00%, 11/15/39   | 1,255  | 1,340,139  |

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4,516,795

**Illinois 5.1%**

Illinois Finance Authority, RB:

|  |        |            |
|--|--------|------------|
| Advocate Health Care, Series C, 5.38%, 4/01/44 | 10,630 | 10,898,195 |
|--|--------|------------|

|   |       |         |
|---|-------|---------|
| MJH Education Assistance IV LLC, Sub-Series B,<br>5.38%, 6/01/35 (c)(d) | 1,675 | 452,300 |
|---|-------|---------|

Illinois Finance Authority, Refunding RB:

|  |       |           |
|--|-------|-----------|
| Central DuPage Health, Series B, 5.50%, 11/01/39 | 3,160 | 3,283,209 |
|--|-------|-----------|

|  |       |           |
|--|-------|-----------|
| Elmhurst Memorial Healthcare, 5.63%, 1/01/28 | 6,000 | 5,743,800 |
|--|-------|-----------|

|  |     |         |
|--|-----|---------|
| Friendship Village Schaumburg, Series A,<br>5.63%, 2/15/37 | 845 | 673,355 |
|--|-----|---------|

|                             |     |         |
|-----------------------------|-----|---------|
| Series 05-A, 5.25%, 7/01/41 | 760 | 790,218 |
|-----------------------------|-----|---------|

See Notes to Financial Statements.

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## Schedule of Investments (continued)

**BlackRock Municipal Income Trust (BFK)**

(Percentages shown are based on Net Assets)

| Municipal Bonds  | Par<br>(000) | Value      |
|--|--------------|------------|
| <b>Illinois (concluded)</b>  |              |            |
| Illinois Municipal Electric Agency, RB (NPFGC),<br>4.50%, 2/01/35  | \$ 890       | \$ 833,147 |
| State of Illinois, RB, Build Illinois, Series B,<br>5.25%, 6/15/34   | 1,240        | 1,291,931  |
| Village of Bolingbrook Illinois, GO, Refunding, Series B<br>(NPFGC) (a):   |              |            |
| 6.01%, 1/01/33   | 6,820        | 2,088,079  |
| 6.01%, 1/01/34   | 14,085       | 4,064,790  |
|  |              | 30,119,024 |
| <b>Indiana 6.9%</b>  |              |            |
| City of Vincennes Indiana, Refunding RB, Southwest<br>Indiana Regional Youth Village, 6.25%, 1/01/24                           | 2,130        | 1,775,483  |
| Indiana Finance Authority, RB, Sisters of St. Francis<br>Health, 5.25%, 11/01/39   | 1,655        | 1,684,740  |
| Indiana Finance Authority, Refunding RB, Duke Energy<br>Indiana Inc., Series C, 4.95%, 10/01/40                                | 5,775        | 5,708,530  |
| Indiana Health Facility Financing Authority, Refunding RB,<br>Methodist Hospital Inc., 5.50%, 9/15/31                          | 9,000        | 7,699,680  |
| Indiana Municipal Power Agency, RB, Indiana Municipal<br>Power Agency, Series B, 6.00%, 1/01/39                                | 2,150        | 2,323,139  |
| Petersburg Indiana, RB, Indiana Power & Light, AMT:  |              |            |
| 5.90%, 12/01/24  | 5,000        | 5,127,850  |
| 5.95%, 12/01/29  | 16,000       | 16,069,760 |
|  |              | 40,389,182 |
| <b>Kentucky 0.4%</b>   |              |            |
| Kentucky Economic Development Finance Authority,<br>Refunding RB, Owensboro Medical Health System,<br>Series A, 6.38%, 6/01/40 | 1,990        | 2,045,720  |
| Kentucky Housing Corp., RB, Series F, AMT (FNMA),<br>5.45%, 1/01/32  | 235          | 235,985    |
|  |              | 2,281,705  |
| <b>Louisiana 1.3%</b>  |              |            |
| Louisiana Local Government Environmental Facilities<br>& Community Development Authority, RB, Capital                          |              |            |

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|   |              |              |
|---|--------------|--------------|
| Projects & Equipment Acquisition Program (ACA),<br>6.55%, 9/01/25   | 8,430        | 7,551,763    |
| <b>Maryland 0.6%</b>  |              |              |
| Maryland Community Development Administration,<br>Refunding RB, Residential, Series A, AMT,<br>4.65%, 9/01/32               | 2,585        | 2,450,606    |
| Maryland EDC, RB, Transportation Facilities Project,<br>Series A, 5.75%, 6/01/35  | 855          | 873,323      |
|   |              | 3,323,929    |
| <b>Massachusetts 0.6%</b>   |              |              |
| Massachusetts Health & Educational Facilities Authority,<br>Refunding RB, Partners Healthcare, Series J1,<br>5.00%, 7/01/39 | 3,535        | 3,584,101    |
| <b>Michigan 0.6%</b>  |              |              |
| Michigan State Hospital Finance Authority, Refunding RB,<br>Henry Ford Health System, Series A, 5.25%, 11/15/46             | 4,230        | 3,858,225    |
| <b>Mississippi 2.7%</b>   |              |              |
| City of Gulfport Mississippi, RB, Memorial Hospital at<br>Gulfport Project, Series A, 5.75%, 7/01/31                        | 15,655       | 15,774,917   |
| <b>Multi-State 5.3%</b>   |              |              |
| Centerline Equity Issuer Trust (e)(f):<br>6.80%, 11/30/50   | 6,500        | 6,626,035    |
| 6.80%, 10/31/52   | 16,000       | 17,278,080   |
| MuniMae TE Bond Subsidiary LLC,<br>7.50%, 6/30/49 (e)(f)(g)   | 7,683        | 7,125,449    |
|   |              | 31,029,564   |
|   | <b>Par</b>   |              |
| <b>Municipal Bonds</b>  | <b>(000)</b> | <b>Value</b> |
| <b>Nebraska 0.6%</b>  |              |              |
| Douglas County Hospital Authority No. 2, RB, Health<br>Facilities, Immanuel Obligation Group, 5.63%, 1/01/40 \$             | 3,280        | \$ 3,267,962 |
| Lancaster County Hospital Authority No. 1, RB, Immanuel<br>Obligation Group, 5.63%, 1/01/40                                 | 600          | 601,500      |
|   |              | 3,869,462    |
| <b>Nevada 0.8%</b>  |              |              |
| County of Clark Nevada, Refunding RB, Alexander Dawson<br>School Nevada Project, 5.00%, 5/15/29                             | 4,550        | 4,554,596    |
| <b>New Hampshire 0.6%</b>   |              |              |
| New Hampshire Health & Education Facilities Authority,<br>RB, Exeter Project, 5.75%, 10/01/31                               | 3,500        | 3,568,495    |

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### New Jersey 7.5%

|   |        |            |
|---|--------|------------|
| Middlesex County Improvement Authority, RB, Subordinate,<br>Heldrich Center Hotel, Series B, 6.25%, 1/01/37 | 3,680  | 679,770    |
| New Jersey EDA, RB:   |        |            |
| Cigarette Tax, 5.75%, 6/15/29   | 15,500 | 15,216,970 |
| Continental Airlines Inc. Project, AMT,<br>7.00%, 11/15/30  | 15,410 | 15,404,298 |
| New Jersey EDA, Special Assessment Bonds, Refunding,<br>Kapkowski Road Landfill Project, 6.50%, 4/01/28     | 8,000  | 8,712,160  |
| Tobacco Settlement Financing Corp. New Jersey,<br>Refunding RB, Series 1A, 4.50%, 6/01/23                   | 4,125  | 3,939,952  |
|   |        | 43,953,150 |

### New York 7.8%

|  |        |            |
|--|--------|------------|
| Albany Industrial Development Agency, RB, New Covenant<br>Charter School Project, Series A, 7.00%, 5/01/35 (c) | 1,820  | 728,018    |
| New York City Industrial Development Agency, RB,<br>American Airlines Inc., JFK International Airport, AMT:    |        |            |
| 8.00%, 8/01/28   | 5,000  | 5,209,350  |
| 7.75%, 8/01/31   | 22,140 | 22,635,715 |
| New York State Dormitory Authority, ERB, Series F,<br>5.00%, 3/15/35   | 16,705 | 17,250,585 |
|  |        | 45,823,668 |

### North Carolina 5.1%

|  |        |            |
|--|--------|------------|
| City of Charlotte North Carolina, RB, Series B,<br>5.00%, 7/01/38  | 1,860  | 2,004,373  |
| Gaston County Industrial Facilities and Pollution Control<br>Financing Authority North Carolina, RB, Exempt<br>Facilities, National Gypsum Co. Project, AMT,<br>5.75%, 8/01/35 | 12,130 | 8,713,343  |
| North Carolina Capital Facilities Finance Agency, RB,<br>Duke University Project, Series B, 5.00%, 10/01/38  | 10,000 | 10,574,400 |
| North Carolina Capital Facilities Finance Agency,<br>Refunding RB, Duke University Project, Series B,<br>4.25%, 7/01/42  | 4,575  | 4,485,833  |
| North Carolina Medical Care Commission, RB, Duke<br>University Health System, Series A:  |        |            |
| 5.00%, 6/01/39   | 1,240  | 1,264,441  |
| 5.00%, 6/01/42   | 2,750  | 2,792,020  |
|  |        | 29,834,410 |

### Ohio 3.0%

Buckeye Tobacco Settlement Financing Authority, RB,

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|   |       |            |
|---|-------|------------|
| Asset-Backed, Senior Series A-2, 6.50%, 6/01/47   | 3,120 | 2,560,397  |
| County of Allen Ohio, Refunding RB, Catholic Healthcare,<br>Series A, 5.25%, 6/01/38 (h)            | 6,125 | 6,288,844  |
| County of Montgomery Ohio, Refunding RB, Catholic<br>Healthcare, Series A, 5.00%, 5/01/39           | 5,450 | 5,601,128  |
| Pinnacle Community Infrastructure Financing Authority,<br>RB, Facilities, Series A, 6.25%, 12/01/36 | 3,760 | 2,977,807  |
|   |       | 17,428,176 |

See Notes to Financial Statements.

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## Schedule of Investments (continued)

**BlackRock Municipal Income Trust (BFK)**

(Percentages shown are based on Net Assets)

|  | Par<br>(000) | Value        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Oklahoma 1.2%</b>   |              |              |
| Tulsa Airports Improvement Trust, RB, Series A, AMT,<br>7.75%, 6/01/35 (g)   | \$ 7,175     | \$ 7,251,055 |
| <b>Pennsylvania 4.5%</b>   |              |              |
| Pennsylvania Economic Development Financing<br>Authority, RB:  |              |              |
| Amtrak Project, Series A, AMT, 6.38%, 11/01/41   | 6,500        | 6,585,605    |
| Aqua Pennsylvania Inc. Project, 5.00%, 11/15/40  | 3,725        | 3,836,042    |
| Reliant Energy, Series A, AMT, 6.75%, 12/01/36   | 11,345       | 11,705,204   |
| Pennsylvania HFA, Refunding RB, Series 97A, AMT,<br>4.60%, 10/01/27  | 1,110        | 1,114,029    |
| Pennsylvania Turnpike Commission, RB, Sub-Series D,<br>5.13%, 12/01/40   | 3,100        | 3,155,087    |
|  |              | 26,395,967   |
| <b>Puerto Rico 5.5%</b>  |              |              |
| Commonwealth of Puerto Rico, GO, Refunding, Public<br>Improvement, Series C, 6.00%, 7/01/39                                      |              |              |
|  | 5,820        | 6,129,624    |
| Puerto Rico Sales Tax Financing Corp., RB:   |              |              |
| CAB, Series A, 6.58%, 8/01/31 (a)  | 10,000       | 2,765,700    |
| CAB, Series A, 6.66%, 8/01/33 (a)  | 12,670       | 3,075,642    |
| CAB, Series A, 6.67%, 8/01/36 (a)  | 40,000       | 7,970,400    |
| First Sub-Series A, 6.50%, 8/01/44   | 10,900       | 12,313,839   |
|  |              | 32,255,205   |
| <b>South Carolina 3.0%</b>   |              |              |
| Lexington County Health Services District Inc.,<br>Refunding RB, 5.75%, 11/01/13 (b)   |              |              |
|  | 10,000       | 11,489,300   |
| South Carolina Jobs-EDA, Refunding RB:   |              |              |
| Palmetto Health Alliance, Series A, 6.25%, 8/01/31   | 5,075        | 5,194,009    |
| Palmetto Health, Series C, 6.88%, 8/01/13 (b)  | 990          | 1,164,438    |
|  |              | 17,847,747   |
| <b>Tennessee 0.9%</b>  |              |              |
| Knox County Health Educational & Housing Facilities<br>Board Tennessee, Refunding RB, CAB, Series A (AGM),<br>5.70%, 1/01/20 (a) |              |              |
|  | 5,055        | 3,030,372    |
| Rutherford County Health & Educational Facilities  |              |              |

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|  |              |                        |
|--|--------------|------------------------|
| Board, RB, Ascension Health Senior Credit Group,<br>5.00%, 11/15/40  | 2,015        | 2,051,693<br>5,082,065 |
| <b>Texas 15.8%</b>   |              |                        |
| Brazos River Authority, RB, TXU Electric, Series A, AMT,<br>8.25%, 10/01/30  | 4,370        | 2,709,706              |
| Brazos River Authority, Refunding RB, TXU Electric Co.<br>Project, Series C, AMT, 5.75%, 5/01/36                               | 4,265        | 4,146,007              |
| City of Houston Texas, RB, Senior Lien, Series A,<br>5.50%, 7/01/39  | 3,000        | 3,196,650              |
| City of Houston Texas, Refunding RB, Combined, First Lien,<br>Series A (AGC), 6.00%, 11/15/35                                  | 16,425       | 18,842,760             |
| Harris County-Houston Sports Authority, Refunding RB<br>(NPFGC) (a):   |              |                        |
| CAB, Junior Lien, Series H, 6.11%, 11/15/35  | 5,000        | 823,050                |
| CAB, Senior Lien, Series A, 5.94%, 11/15/38  | 12,580       | 1,755,665              |
| Third Lien, Series A-3, 5.97%, 11/15/37  | 26,120       | 3,733,070              |
| Lower Colorado River Authority, Refunding RB (NPFGC):  |              |                        |
| 5.00%, 5/15/13 (b)   | 50           | 55,644                 |
| 5.00%, 5/15/13 (b)   | 70           | 77,768                 |
| 5.00%, 5/15/31   | 2,275        | 2,304,370              |
| LCRA Transmission Services Project (AMBAC),<br>4.75%, 5/15/34  | 2,210        | 2,194,287              |
| Series A (NPFGC), 5.00%, 5/15/13 (b)   | 5            | 5,564                  |
| North Texas Tollway Authority, RB, Toll, 2nd Tier, Series F,<br>6.13%, 1/01/31   | 12,180       | 12,990,457             |
| San Antonio Energy Acquisition Public Facility Corp., RB,<br>Gas Supply, 5.50%, 8/01/25  | 6,540        | 6,606,773              |
|  | <b>Par</b>   |                        |
| <b>Municipal Bonds</b>   | <b>(000)</b> | <b>Value</b>           |
| <b>Texas (concluded)</b>   |              |                        |
| State of Texas, GO, Transportation Community, Mobility<br>Fund, Series A, 4.75%, 4/01/35                                       | \$ 7,000     | \$ 7,051,660           |
| Texas Private Activity Bond Surface Transportation Corp.,<br>RB, Senior Lien, Note Mobility, 6.88%, 12/31/39                   | 7,590        | 7,929,425              |
| Texas State Affordable Housing Corp., RB, American<br>Opportunity Housing Portfolio, Junior Series B,<br>8.00%, 3/01/32 (c)(d) | 4,435        | 220,863                |
| Texas State Turnpike Authority, RB (AMBAC):  |              |                        |
| CAB, 6.06%, 8/15/32 (a)  | 24,850       | 5,932,689              |

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|  |        |             |
|--|--------|-------------|
| CAB, 6.07%, 8/15/33 (a)  | 32,325 | 7,204,273   |
| First Tier, Series A, 5.00%, 8/15/42   | 5,000  | 4,798,700   |
|  |        | 92,579,381  |
| <br><b>Utah 1.2%</b>   |        |             |
| City of Riverton Utah, RB, IHC Health Services Inc.,<br>5.00%, 8/15/41   | 7,150  | 7,271,765   |
| <br><b>Virginia 1.5%</b>   |        |             |
| City of Norfolk Virginia, Refunding RB, Series B (AMBAC),<br>5.50%, 2/01/31  | 2,635  | 2,586,806   |
| Tobacco Settlement Financing Corp. Virginia,<br>Refunding RB, Senior Series B1, 5.00%, 6/01/47   | 5,780  | 3,978,547   |
| Virginia Commonwealth Transportation Board, RB, CAB,<br>Contract, Route 28 (NPFGC), 5.29%, 4/01/32 (a)   | 8,105  | 2,580,551   |
|  |        | 9,145,904   |
| <br><b>Washington 0.6%</b>   |        |             |
| County of King Washington, Refunding RB (AGM),<br>5.00%, 1/01/36   | 3,615  | 3,742,754   |
| <br><b>Wisconsin 2.4%</b>  |        |             |
| Wisconsin Health & Educational Facilities Authority, RB:<br>Ascension Health Senior Credit Group,<br>5.00%, 11/15/30                             | 3,210  | 3,305,690   |
| Ascension Health Senior Credit Group,<br>5.00%, 11/15/33   | 1,640  | 1,671,127   |
| Aurora Health Care, 6.40%, 4/15/33   | 7,500  | 7,657,200   |
| Wisconsin Health & Educational Facilities Authority,<br>Refunding RB, Froedtert & Community Health Inc.,<br>5.38%, 10/01/30                      | 1,205  | 1,224,449   |
|  |        | 13,858,466  |
|  |        | 791,192,649 |
| <br><b>Total Municipal Bonds 134.7%</b>  |        |             |
| <b>Municipal Bonds Transferred to</b>  |        |             |
| <b>Tender Option Bond Trusts (i)</b>   |        |             |
| <br><b>Alabama 0.8%</b>  |        |             |
| Alabama Special Care Facilities Financing Authority-<br>Birmingham, Refunding RB, Ascension Health Senior<br>Credit, Series C-2, 5.00%, 11/15/36 | 4,548  | 4,598,619   |
| <br><b>California 3.2%</b>   |        |             |
| California Educational Facilities Authority, RB, University of<br>Southern California, Series A, 5.25%, 10/01/18                                 | 5,115  | 5,484,917   |
| Los Angeles Community College District California, GO,<br>Election of 2001, Series A (AGM), 5.00%, 8/01/32                                       | 4,500  | 4,606,830   |
| San Diego Community College District California, GO,   |        |             |

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|   |       |            |
|---|-------|------------|
| Election of 2002, 5.25%, 8/01/33                                  | 3,261 | 3,423,889  |
| University of California, RB, Series C (NPFGC),<br>4.75%, 5/15/37 | 5,000 | 4,984,800  |
|   |       | 18,500,436 |
| <b>Colorado 2.1%</b>  |       |            |
| Colorado Health Facilities Authority, RB:                         |       |            |
| Catholic Health, Series C-7 (AGM), 5.00%, 9/01/36                 | 4,860 | 4,885,467  |
| Catholic Health, Series C-3 (AGM), 5.10% 10/01/41                 | 7,600 | 7,649,552  |
|   |       | 12,535,019 |

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)

| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (i)</b>   | <b>Par<br/>(000)</b> | <b>Value</b> |
|---|----------------------|--------------|
| <b>Connecticut 3.3%</b>   |                      |              |
| Connecticut State Health & Educational Facility<br>Authority, RB:   |                      |              |
| Yale University, Series T-1, 4.70%, 7/01/29   | \$ 9,400             | \$ 9,861,164 |
| Yale University, Series X-3, 4.85%, 7/01/37   | 9,360                | 9,755,086    |
|   |                      | 19,616,250   |
| <b>Illinois 1.5%</b>  |                      |              |
| Chicago Housing Authority, Refunding RB (AGM),<br>5.00%, 7/01/24  |                      |              |
|   | 8,232                | 8,554,362    |
| <b>Massachusetts 1.2%</b>   |                      |              |
| Massachusetts Water Resources Authority, Refunding RB,<br>General, Series A, 5.00%, 8/01/41   |                      |              |
|   | 6,770                | 6,978,313    |
| <b>New Hampshire 0.7%</b>   |                      |              |
| New Hampshire Health & Education Facilities Authority,<br>Refunding RB, Dartmouth College, 5.25%, 6/01/39                                 |                      |              |
|   | 3,988                | 4,329,868    |
| <b>New York 1.5%</b>  |                      |              |
| New York City Municipal Water Finance Authority, RB,<br>Series FF-2, 5.50%, 6/15/40   |                      |              |
|   | 3,074                | 3,418,762    |
| New York State Environmental Facilities Corp., RB,<br>Revolving Funds, New York City Municipal Water Project,<br>Series B, 5.00%, 6/15/31 |                      |              |
|   | 5,370                | 5,486,905    |
|   |                      | 8,905,667    |
| <b>Virginia 3.1%</b>  |                      |              |
| University of Virginia, Refunding RB, General,<br>5.00%, 6/01/40  |                      |              |
|   | 10,750               | 11,379,412   |
| Virginia HDA, RB, Sub-Series H-1 (NPFGC),<br>5.35%, 7/01/31   |                      |              |
|   | 6,810                | 6,872,448    |
|   |                      | 18,251,860   |
| <b>Washington 3.6%</b>  |                      |              |
| Central Puget Sound Regional Transit Authority, RB,<br>Series A (AGM), 5.00%, 11/01/32  |                      |              |
|   | 5,459                | 5,744,677    |
| State of Washington, GO, Various Purpose, Series E,<br>5.00%, 2/01/34   |                      |              |
|   | 14,487               | 15,273,619   |
|   |                      | 21,018,296   |
| <b>Total Municipal Bonds Transferred to</b>   |                      |              |

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|   |               |                |
|---|---------------|----------------|
| <b>Tender Option Bond Trusts</b> 21.0%                      |               | 123,288,690    |
| <b>Total Long-Term Investments</b>                          |               |                |
| (Cost \$920,560,274) 155.7%                                 |               | 914,481,339    |
| <b>Short-Term Securities</b>                                | <b>Shares</b> |                |
| FFI Institutional Tax-Exempt Fund, 0.25% (j)(k)             | 22,810,780    | 22,810,780     |
| <b>Total Short-Term Securities</b>                          |               |                |
| (Cost \$22,810,780) 3.9%                                    |               | 22,810,780     |
| <b>Total Investments (Cost \$943,371,054*) 159.6%</b>       |               | 937,292,119    |
| <b>Liabilities in Excess of Other Assets (1.8)%</b>         |               | (10,506,651)   |
| <b>Liability for Trust Certificates, Including Interest</b> |               |                |
| Expense and Fees Payable (11.7)%                            |               | (68,643,062)   |
| <b>Preferred Shares, at Redemption Value (46.1)%</b>        |               | (270,892,814)  |
| <b>Net Assets Applicable to Common Shares 100.0%</b>        |               | \$ 587,249,592 |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2010, as computed for federal income tax purposes, were as follows:

|                               |                |
|-------------------------------|----------------|
| Aggregate cost                | \$ 873,383,866 |
| Gross unrealized appreciation | \$ 31,709,202  |
| Gross unrealized depreciation | (36,384,450)   |
| Net unrealized depreciation   | \$ (4,675,248) |

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

(d) Non-income producing security.

(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 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.

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

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

| <b>Counterparty</b>       | <b>Value</b> | <b>Unrealized Appreciation</b> |
|---------------------------|--------------|--------------------------------|
| JPMorgan Securities, Inc. | \$ 6,288,844 | \$ 58,616                      |

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

| <b>Affiliate</b>  | <b>Shares Held at<br/>April 30,<br/>2009</b> | <b>Net<br/>Activity</b> | <b>Shares Held at<br/>April 30,<br/>2010</b> | <b>Income</b> |
|-------------------|--|-------------------------|--|---------------|
| FFI Institutional |  |                         |  |               |
| Tax-Exempt Fund   | 423,950                                      | 22,386,830              | 22,810,780                                   | \$38,138      |

(k) 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, repayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

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

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

The following table summarizes the inputs used as of April 30, 2010 in determining the fair valuation of the Trust's investments:

### Investments in Securities

| <b>Valuation Inputs</b>  | <b>Level 1</b>       | <b>Level 2</b>       | <b>Level 3</b> | <b>Total</b>         |
|--------------------------|----------------------|----------------------|----------------|----------------------|
| <b>Assets:</b>           |                      |                      |                |                      |
| Long-Term                |                      |                      |                |                      |
| Investments <sup>1</sup> |                      | \$914,481,339        |                | \$914,481,339        |
| Short-Term               |                      |                      |                |                      |
| Securities               | \$ 22,810,780        |                      |                | 22,810,780           |
| <b>Total</b>             | <b>\$ 22,810,780</b> | <b>\$914,481,339</b> |                | <b>\$937,292,119</b> |

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<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 April 30, 2010

## BlackRock Pennsylvania Strategic Municipal Trust (BPS)

(Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value      |
|---|--------------|------------|
| <b>Municipal Bonds</b>  |              |            |
| <b>Pennsylvania 113.4%</b>  |              |            |
| <b>Corporate 2.4%</b>   |              |            |
| Pennsylvania Economic Development Financing Authority,<br>RB, Aqua Pennsylvania Inc. Project, Series A, AMT,<br>6.75%, 10/01/18 | \$ 600       | \$ 678,888 |
| <b>County/City/Special District/School District 12.8%</b>   |              |            |
| Delaware Valley Regional Financial Authority, RB, Series A<br>(AMBAC), 5.50%, 8/01/28   | 1,500        | 1,615,185  |
| Marple Newtown School District, GO (AGM),<br>5.00%, 6/01/31   | 600          | 629,910    |
| Owen J. Roberts School District, GO, 4.75%, 11/15/25  | 700          | 736,281    |
| Philadelphia School District, GO, Series E,<br>6.00%, 9/01/38   | 100          | 107,305    |
| Scranton School District Pennsylvania, GO, Series A<br>(AGM), 5.00%, 7/15/38  | 500          | 511,845    |
|   |              | 3,600,526  |
| <b>Education 18.2%</b>  |              |            |
| Cumberland County Municipal Authority, RB, AICUP<br>Financing Program, Dickinson College Project,<br>5.00%, 11/01/39            | 200          | 196,666    |
| Delaware County Authority Pennsylvania, RB, Villanova<br>University, 5.25%, 12/01/31  | 100          | 106,425    |
| Delaware County Authority, RB, Haverford College:<br>5.00%, 11/15/35  | 415          | 439,871    |
| 5.00%, 11/15/40   | 300          | 316,473    |
| Lancaster Higher Education Authority, RB, Franklin<br>& Marshall College Project, 5.00%, 4/15/37                                | 500          | 509,190    |
| Pennsylvania Higher Educational Facilities Authority, RB:<br>Drexel University, Series A (NPFGC), 5.00%, 5/01/37                | 250          | 253,747    |
| Lafayette College Project, 6.00%, 5/01/30   | 1,250        | 1,253,525  |
| Thomas Jefferson University, 5.00%, 3/01/40   | 1,000        | 1,026,520  |
| University of Pittsburgh Pennsylvania, RB, Capital Project,<br>Series B, 5.00%, 9/15/28   | 350          | 380,002    |
| Wilkes-Barre Finance Authority, Refunding RB, Wilkes  |              |            |

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|   |              |              |
|---|--------------|--------------|
| University Project, 5.00%, 3/01/37  | 700          | 635,677      |
|   |              | 5,118,096    |
| <b>Health 44.7%</b>   |              |              |
| Allegheny County Hospital Development Authority,<br>Refunding RB, Health System, West Penn, Series A:           |              |              |
| 5.00%, 11/15/28   | 250          | 210,753      |
| 5.38%, 11/15/40   | 470          | 377,189      |
| Berks County Municipal Authority, Refunding RB,<br>Reading Hospital & Medical Center Project, Series A-3,       |              |              |
| 5.50%, 11/01/31   | 500          | 525,675      |
| Bucks County IDA, Refunding RB, Pennswood Village<br>Project, Series A, 6.00%, 10/01/12 (a)                     |              |              |
|   | 1,400        | 1,565,480    |
| Cumberland County Municipal Authority, RB, Diakon<br>Lutheran, 6.38%, 1/01/39                                   |              |              |
|   | 500          | 503,745      |
| Dauphin County General Authority, Refunding RB,<br>Pinnacle Health System Project, Series A,                    |              |              |
| 6.00%, 6/01/29  | 500          | 527,905      |
| Lehigh County General Purpose Authority, Refunding RB,<br>Hospital, Saint Luke s Bethlehem, 5.38%, 8/15/23 (a)  |              |              |
|   | 3,520        | 3,982,598    |
| Lycoming County Authority, Refunding RB, Susquehanna<br>Health System Project, Series A, 5.75%, 7/01/39         |              |              |
|   | 210          | 212,516      |
| Monroe County Hospital Authority Pennsylvania,<br>Refunding RB, Hospital, Pocono Medical Center,                |              |              |
| 5.13%, 1/01/37  | 345          | 326,063      |
| Montgomery County Higher Education & Health Authority,<br>Refunding RB, Abington Memorial Hospital, Series A,   |              |              |
| 5.13%, 6/01/33  | 370          | 370,381      |
|   | <b>Par</b>   |              |
| <b>Municipal Bonds</b>  | <b>(000)</b> | <b>Value</b> |
| <b>Pennsylvania (concluded)</b>   |              |              |
| <b>Health (concluded)</b>   |              |              |
| Montgomery County IDA Pennsylvania, Acts Retirement<br>Life Community RB:                                       |              |              |
| 5.25%, 11/15/28   | \$ 1,250     | \$ 1,175,200 |
| Series A, 4.50%, 11/15/36   | 400          | 322,620      |
| Pennsylvania Higher Educational Facilities Authority, RB,<br>University of Pittsburgh Medical Center, Series E, |              |              |
| 5.00%, 5/15/31  | 800          | 811,336      |
| South Fork Municipal Authority, Refunding RB, Conemaugh<br>Valley Memorial, Series B (AGC), 5.38%, 7/01/35 (b)  |              |              |
|   | 245          | 247,563      |

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|   |       |            |
|---|-------|------------|
| Southcentral General Authority Pennsylvania,<br>Refunding RB, Wellspan Health Obligor Group,<br>Series A, 6.00%, 6/01/29        | 1,250 | 1,364,587  |
|   |       | 12,523,611 |
| <b>Housing 11.7%</b>  |       |            |
| Pennsylvania HFA, RB:   |       |            |
| Series 94-A, AMT, 5.10%, 10/01/31   | 150   | 150,840    |
| Series 95-A, AMT, 4.90%, 10/01/37   | 1,000 | 979,280    |
| Series 103C, 5.40%, 10/01/33  | 250   | 260,368    |
| Pennsylvania HFA, Refunding RB, AMT:  |       |            |
| Series 96-A, 4.70%, 10/01/37  | 490   | 455,744    |
| Series 97A, 4.65%, 10/01/31   | 1,300 | 1,230,086  |
| Series 99A, 5.15%, 4/01/38  | 200   | 204,480    |
|   |       | 3,280,798  |
| <b>State 2.0%</b>   |       |            |
| Commonwealth of Pennsylvania, GO, First Series,<br>5.00%, 3/15/29   |       |            |
|   | 275   | 297,069    |
| State Public School Building Authority, Refunding RB,<br>Harrisburg School District Project, Series A (AGC),<br>5.00%, 11/15/33 |       |            |
|   | 250   | 258,820    |
|   |       | 555,889    |
| <b>Transportation 15.3%</b>   |       |            |
| City of Philadelphia Pennsylvania, RB, Series A, AMT<br>(AGM), 5.00%, 6/15/37   |       |            |
|   | 1,150 | 1,106,990  |
| Pennsylvania Economic Development Financing Authority,<br>RB, Amtrak Project, Series A, AMT:                                    |       |            |
| 6.25%, 11/01/31   | 1,000 | 1,011,960  |
| 6.38%, 11/01/41   | 1,000 | 1,013,170  |
| Pennsylvania Turnpike Commission, RB:   |       |            |
| CAB, Sub-Series E, 6.48%, 12/01/38 (c)  | 385   | 258,369    |
| Series A (AMBAC), 5.25%, 12/01/32   | 870   | 886,626    |
|   |       | 4,277,115  |
| <b>Utilities 6.3%</b>   |       |            |
| City of Philadelphia Pennsylvania, RB, Series A,<br>5.25%, 1/01/36  |       |            |
|   | 100   | 102,797    |
| Delaware County IDA Pennsylvania, RB, Water Facilities,<br>AMT (NPFGC), 6.00%, 6/01/29  |       |            |
|   | 1,250 | 1,250,775  |
| Montgomery County IDA Pennsylvania, RB, Aqua<br>Pennsylvania Inc. Project, Series A, AMT, 5.25%, 7/01/42                        |       |            |
|   | 300   | 300,966    |
| Pennsylvania Economic Development Financing Authority,<br>RB, Philadelphia Biosolids Facility, 6.25%, 1/01/32                   |       |            |
|   | 100   | 104,489    |

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|  |       |            |
|--|-------|------------|
|  |       | 1,759,027  |
| <b>Total Municipal Bonds in Pennsylvania</b> |       | 31,793,950 |
| <b>Multi-State 12.7%</b>                     |       |            |
| <b>Housing 12.7%</b>                         |       |            |
| MuniMae TE Bond Subsidiary LLC,              |       |            |
| 7.50%, 6/30/49 (d)(e)(f)                     | 3,842 | 3,562,725  |
| <b>Total Municipal Bonds in Multi-State</b>  |       | 3,562,725  |

See Notes to Financial Statements.

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## Schedule of Investments (continued)

## BlackRock Pennsylvania Strategic Municipal Trust (BPS)

(Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value      |
|---|--------------|------------|
| <b>Municipal Bonds</b>  |              |            |
| <b>Puerto Rico 21.3%</b>  |              |            |
| <b>Education 2.7%</b>   |              |            |
| 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 | \$ 830       | \$ 750,569 |
| <b>State 16.0%</b>  |              |            |
| Commonwealth of Puerto Rico, GO, Refunding,<br>Sub-Series C-7 (NPFGC), 6.00%, 7/01/27   | 1,385        | 1,471,119  |
| Puerto Rico Public Buildings Authority, Refunding RB,<br>Government Facilities, Series N, 5.00%, 7/01/37  | 300          | 286,680    |
| Puerto Rico Public Finance Corp., RB, Commonwealth<br>Appropriation, Series E, 5.50%, 2/01/12 (a)   | 1,495        | 1,612,477  |
| Puerto Rico Sales Tax Financing Corp., RB, First<br>Sub-Series A, 6.38%, 8/01/39  | 1,000        | 1,122,830  |
|   |              | 4,493,106  |
| <b>Utilities 2.6%</b>   |              |            |
| Puerto Rico Aqueduct & Sewer Authority, RB, Senior Lien,<br>Series A, 6.00%, 7/01/38  | 200          | 208,764    |
| Puerto Rico Electric Power Authority, RB, Series WW,<br>5.50%, 7/01/38  | 500          | 513,525    |
|   |              | 722,289    |
| <b>Total Municipal Bonds in Puerto Rico</b>   |              | 5,965,964  |
| <b>U.S. Virgin Islands 0.3%</b>   |              |            |
| <b>State 0.3%</b>   |              |            |
| Virgin Islands Public Finance Authority, RB, Senior Lien,<br>Capital Projects, Series A-1, 5.00%, 10/01/39  | 100          | 94,696     |
| <b>Total Municipal Bonds in U.S. Virgin Islands</b>   |              | 94,696     |
| <b>Total Municipal Bonds 147.7%</b>   |              | 41,417,335 |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (g)</b>   |              |            |
| <b>Pennsylvania 16.0%</b>   |              |            |
| <b>Education 1.8%</b>   |              |            |
| Pennsylvania Higher Educational Facilities Authority,   |              |            |

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|  |               |               |
|--|---------------|---------------|
| Refunding RB, Trustees of the University of Pennsylvania,<br>Series C, 4.75%, 7/15/35                    | 500           | 503,865       |
| <b>Health 5.5%</b>   |               |               |
| Geisinger Authority, RB, Series A:   |               |               |
| 5.13%, 6/01/34   | 500           | 514,430       |
| 5.25%, 6/01/39   | 1,000         | 1,032,040     |
|  |               | 1,546,470     |
| <b>Housing 1.8%</b>  |               |               |
| Pennsylvania HFA, Refunding RB, Series 105C,<br>5.00%, 10/01/39  | 500           | 508,620       |
| <b>State 6.9%</b>  |               |               |
| Commonwealth of Pennsylvania, GO, First Series,<br>5.00%, 3/15/28  | 825           | 895,461       |
| Pennsylvania Turnpike Commission, RB, Series C of 2003<br>Pennsylvania Turnpike (NPFGC), 5.00%, 12/01/32 | 1,000         | 1,033,810     |
|  |               | 1,929,271     |
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts 16.0%</b>                          |               | 4,488,226     |
| <b>Total Long-Term Investments<br/>(Cost \$45,168,136) 163.7%</b>  |               | 45,905,561    |
| <b>Short-Term Securities</b>   | <b>Shares</b> | <b>Value</b>  |
| CMA Pennsylvania Municipal Money Fund 0.00%, (h)(i)  | 455,164       | \$ 455,164    |
| <b>Total Short-Term Securities<br/>(Cost \$455,164) 1.6%</b>   |               | 455,164       |
| <b>Total Investments (Cost \$45,623,300*) 165.3%</b>   |               | 46,360,725    |
| <b>Other Assets Less Liabilities 1.1%</b>  |               | 304,432       |
| <b>Liability for Trust Certificates, Including Interest</b>  |               |               |
| <b>Expense and Fees Payable (8.2%)</b>   |               | (2,300,948)   |
| <b>Preferred Shares, at Redemption Value (58.2%)</b>   |               | (16,325,844)  |
| <b>Net Assets Applicable to Common Shares 100.0%</b>   |               | \$ 28,038,365 |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2010, as computed for federal income tax purposes, were as follows:

|                               |               |
|-------------------------------|---------------|
| Aggregate cost                | \$ 43,196,402 |
| Gross unrealized appreciation | \$ 1,607,883  |
| Gross unrealized depreciation | (743,302)     |
| Net unrealized appreciation   | \$ 864,581    |

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

| <b>Affiliate</b>          | <b>Value</b> | <b>Unrealized<br/>Depreciation</b> |
|---------------------------|--------------|------------------------------------|
| Merrill Lynch & Co., Inc. | \$ 45,471    | \$ 302                             |
| Raymond C. Forbes & Co.   | \$ 202,092   | \$ 1,092                           |

(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.

(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) 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.

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

(g) 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.

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

| <b>Affiliate</b>                            | <b>Shares Held at<br/>April 30,<br/>2009</b> | <b>Net<br/>Activity</b> | <b>Shares Held at<br/>April 30,<br/>2010</b> | <b>Income</b> |
|---|--|-------------------------|--|---------------|
| CMA Pennsylvania<br>Municipal Money<br>Fund | 99,970                                       | 355,194                 | 455,164                                      | \$ 161        |

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

For Trust compliance purposes, the Trust's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by Trust management. This definition may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

See Notes to Financial Statements.

APRIL 30, 2010

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## Schedule of Investments (concluded)

### BlackRock Pennsylvania Strategic Municipal Trust (BPS)

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

The following table summarizes the inputs used as of April 30, 2010 in determining the fair valuation of the Trust's investments:

#### Investments in Securities

| Valuation Inputs         | Level 1           | Level 2    | Level 3           | Total                |
|--------------------------|-------------------|------------|-------------------|----------------------|
| <b>Assets:</b>           |                   |            |                   |                      |
| Long-Term                |                   |            |                   |                      |
| Investments <sup>1</sup> | \$                | 45,905,561 |                   | \$ 45,905,561        |
| Short-Term               |                   |            |                   |                      |
| Securities               | \$ 455,164        |            |                   | 455,164              |
| <b>Total</b>             | <b>\$ 455,164</b> | <b>\$</b>  | <b>45,905,561</b> | <b>\$ 46,360,725</b> |

<sup>1</sup> See above Schedule of Investments for values in each sector.

See Notes to Financial Statements.

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## Schedule of Investments April 30, 2010

**BlackRock Strategic Municipal Trust (BSD)**

(Percentages shown are based on Net Assets)

|   | Par<br>(000) | Value      |
|---|--------------|------------|
| <b>Municipal Bonds</b>  |              |            |
| <b>Arizona 3.1%</b>   |              |            |
| Pima County IDA, Refunding IDRB, Tucson Electric Power,<br>5.75%, 9/01/29   | \$ 350       | \$ 356,153 |
| Salt River Project Agricultural Improvement & Power<br>District, RB, Series A, 5.00%, 1/01/38                               | 625          | 653,288    |
| Salt Verde Financial Corp., RB, Senior, 5.00%, 12/01/37   | 1,320        | 1,170,510  |
| San Luis Facility Development Corp., RB, Senior Lien,<br>Regional Detention Center Project:                                 |              |            |
| 6.25%, 5/01/15  | 210          | 196,480    |
| 7.00%, 5/01/20  | 210          | 195,319    |
| 7.25%, 5/01/27  | 420          | 385,795    |
|   |              | 2,957,545  |
| <b>California 21.0%</b>   |              |            |
| Bay Area Toll Authority, Refunding RB, San Francisco<br>Bay Area, Series F-1, 5.63%, 4/01/44                                | 720          | 783,907    |
| California County Tobacco Securitization Agency, RB, CAB,<br>Stanislaus, Sub-Series C, 6.30%, 6/01/55 (a)                   | 3,095        | 37,542     |
| California State Public Works Board, RB, Various Capital<br>Projects, Sub-Series I-1, 6.38%, 11/01/34                       | 375          | 401,756    |
| Los Angeles Department of Airports, RB, Series A,<br>5.25%, 5/15/39   | 250          | 259,095    |
| Los Angeles Department of Airports, Refunding RB,<br>Senior, Los Angeles International Airport, Series A,<br>5.00%, 5/15/40 | 1,875        | 1,910,550  |
| Los Angeles Unified School District California, GO,<br>Series D, 5.00%, 7/01/26   | 1,585        | 1,679,339  |
| San Francisco City & County Public Utilities Commission,<br>RB, Series B, 5.00%, 11/01/39                                   | 2,965        | 3,071,651  |
| State of California, GO, Various Purpose:   |              |            |
| 6.00%, 3/01/33  | 800          | 880,568    |
| 6.50%, 4/01/33  | 650          | 736,951    |
| (CIFG), 5.00%, 3/01/33  | 5,000        | 4,992,900  |
| University of California, RB, Limited Project, Series B,<br>4.75%, 5/15/38  | 1,835        | 1,818,100  |
| West Valley-Mission Community College District, GO,   |              |            |

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|  |              |              |
|--|--------------|--------------|
| Election of 2004, Series A (AGM), 4.75%, 8/01/30   | 3,350        | 3,364,171    |
|  |              | 19,936,530   |
| <b>Colorado 4.9%</b>   |              |              |
| City of Colorado Springs Colorado, RB, Subordinate Lien, Improvement, Series C (AGM), 5.00%, 11/15/45                        | 395          | 404,196      |
| Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34                            | 680          | 721,140      |
| Northwest Parkway Public Highway Authority Colorado, RB, CAB, Senior Series B (AGM), 6.30%, 6/15/11 (a)(b)                   | 10,000       | 3,095,100    |
| Park Creek Metropolitan District Colorado, Refunding RB, Senior, Limited Tax, Property Tax, 5.50%, 12/01/37                  | 440          | 419,016      |
|  |              | 4,639,452    |
| <b>District of Columbia 0.7%</b>   |              |              |
| Metropolitan Washington Airports Authority, RB, First Senior Lien, Series A:   |              |              |
| 5.00%, 10/01/39  | 160          | 166,081      |
| 5.25%, 10/01/44  | 465          | 486,139      |
|  |              | 652,220      |
| <b>Florida 7.7%</b>  |              |              |
| Arborwood Community Development District, Special Assessment Bonds, Master Infrastructure Projects, Series B, 5.10%, 5/01/14 | 1,455        | 1,064,929    |
| County of Miami-Dade Florida, Refunding RB, Miami International Airport, Series A-1, 5.38%, 10/01/41                         | 370          | 374,251      |
| County of Orange Florida, Refunding RB (Syncora), 4.75%, 10/01/32  | 475          | 467,894      |
| Hillsborough County IDA, RB, National Gypsum Co., Series A, AMT, 7.13%, 4/01/30  | 3,300        | 2,874,333    |
|  | <b>Par</b>   |              |
| <b>Municipal Bonds</b>   | <b>(000)</b> | <b>Value</b> |
| <b>Florida (concluded)</b>   |              |              |
| Miami Beach Health Facilities Authority, RB, Mount Sinai Medical Center of Florida, 6.75%, 11/15/21                          | \$ 1,245     | \$ 1,271,506 |
| Sumter Landing Community Development District Florida, RB, Sub-Series B, 5.70%, 10/01/38                                     | 1,565        | 1,225,082    |
|  |              | 7,277,995    |
| <b>Georgia 1.5%</b>  |              |              |
| De Kalb Private Hospital Authority, Refunding RB, Children s Healthcare, 5.25%, 11/15/39                                     | 265          | 275,065      |
| Metropolitan Atlanta Rapid Transit Authority, RB,  |              |              |

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|  |        |           |
|--|--------|-----------|
| Third Series, 5.00%, 7/01/39                               | 1,095  | 1,152,509 |
|  |        | 1,427,574 |
| <b>Guam 0.8%</b>   |        |           |
| Territory of Guam, GO, Series A:                           |        |           |
| 6.00%, 11/15/19  | 200    | 207,042   |
| 6.75%, 11/15/29  | 290    | 308,432   |
| 7.00%, 11/15/39  | 195    | 208,229   |
|  |        | 723,703   |
| <b>Illinois 8.6%</b>                                       |        |           |
| Illinois Finance Authority, RB:                            |        |           |
| MJH Education Assistance IV LLC, Sub-Series B,             |        |           |
| 5.38%, 6/01/35 (c)(d)                                      | 300    | 81,009    |
| Northwestern University, 5.00%, 12/01/33                   | 5,000  | 5,148,500 |
| Illinois Finance Authority, Refunding RB:                  |        |           |
| Central DuPage Health, Series B, 5.50%, 11/01/39           | 2,500  | 2,597,475 |
| Friendship Village Schaumburg, Series A,                   |        |           |
| 5.63%, 2/15/37   | 145    | 115,546   |
| State of Illinois, RB, Build Illinois, Series B,           |        |           |
| 5.25%, 6/15/34   | 200    | 208,376   |
|  |        | 8,150,906 |
| <b>Indiana 2.8%</b>  |        |           |
| Indiana Finance Authority, RB, Sisters of St. Francis      |        |           |
| Health, 5.25%, 11/01/39                                    | 270    | 274,852   |
| Indiana Finance Authority, Refunding RB, Duke Energy       |        |           |
| Indiana Inc., Series C, 4.95%, 10/01/40                    | 1,050  | 1,037,914 |
| Indiana Health Facility Financing Authority, Refunding RB, |        |           |
| Methodist Hospital Inc., 5.38%, 9/15/22                    | 1,060  | 983,394   |
| Indiana Municipal Power Agency, RB, Indiana Municipal      |        |           |
| Power Agency, Series B, 6.00%, 1/01/39                     | 350    | 378,186   |
|  |        | 2,674,346 |
| <b>Kentucky 8.2%</b>                                       |        |           |
| Kentucky Economic Development Finance Authority,           |        |           |
| Refunding RB:  |        |           |
| Norton Healthcare Inc., Series B (NPFGC),                  |        |           |
| 6.20%, 10/01/24 (a)  | 17,255 | 7,421,203 |
| Owensboro Medical Health System, Series A,                 |        |           |
| 6.38%, 6/01/40   | 320    | 328,960   |
|  |        | 7,750,163 |
| <b>Maryland 2.6%</b>                                       |        |           |
| Maryland Community Development Administration,             |        |           |
| Refunding RB, Residential, Series A, AMT,                  |        |           |

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|   |       |           |
|---|-------|-----------|
| 4.70%, 9/01/37  | 2,500 | 2,349,750 |
| Maryland EDC, RB, Transportation Facilities Project,<br>Series A, 5.75%, 6/01/35  | 135   | 137,893   |
|   |       | 2,487,643 |
| <b>Massachusetts 0.6%</b>   |       |           |
| Massachusetts Health & Educational Facilities Authority,<br>Refunding RB, Partners Healthcare, Series J1,<br>5.00%, 7/01/39 | 570   | 577,917   |
| <b>Michigan 0.7%</b>  |       |           |
| Michigan State Hospital Finance Authority, Refunding RB,<br>Henry Ford Health System, Series A, 5.25%, 11/15/46             | 730   | 665,840   |

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        |
|---|--------------|--------------|
| <b>Municipal Bonds</b>  |              |              |
| <b>Multi-State 5.9%</b>   |              |              |
| Centerline Equity Issuer Trust, 7.60%, 12/15/50 (e)(f)  | \$ 2,000     | \$ 2,047,640 |
| MuniMae TE Bond Subsidiary LLC, 7.50%,<br>6/30/49 (e)(f)(g)   | 3,842        | 3,562,725    |
|   |              | 5,610,365    |
| <b>Nebraska 0.8%</b>  |              |              |
| Douglas County Hospital Authority No. 2, RB, Health<br>Facilities, Immanuel Obligation Group, 5.63%, 1/01/40                  | 720          | 717,358      |
| <b>Nevada 0.9%</b>  |              |              |
| County of Clark Nevada, Refunding RB, Alexander Dawson<br>School Nevada Project, 5.00%, 5/15/29                               | 880          | 880,889      |
| <b>New Jersey 6.3%</b>  |              |              |
| Middlesex County Improvement Authority, RB, Subordinate,<br>Heldrich Center Hotel, Series B, 6.25%, 1/01/37                   | 645          | 119,144      |
| New Jersey EDA, RB, Cigarette Tax, 5.50%, 6/15/24   | 2,090        | 2,069,643    |
| New Jersey State Turnpike Authority, RB, Series E,<br>5.25%, 1/01/40  | 1,355        | 1,418,279    |
| Tobacco Settlement Financing Corp. New Jersey,<br>Refunding RB, Series 1A, 4.50%, 6/01/23                                     | 2,500        | 2,387,850    |
|   |              | 5,994,916    |
| <b>New York 6.3%</b>  |              |              |
| Albany Industrial Development Agency, RB, New Covenant<br>Charter School Project, Series A, 7.00%, 5/01/35 (c)                | 315          | 126,003      |
| New York City Industrial Development Agency, RB,<br>American Airlines Inc., JFK International Airport, AMT,<br>7.75%, 8/01/31 | 3,000        | 3,067,170    |
| New York State Dormitory Authority, ERB, Series F,<br>5.00%, 3/15/35  | 2,680        | 2,767,529    |
|   |              | 5,960,702    |
| <b>North Carolina 1.4%</b>  |              |              |
| City of Charlotte North Carolina, RB, Series B,<br>5.00%, 7/01/38   | 300          | 323,286      |
| North Carolina Medical Care Commission, RB, Duke<br>University Health System, Series A:<br>5.00%, 6/01/39                     | 200          | 203,942      |

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|  |              |              |
|--|--------------|--------------|
| 5.00%, 6/01/42   | 440          | 446,723      |
| North Carolina Municipal Power Agency No. 1 Catawba,<br>Refunding RB, Series A, 5.00%, 1/01/30         | 340          | 347,902      |
|  |              | 1,321,853    |
| <b>Ohio 2.6%</b>   |              |              |
| Buckeye Tobacco Settlement Financing Authority, RB,<br>Asset-Backed, Senior Series A-2, 6.50%, 6/01/47 | 1,880        | 1,542,803    |
| County of Montgomery Ohio, Refunding RB, Catholic<br>Healthcare, Series A, 5.00%, 5/01/39              | 885          | 909,541      |
|  |              | 2,452,344    |
| <b>Oklahoma 1.3%</b>   |              |              |
| Tulsa Airports Improvement Trust, RB, Series A, AMT,<br>7.75%, 6/01/35 (g)                             | 1,225        | 1,237,985    |
| <b>Pennsylvania 8.1%</b>   |              |              |
| Pennsylvania Economic Development Financing<br>Authority, RB:  |              |              |
| Amtrak Project, Series A, AMT, 6.50%, 11/01/16   | 1,000        | 1,023,710    |
| Amtrak Project, Series A, AMT, 6.13%, 11/01/21   | 700          | 708,981      |
| Amtrak Project, Series A, AMT, 6.25%, 11/01/31   | 1,000        | 1,011,960    |
| Aqua Pennsylvania Inc. Project, 5.00%, 11/15/40  | 600          | 617,886      |
| Reliant Energy, Series A, AMT, 6.75%, 12/01/36   | 2,000        | 2,063,500    |
| Pennsylvania Turnpike Commission, RB, Sub-Series B,<br>5.25%, 6/01/39                                  | 2,175        | 2,247,906    |
|  |              | 7,673,943    |
|  | <b>Par</b>   |              |
| <b>Municipal Bonds</b>   | <b>(000)</b> | <b>Value</b> |
| <b>Puerto Rico 3.2%</b>  |              |              |
| Commonwealth of Puerto Rico, GO, Refunding, Public<br>Improvement, Series C, 6.00%, 7/01/39            | \$ 940       | \$ 990,008   |
| Puerto Rico Sales Tax Financing Corp., RB,<br>First Sub-Series A, 6.50%, 8/01/44                       | 1,770        | 1,999,587    |
|  |              | 2,989,595    |
| <b>South Carolina 3.1%</b>   |              |              |
| South Carolina Jobs, EDA, Refunding RB, Palmetto Health,<br>Series C (b):                              |              |              |
| 7.00%, 8/01/13   | 2,225        | 2,616,133    |
| 7.00%, 8/01/13   | 275          | 324,497      |
|  |              | 2,940,630    |
| <b>South Dakota 0.6%</b>   |              |              |
| South Dakota Health & Educational Facilities Authority,  |              |              |

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|   |        |            |
|---|--------|------------|
| RB, Sanford Health, 5.00%, 11/01/40   | 545    | 539,942    |
| <b>Texas 17.8%</b>  |        |            |
| Brazos River Authority, RB, TXU Electric, Series A, AMT,<br>8.25%, 10/01/30   | 730    | 452,651    |
| Brazos River Authority, Refunding RB, TXU Electric Co.<br>Project, Series C, AMT, 5.75%, 5/01/36                    | 730    | 709,633    |
| City of Houston Texas, RB, Senior Lien, Series A,<br>5.50%, 7/01/39   | 485    | 516,792    |
| City of Houston Texas, Refunding RB, Combined,<br>First Lien, Series A (AGC), 6.00%, 11/15/35                       | 2,730  | 3,131,856  |
| Harris County-Houston Sports Authority,<br>Refunding RB, CAB, Senior Lien, Series A<br>(NPFGC), 6.17%, 11/15/38 (a) | 4,750  | 662,910    |
| La Joya ISD Texas, GO (PSF-GTD), 5.00%, 2/15/34   | 4,060  | 4,173,924  |
| La Vernia Higher Education Finance Corp., RB, KIPP Inc.,<br>6.38%, 8/15/44  | 500    | 515,845    |
| North Texas Tollway Authority, RB, Toll, 2nd Tier, Series F,<br>6.13%, 1/01/31                                      | 1,025  | 1,093,203  |
| State of Texas, GO, Refunding, Water Financial Assistance,<br>5.75%, 8/01/22  | 500    | 505,445    |
| Texas Private Activity Bond Surface Transportation Corp.,<br>RB, Senior Lien, Note Mobility, 6.88%, 12/31/39        | 1,220  | 1,274,558  |
| Texas State Turnpike Authority, RB, CAB (AMBAC),<br>6.05%, 8/15/31 (a)  | 15,000 | 3,834,450  |
|   |        | 16,871,267 |
| <b>Utah 1.2%</b>  |        |            |
| City of Riverton Utah, RB, IHC Health Services Inc.,<br>5.00%, 8/15/41  | 1,150  | 1,169,584  |
| <b>Virginia 3.9%</b>  |        |            |
| City of Norfolk Virginia, Refunding RB, Series B (AMBAC),<br>5.50%, 2/01/31   | 420    | 412,318    |
| Tobacco Settlement Financing Corp. Virginia,<br>Refunding RB, Senior Series B1, 5.00%, 6/01/47                      | 935    | 643,589    |
| University of Virginia, Refunding RB, General,<br>5.00%, 6/01/40  | 2,500  | 2,646,375  |
|   |        | 3,702,282  |
| <b>Washington 0.7%</b>  |        |            |
| County of King Washington, Refunding RB (AGM),<br>5.00%, 1/01/36  | 620    | 641,911    |
| <b>Wisconsin 4.7%</b>   |        |            |
| Wisconsin Health & Educational Facilities Authority,  |        |            |

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RB, Ascension Health Credit Group, Series A,

5.00%, 11/15/31

4,330

4,426,819

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        |
|--|--------------|--------------|
| <b>Municipal Bonds</b>   |              |              |
| <b>Wyoming 1.2%</b>  |              |              |
| County of Sweetwater Wyoming, Refunding RB, Idaho<br>Power Co. Project, 5.25%, 7/15/26   | \$ 975       | \$ 1,030,809 |
| Wyoming Municipal Power Agency, RB, Series A,<br>5.00%, 1/01/42  | 95           | 94,247       |
|  |              | 1,125,056    |
| <b>Total Municipal Bonds 133.2%</b>  |              | 126,179,275  |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (h)</b>  |              |              |
| <b>Alabama 0.8%</b>  |              |              |
| Alabama Special Care Facilities Financing Authority-<br>Birmingham, Refunding RB, Ascension Health Senior<br>Credit, Series C-2, 5.00%, 11/15/36 | 760          | 768,121      |
| <b>California 2.4%</b>   |              |              |
| California Educational Facilities Authority, RB, University of<br>Southern California, Series A, 5.25%, 10/01/18                                 | 855          | 916,833      |
| Los Angeles Community College District California, GO,<br>Election of 2001, Series A (AGM), 5.00%, 8/01/32                                       | 740          | 757,568      |
| San Diego Community College District California, GO,<br>Election of 2002, 5.25%, 8/01/33   | 553          | 581,119      |
|  |              | 2,255,520    |
| <b>Colorado 2.1%</b>   |              |              |
| Colorado Health Facilities Authority, RB, Catholic<br>Health (AGM):  |              |              |
| Series C-3, 5.10%, 10/01/41  | 1,210        | 1,217,890    |
| Series C-7, 5.00%, 9/01/36   | 780          | 784,087      |
|  |              | 2,001,977    |
| <b>Connecticut 3.4%</b>  |              |              |
| Connecticut State Health & Educational Facility Authority,<br>RB, Yale University:   |              |              |
| Series T-1, 4.70%, 7/01/29   | 1,580        | 1,657,515    |
| Series X-3, 4.85%, 7/01/37   | 1,540        | 1,605,003    |
|  |              | 3,262,518    |
| <b>Illinois 1.6%</b>   |              |              |
| Chicago Housing Authority, Refunding RB (AGM),   |              |              |

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|  |                      |              |
|--|----------------------|--------------|
| 5.00%, 7/01/24   | 1,424                | 1,480,263    |
| <b>Massachusetts 2.2%</b>  |                      |              |
| Massachusetts Water Resources Authority, Refunding RB,<br>General, Series A, 5.00%, 8/01/41  | 1,980                | 2,040,925    |
| <b>New Hampshire 0.7%</b>  |                      |              |
| New Hampshire Health & Education Facilities Authority,<br>Refunding RB, Dartmouth College, 5.25%, 6/01/39                                | 645                  | 699,941      |
| <b>New York 0.6%</b>   |                      |              |
| New York City Municipal Water Finance Authority, RB,<br>Series FF-2, 5.50%, 6/15/40  | 510                  | 567,014      |
| <b>Tennessee 1.4%</b>  |                      |              |
| Shelby County Health Educational & Housing Facilities<br>Board, Refunding RB, St. Jude s Children s Research<br>Hospital, 5.00%, 7/01/31 | 1,280                | 1,323,814    |
| <b>Texas 2.3%</b>  |                      |              |
| County of Harris Texas, RB, Senior Lien, Toll Road,<br>Series A, 5.00%, 8/15/38  | 2,140                | 2,213,809    |
| <b>Virginia 3.0%</b>   |                      |              |
| University of Virginia, Refunding RB, General,<br>5.00%, 6/01/40   | 1,790                | 1,894,805    |
| Virginia I, RB, Sub-Series H-1 (NPFGC), 5.35%, 7/01/31   | 960                  | 968,803      |
|  |                      | 2,863,608    |
| <b>Municipal Bonds Transferred to<br/>Tender Option Bond Trusts (h)</b>  | <b>Par<br/>(000)</b> | <b>Value</b> |
| <b>Washington 3.7%</b>   |                      |              |
| Central Puget Sound Regional Transit Authority, RB,<br>Series A (AGM), 5.00%, 11/01/32   | \$ 900               | \$ 946,925   |
| State of Washington, GO, Various Purpose, Series E,<br>5.00%, 2/01/34  | 2,400                | 2,529,792    |
|  |                      | 3,476,717    |
| <b>Total Municipal Bonds Transferred to<br/>Tender Option Bond Trusts 24.2%</b>  |                      | 22,954,227   |
| <b>Total Long-Term Investments<br/>(Cost \$148,853,844) 157.4%</b>   |                      | 149,133,502  |
| <b>Short-Term Securities</b>   | <b>Shares</b>        |              |
| FFI Institutional Tax-Exempt Fund, 0.25% (i)(j)  | 1,940,417            | 1,940,417    |
| <b>Total Short-Term Securities<br/>(Cost \$1,940,417) 2.1%</b>   |                      | 1,940,417    |
| <b>Total Investments (Cost \$150,794,261*) 159.5%</b>  |                      | 151,073,919  |
| <b>Liabilities in Excess of Other Assets (1.0%)</b>  |                      | (954,098)    |

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### Liability for Trust Certificates, Including Interest

|  |                      |
|--|----------------------|
| <b>Expense and Fees Payable (13.1)%</b>              | (12,406,366)         |
| <b>Preferred Shares, at Redemption Value (45.4)%</b> | (42,977,223)         |
| <b>Net Assets Applicable to Common Shares 100.0%</b> | <b>\$ 94,736,232</b> |

\* The cost and unrealized appreciation (depreciation) of investments as of April 30, 2010, as computed for federal income tax purposes, were as follows:

|                               |               |
|-------------------------------|---------------|
| Aggregate cost                | \$138,070,160 |
| Gross unrealized appreciation | \$ 4,456,436  |
| Gross unrealized depreciation | (3,849,059)   |
| Net unrealized appreciation   | \$ 607,377    |

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

(d) Non-income producing security.

(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 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.

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

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

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

|                   | Shares Held at   | Net             | Shares Held at   |               |
|-------------------|------------------|-----------------|------------------|---------------|
| <b>Affiliate</b>  | <b>April 30,</b> | <b>Activity</b> | <b>April 30,</b> | <b>Income</b> |
|                   | <b>2009</b>      |                 | <b>2010</b>      |               |
| FFI Institutional |                  |                 |                  |               |
| Tax-Exempt Fund   | 301,197          | 1,639,220       | 1,940,417        | \$8,970       |

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

See Notes to Financial Statements.

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## Schedule of Investments (concluded)

### BlackRock Strategic Municipal Trust (BSD)

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

The following table summarizes the inputs used as of April 30, 2010 in determining the fair valuation of the Trust's investments:

#### Investments in Securities

| Valuation Inputs         | Level 1             | Level 2              | Level 3 | Total                |
|--------------------------|---------------------|----------------------|---------|----------------------|
| <b>Assets:</b>           |                     |                      |         |                      |
| Long-Term                |                     |                      |         |                      |
| Investments <sup>1</sup> |                     | \$149,133,502        |         | \$149,133,502        |
| Short-Term               |                     |                      |         |                      |
| Securities               | \$ 1,940,417        |                      |         | 1,940,417            |
| <b>Total</b>             | <b>\$ 1,940,417</b> | <b>\$149,133,502</b> |         | <b>\$151,073,919</b> |

<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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## 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>April 30, 2010</b>   |  |  |   |   |   |   |
| <b>Assets</b>   |  |  |   |   |   |   |
|   |  |  | \$  |   |   | \$  |
| Investments at value unaffiliated <sup>1</sup>  | \$ 364,592,636   | 234,605,555  | \$ 461,899,716  | \$ 914,481,339                                  | \$ 45,905,561   | 149,133,502   |
| Investments at value affiliated <sup>2</sup>  | 7,659,955  | 1,118,809  | 1,901,695   | 22,810,780                                      | 455,164   | 1,940,417   |
| Cash  |  |  | 169,500   | 253,600   | 126,800   | 126,800   |
| Interest receivable   | 5,354,560  | 4,167,439  | 7,574,720   | 14,282,294                                      | 656,940   | 2,287,954   |
| Investments sold receivable   | 13,006,492   | 4,002,333  | 1,135,000   | 2,552,078                                       |   | 72,649  |
| Income receivable affiliated  | 186  | 42   | 144   | 645   | 15  | 30  |
| Prepaid expenses  | 42,935   | 35,073   | 56,404  | 120,780   | 4,311   | 26,073  |
| Other assets  | 46,647   | 10,885   | 36,295  | 166,231   | 3,981   | 7,775   |
| <b>Total assets</b>   | <b>390,703,411</b>   | <b>243,940,136</b>   | <b>472,773,474</b>                                    | <b>954,667,747</b>                              | <b>47,152,772</b>   | <b>153,595,200</b>                                    |
| <b>Accrued Liabilities</b>  |  |  |   |   |   |   |
| Investments purchased payable   | 19,380,457   | 6,231,596  |   | 23,611,539                                      | 246,169   | 2,788,501   |
| Income dividends payable Common<br>Shares   | 1,426,960  | 794,037  | 1,259,730   | 3,488,502                                       | 141,642   | 528,471   |
| Investment advisory fees payable  | 111,995  | 78,089   | 205,066   | 442,051   | 24,184  | 78,239  |
| Administration fees payable   | 48,122   |  |   |   |   |   |
| Officers and Trustees fees payable  | 48,045   | 12,530   | 38,075  | 166,719   | 5,094   | 9,188   |
| Interest expense and fees payable   | 8,419  | 299,643  | 7,383   | 59,561  | 1,206   | 9,984   |
| Other affiliates payable  |  | 1,442  | 2,900   | 5,665   | 280   | 919   |
| Other accrued expenses payable  | 102,928  | 75,565   | 98,657  | 167,803   | 70,246  | 70,061  |
| <b>Total accrued liabilities</b>  | <b>21,126,926</b>  | <b>7,492,902</b>   | <b>1,611,811</b>                                      | <b>27,941,840</b>                               | <b>488,821</b>  | <b>3,485,363</b>                                      |
| <b>Other Liabilities</b>  |  |  |   |   |   |   |
| Trust certificates <sup>3</sup>   | 11,137,401   | 86,090,000   | 3,750,000   | 68,583,501                                      | 2,299,742   | 12,396,382  |
| <b>Total Liabilities</b>  | <b>32,264,327</b>  | <b>93,582,902</b>  | <b>5,361,811</b>                                      | <b>96,525,341</b>                               | <b>2,788,563</b>  | <b>15,881,745</b>                                     |
| <b>Preferred Shares at Redemption<br/>Value</b>   |  |  |   |   |   |   |
| \$25,000 per share liquidation preference,<br>plus<br>unpaid dividends <sup>4,5,6</sup> | 125,967,819  |  | 173,863,049   | 270,892,814                                     | 16,325,844  | 42,977,223  |
| <b>Net Assets Applicable to Common<br/>Shareholders</b>                                 | <b>\$ 232,471,265</b>  | <b>150,357,234</b>   | <b>\$ 293,548,614</b>                                 | <b>\$ 587,249,592</b>                           | <b>\$ 28,038,365</b>  | <b>\$ 94,736,232</b>                                  |
| <b>Net Assets Applicable to Common<br/>Shareholders Consist of</b>                      |  |  |   |   |   |   |
|   |  |  | \$  |   |   | \$  |
| Paid-in capital <sup>6,7,8</sup>  | \$ 236,061,147   | 190,789,578  | \$ 287,184,576  | \$ 630,054,377                                  | \$ 28,487,095   | 103,356,106   |

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|  |                |              |                |                |               |               |
|--|----------------|--------------|----------------|----------------|---------------|---------------|
| Undistributed net investment income  | 4,523,905      | 2,312,458    | 10,354,633     | 10,453,607     | 620,889       | 1,552,284     |
| Accumulated net realized loss  | (12,721,966)   | (34,755,551) | (1,695,316)    | (47,179,457)   | (1,807,044)   | (10,451,816)  |
| Net unrealized appreciation/depreciation   | 4,608,179      | (7,989,251)  | (2,295,279)    | (6,078,935)    | 737,425       | 279,658       |
| <b>Net Assets Applicable to Common Shareholders</b>  |                | \$           |                |                |               |               |
|  | \$ 232,471,265 | 150,357,234  | \$ 293,548,614 | \$ 587,249,592 | \$ 28,038,365 | \$ 94,736,232 |
| Net asset value per Common Share.  | \$ 13.68       | \$ 11.27     | \$ 14.51       | \$ 13.23       | \$ 13.86      | \$ 13.00      |
|  |                | \$           |                |                |               | \$            |
| <sup>1</sup> Investments at cost unaffiliated  | \$ 359,984,457 | 242,594,806  | \$ 464,194,995 | \$ 920,560,274 | \$ 45,168,136 | 148,853,844   |
| <sup>2</sup> Investments at cost affiliated  | \$ 7,659,955   | \$ 1,118,809 | \$ 1,901,695   | \$ 22,810,780  | \$ 455,164    | \$ 1,940,417  |
| <sup>3</sup> Represents short-term floating rate certificates issued by tender option bond trusts. |                |              |                |                |               |               |
| <sup>4</sup> Preferred Shares outstanding  | 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 Preferred and Common Share  | \$ 0.01        | \$ 0.001     | \$ 0.001       | \$ 0.001       | \$ 0.001      | \$ 0.001      |
| <sup>7</sup> Common Shares outstanding   | 16,987,617     | 13,345,152   | 20,236,628     | 44,376,991     | 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<br>Quality<br>Municipal Trust<br>Inc. | BlackRock<br>Long-Term<br>Municipal<br>Advantage<br>Trust | BlackRock<br>Municipal<br>2020 Term<br>Trust | BlackRock<br>Municipal<br>Income Trust | BlackRock<br>Pennsylvania<br>Strategic<br>Municipal<br>Trust | BlackRock<br>Strategic<br>Municipal<br>Trust |
|--|---|---|--|--|--|--|
| Year Ended April 30, 2010                          | (BKN)   | (BTA)   | (BKK)  | (BFK)                                  | (BPS)  | (BSD)  |
| <b>Investment Income</b>                           |   |   |  |  |  |  |
|  |   |   | \$   |  |  |  |
| Interest   | \$ 20,481,299   | 12,018,459  | \$ 25,154,135                                | \$ 51,992,958                          | \$ 2,285,150   | \$ 8,221,409                                 |
| Income affiliated                                  | 25,777  | 7,129   | 11,895                                       | 52,527                                 | 530  | 9,811  |
| Total income                                       | 20,507,076  | 12,025,588  | 25,166,030                                   | 52,045,485                             | 2,285,680  | 8,231,220                                    |
| <b>Expenses</b>                                    |   |   |  |  |  |  |
| Investment advisory                                | 1,247,439   | 1,419,828   | 2,269,629                                    | 5,332,926                              | 263,992  | 868,242                                      |
| Administration                                     | 534,617   |   |  |  |  |  |
| Commissions for Preferred Shares                   | 187,506   |   | 260,358                                      | 369,847                                | 20,632   | 59,535                                       |
| Accounting services                                | 65,484  | 45,365  | 65,885                                       | 125,368                                | 14,477   | 29,678                                       |
| Professional                                       | 48,751  | 38,046  | 49,799                                       | 98,115                                 | 32,884   | 44,454                                       |
| Printing   | 48,177  | 23,776  | 61,153                                       | 113,341                                | 8,599  | 19,685                                       |
| Officer and Trustees                               | 46,291  | 21,902  | 48,921                                       | 123,751                                | 5,179  | 14,579                                       |
| Transfer agent                                     | 40,570  | 11,609  | 31,643                                       | 45,045                                 | 42,820   | 26,201                                       |
| Custodian  | 22,559  | 15,939  | 25,592                                       | 43,305                                 | 5,125  | 11,192                                       |
| Registration                                       | 9,526   | 9,178   | 9,229  | 15,621                                 | 800  | 9,245  |
| Miscellaneous                                      | 77,818  | 44,240  | 72,294                                       | 130,121                                | 27,209   | 42,733                                       |
| Total expenses excluding interest expense and fees | 2,328,738   | 1,629,883   | 2,894,503                                    | 6,397,440                              | 421,717  | 1,125,544                                    |
| Interest expense and fees <sup>1</sup>             | 79,991  | 922,997   | 28,465                                       | 475,893                                | 5,912  | 85,745                                       |
| Total expenses                                     | 2,408,729   | 2,552,880   | 2,922,968                                    | 6,873,333                              | 427,629  | 1,211,289                                    |
| Less fees waived by advisor                        | (8,791)   | (570,545)   | (3,357)                                      | (564,896)                              | (2,180)  | (3,555)                                      |
| Total expenses after fees waived                   | 2,399,938   | 1,982,335   | 2,919,611                                    | 6,308,437                              | 425,449  | 1,207,734                                    |
| Net investment income                              | 18,107,138  | 10,043,253  | 22,246,419                                   | 45,737,048                             | 1,860,231  | 7,023,486                                    |
| <b>Realized and Unrealized Gain (Loss)</b>         |   |   |  |  |  |  |
| Net realized gain (loss) from:                     |   |   |  |  |  |  |
| Investments  | (3,235,639)   | (5,621,912)   | 658,970                                      | (3,314,116)                            | (258,713)  | (4,328,834)                                  |
| Financial futures contracts                        | (6,854)   | (32,862)  |  | 917,454                                | 17,063   | 71,802                                       |
|  | (3,242,493)   | (5,654,774)   | 658,970                                      | (2,396,662)                            | (241,650)  | (4,257,032)                                  |
| Net change in unrealized appreciation/depreciation |   |   |  |  |  |  |
| on investments                                     | 36,666,543  | 28,098,398  | 42,967,169                                   | 109,819,979                            | 3,925,374  | 18,437,955                                   |
| Total realized and unrealized gain                 | 33,424,050  | 22,443,624  | 43,626,139                                   | 107,423,317                            | 3,683,724  | 14,180,923                                   |
| <b>Dividends to Preferred Shareholders</b>         |   |   |  |  |  |  |

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| From   |               |            |               |                |              |            |
|--|---------------|------------|---------------|----------------|--------------|------------|
| Net investment income                                  | (573,855)     |            | (778,339)     | (1,235,954)    | (73,835)     | (198,039)  |
| <b>Net Increase in Net Assets Applicable to Common</b> |               |            |               |                |              |            |
| <b>Shareholders Resulting from Operations</b>          |               |            | \$            |                |              | \$         |
|  | \$ 50,957,333 | 32,486,877 | \$ 65,094,219 | \$ 151,924,411 | \$ 5,470,120 | 21,006,370 |

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

See Notes to Financial Statements.

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## Statements of Changes in Net Assets

|  | BlackRock Investment Quality Municipal Trust<br>Inc. (BKN) |                      |                      | BlackRock Long-Term Municipal Advantage<br>Trust (BTA) |                      |                        |
|--|--|----------------------|----------------------|--|----------------------|------------------------|
|  | Period<br>November 1,                                      |                      |                      | Period<br>November 1,                                  |                      |                        |
|  | Year Ended   | 2008                 | Year Ended           | Year Ended   | 2008                 | Year<br>Ended          |
| Increase (Decrease) in Net Assets<br>Applicable to Common Shareholders:                                    | April 30,<br>2010  | to April 30,<br>2009 | October 31,<br>2008  | April 30,<br>2010                                      | to April 30,<br>2009 | October<br>31,<br>2008 |
| <b>Operations</b>  |  |                      |                      |  |                      |                        |
| Net investment income  | \$ 18,107,138  | \$ 8,544,311         | \$ 18,150,327        | \$ 10,043,253  | \$ 4,504,862         | \$ 10,760,652          |
| Net realized loss  | (3,242,493)  | (4,525,056)          | (4,205,572)          | (5,654,774)  | (6,911,767)          | (22,180,142)           |
| Net change in unrealized<br>appreciation/depreciation  | 36,666,543   | 20,121,215           | (62,760,434)         | 28,098,398   | 19,507,695           | (48,552,418)           |
| Dividends to Preferred Shareholders from<br>net investment income  | (573,855)  | (776,524)            | (5,278,893)          |  |                      |                        |
| Net increase (decrease) in net assets<br>applicable to<br>Common Shareholders resulting from<br>operations | 50,957,333   | 23,363,946           | (54,094,572)         | 32,486,877   | 17,100,790           | (59,971,908)           |
| <b>Dividends to Common Shareholders<br/>From</b>   |  |                      |                      |  |                      |                        |
| Net investment income  | (16,049,999)   | (6,741,319)          | (15,020,485)         | (9,208,155)  | (4,403,900)          | (8,807,800)            |
| <b>Capital Share Transactions</b>  |  |                      |                      |  |                      |                        |
| Reinvestment of common dividends   | 752,867  |                      | 2,031,105            |  |                      |                        |
| <b>Net Assets Applicable to Common<br/>Shareholders</b>  |  |                      |                      |  |                      |                        |
| Total increase (decrease) in net assets<br>applicable to<br>Common Shareholders                            | 35,660,201   | 16,622,627           | (67,083,952)         | 23,278,722   | 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  | \$ 232,471,265   | 196,811,064          | \$ 180,188,437       | \$ 150,357,234   | \$ 127,078,512       | \$ 114,381,622         |
| Undistributed net investment income  | \$ 4,523,905   | \$ 3,076,570         | \$ 2,054,424         | \$ 2,312,458   | \$ 1,540,840         | \$ 1,424,388           |
| <b>BlackRock Municipal 2020 Term Trust (BKK)</b>   |  |                      |                      |  |                      |                        |
| <b>BlackRock Municipal Income Trust (BFK)</b>  |  |                      |                      |  |                      |                        |
| Period   |  |                      |                      |  |                      |                        |
| January 1,   |  |                      |                      |  |                      |                        |
| November 1,  |  |                      |                      |  |                      |                        |
|  | Year Ended   | 2009                 | Year Ended           | Year Ended   | 2008                 | Year Ended             |
| Increase (Decrease) in Net Assets<br>Applicable to Common Shareholders:                                    | April 30,<br>2010  | to April 30,<br>2009 | December 31,<br>2008 | April 30,<br>2010                                      | to April 30,<br>2009 | October<br>31,<br>2008 |
| <b>Operations</b>  |  |                      |                      |  |                      |                        |

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|   |                |              |                |                |                |                |
|---|----------------|--------------|----------------|----------------|----------------|----------------|
| Net investment income   | \$ 22,246,419  | \$ 7,064,504 | \$ 22,005,731  | \$ 45,737,048  | \$ 22,838,597  | \$ 49,640,897  |
| Net realized gain (loss)  | 658,970        | 48,391       | 54,030         | (2,396,662)    | (2,136,165)    | (9,708,923)    |
| Net change in unrealized appreciation/depreciation  | 42,967,169     | 28,473,603   | (86,853,534)   | 109,819,979    | 28,233,438     | (184,440,555)  |
| Dividends to Preferred Shareholders from net investment income                                    | (778,339)      | (448,388)    | (5,989,683)    | (1,235,954)    | (1,535,815)    | (13,027,692)   |
| Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations | 65,094,219     | 35,138,110   | (70,783,456)   | 151,924,411    | 47,400,055     | (157,536,273)  |
| <b>Dividends to Common Shareholders</b>   |                |              |                |                |                |                |
| <b>From</b>   |                |              |                |                |                |                |
| Net investment income   | (15,116,761)   | (5,038,920)  | (15,116,761)   | (41,349,932)   | (18,194,578)   | (40,311,763)   |
| <b>Capital Share Transactions</b>   |                |              |                |                |                |                |
| Reinvestment of common dividends  |                |              |                | 1,861,576      | 319,545        | 2,155,812      |
| <b>Net Assets Applicable to Common Shareholders</b>   |                |              |                |                |                |                |
| Total increase (decrease) in net assets applicable to Common Shareholders                         | 49,977,458     | 30,099,190   | (85,900,217)   | 112,436,055    | 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   | \$ 293,548,614 | 243,571,156  | \$ 213,471,966 | \$ 587,249,592 | \$ 474,813,537 | \$ 445,288,515 |
| Undistributed net investment income   | \$ 10,354,633  | \$ 4,003,314 | \$ 2,426,118   | \$ 10,453,607  | \$ 7,300,273   | \$ 4,201,196   |
| See Notes to Financial Statements.  |                |              |                |                |                |                |

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## Statements of Changes in Net Assets (concluded)

| Increase (Decrease) in Net Assets<br>Applicable to Common Shareholders:                                    | BlackRock Pennsylvania Strategic Municipal<br>Trust (BPS) |                              |                      | BlackRock Strategic Municipal Trust (BSD) |                              |                         |
|--|---|------------------------------|----------------------|---|------------------------------|-------------------------|
|  | Year Ended  | Period<br>January 1,<br>2009 | Year Ended           | Year Ended                                | Period<br>January 1,<br>2009 | Year Ended              |
|  | April 30,<br>2010   | to April 30,<br>2009         | December 31,<br>2008 | April 30,<br>2010                         | to April 30,<br>2009         | December<br>31,<br>2008 |
| <b>Operations</b>  |   |                              |                      |   |                              |                         |
| Net investment income  | \$ 1,860,231  | \$ 540,466                   | \$ 1,801,648         | \$ 7,023,486                              | \$ 2,354,066                 | \$ 7,433,389            |
| Net realized loss  | (241,650)   | (220,388)                    | (1,066,925)          | (4,257,032)                               | (202,367)                    | (4,074,584)             |
| Net change in unrealized<br>appreciation/depreciation  | 3,925,374   | 2,311,593                    | (5,698,117)          | 18,437,955                                | 7,424,734                    | (27,351,787)            |
| Dividends to Preferred Shareholders from<br>net<br>investment income                                       | (73,835)  | (42,935)                     | (573,868)            | (198,039)                                 | (121,851)                    | (1,866,936)             |
| Net increase (decrease) in net assets<br>applicable to<br>Common Shareholders resulting from<br>operations | 5,470,120   | 2,588,736                    | (5,537,262)          | 21,006,370                                | 9,454,582                    | (25,859,918)            |
| <b>Dividends to Common Shareholders<br/>From</b>   |   |                              |                      |   |                              |                         |
| Net investment income  | (1,454,867)   | (364,223)                    | (1,244,164)          | (6,104,489)                               | (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<br>applicable to<br>Common Shareholders                            | 4,015,253   | 2,224,513                    | (6,761,702)          | 14,916,054                                | 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  | \$ 28,038,365   | \$ 24,023,112                | \$ 21,798,599        | \$ 94,736,232                             | \$ 79,820,178                | \$ 72,187,602           |
| Undistributed net investment income  | \$ 620,889  | \$ 289,360                   | \$ 156,046           | \$ 1,552,284                              | \$ 850,120                   | \$ 444,294              |

See Notes to Financial Statements.

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## Statement of Cash Flows

BlackRock Long-Term Municipal Advantage Trust (BTA)

Year Ended April 30, 2010

| <b>Cash Provided by Operating Activities</b>   |               |
|--|---------------|
| Net increase in net assets resulting from operations   | \$ 32,486,877 |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash used for operating activities: |               |
| Increase in interest receivable  | (121,063)     |
| Increase in other assets   | (2,696)       |
| Decrease in income receivable - affiliated   | 19            |
| Decrease in prepaid expenses   | 4,216         |
| Increase in investment advisory fees payable   | 17,293        |
| Increase in other affiliates payable   | 665           |
| Decrease in accrued expenses payable   | (7,750)       |
| Decrease in interest expense and fees payable  | (248,897)     |
| Increase in officers and trustees' fees payable  | 3,478         |
| Net realized and unrealized gain (loss)  | (22,476,486)  |
| Amortization of premium and discount on investments  | 452,406       |
| Proceeds from sales and paydowns of long-term investments  | 64,070,059    |
| Purchases of long-term investments   | (72,323,765)  |
| Net proceeds from sales of short-term securities   | 281,376       |
| Cash provided by operating activities  | 2,135,732     |
| <b>Cash Used for Financing Activities</b>  |               |
| Cash receipts from trust certificates  | 9,490,000     |
| Cash payments from trust certificates  | (2,535,000)   |
| Cash dividends paid to Common Shareholders   | (9,148,101)   |
| Cash used for financing activities   | (2,193,101)   |
| <b>Cash</b>  |               |
| Net decrease in cash   | (57,369)      |
| Cash at beginning of year  | 57,369        |
| Cash at end of year  | \$            |
| <b>Cash Flow Information</b>   |               |
| Cash paid for interest   | \$ 1,171,894  |

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.

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BlackRock Investment Quality Municipal  
Trust Inc. (BKN)

## Financial Highlights

|  | Period<br>November<br>1,<br>Year Ended 2008 to |                     | Year Ended October<br>31, |            |            |            |
|--|--|---------------------|---------------------------|------------|------------|------------|
|  | April 30,<br>2010                              | April 30,<br>2009   | 2008                      | 2007       | 2006       | 2005       |
| <b>Per Share Operating Performance</b>   |  |                     |                           |            |            |            |
| Net asset value, beginning of period   | \$ 11.63                                       | \$ 10.64            | \$ 14.73                  | \$ 15.79   | \$ 15.59   | \$ 15.71   |
| Net investment income  | 1.07 <sup>1</sup>                              | 0.50 <sup>1</sup>   | 1.08 <sup>1</sup>         | 1.08       | 1.10       | 1.14       |
| Net realized and unrealized gain (loss)  | 1.96   | 0.94                | (3.97)                    | (0.79)     | 0.44       | (0.11)     |
| Dividends to Preferred Shareholders from<br>net investment income  | (0.03)   | (0.05)              | (0.31)                    | (0.32)     | (0.28)     | (0.19)     |
| Net increase (decrease) from investment operations   | 3.00   | 1.39                | (3.20)                    | (0.03)     | 1.26       | 0.84       |
| Dividends to Common Shareholders from<br>net investment income   | (0.95)   | (0.40)              | (0.89)                    | (1.03)     | (1.06)     | (0.96)     |
| Net asset value, end of period   | \$ 13.68                                       | \$ 11.63            | \$ 10.64                  | \$ 14.73   | \$ 15.79   | \$ 15.59   |
| Market price, end of period  | \$ 14.19                                       | \$ 11.35            | \$ 10.25                  | \$ 16.35   | \$ 18.97   | \$ 16.62   |
| <b>Total Investment Return<sup>2</sup></b>   |  |                     |                           |            |            |            |
| Based on net asset value   | 26.55%   | 13.63% <sup>3</sup> | (22.93)%                  | (0.95)%    | 7.38%      | 5.34%      |
| Based on market price  | 34.50%   | 15.12% <sup>3</sup> | (33.11)%                  | (8.49)%    | 21.06%     | 16.68%     |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>  |  |                     |                           |            |            |            |
| Total expenses <sup>4</sup>  | 1.10%  | 1.29% <sup>5</sup>  | 1.19%                     | 1.08%      | 1.09%      | 1.08%      |
| Total expenses after fees waived and before fees<br>paid indirectly <sup>4</sup>                               | 1.10%  | 1.28% <sup>5</sup>  | 1.19%                     | 1.07%      | 1.09%      | 1.08%      |
| Total expenses after fees waived and paid indirectly <sup>4</sup>  | 1.10%  | 1.28% <sup>5</sup>  | 1.17%                     | 1.07%      | 1.09%      | 1.08%      |
| Total expenses after fees waived and paid indirectly<br>and excluding interest expense and fees <sup>4,6</sup> | 1.06%  | 1.20% <sup>5</sup>  | 1.07%                     | 1.07%      | 1.09%      | 1.08%      |
| Net investment income <sup>4</sup>   | 8.29%  | 9.53% <sup>5</sup>  | 7.84%                     | 7.06%      | 7.09%      | 7.21%      |
| Dividends to Preferred Shareholders  | 0.26%  | 0.87% <sup>5</sup>  | 2.28%                     | 2.07%      | 1.81%      | 1.17%      |
| Net investment income to Common Shareholders   | 8.03%  | 8.66% <sup>5</sup>  | 5.56%                     | 4.99%      | 5.28%      | 6.04%      |
| <b>Supplemental Data</b>   |  |                     |                           |            |            |            |
| Net assets applicable to Common Shareholders,<br>end of period (000)   | \$ 232,471                                     | \$ 196,811          | \$ 180,188                | \$ 247,272 | \$ 263,878 | \$ 260,494 |
| Preferred Shares outstanding at \$25,000 liquidation<br>preference, end of period (000)                        | \$ 125,950                                     | \$ 126,950          | \$ 126,950                | \$ 146,550 | \$ 146,550 | \$ 146,550 |
| Portfolio turnover   | 43%  | 26%                 | 26%                       | 17%        | 82%        | 77%        |
| Asset coverage per Preferred Share at \$25,000 liquidation<br>preference, end of period                        | \$ 71,147                                      | \$ 63,762           | \$ 60,495                 | \$ 67,185  | \$ 70,054  | \$ 69,465  |

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

<sup>2</sup> Total investment returns based on market price, 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)

|   | Year Ended        | 2008 to             | Ended             | Year       | 2006 <sup>1</sup> to  |
|---|-------------------|---------------------|-------------------|------------|-----------------------|
|   | 2010              | 2009                | 2008              | 2007       | 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   | 0.75 <sup>3</sup> | 0.34 <sup>3</sup>   | 0.81 <sup>3</sup> | 0.70       | 0.45                  |
| Net realized and unrealized gain (loss)   | 1.69              | 0.94                | (5.30)            | (1.15)     | 0.62                  |
| Net increase (decrease) from investment operations  | 2.44              | 1.28                | (4.49)            | (0.45)     | 1.07                  |
| Dividends from net investment income  | (0.69)            | (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  | \$ 11.27          | \$ 9.52             | \$ 8.57           | \$ 13.72   | \$ 14.89              |
| Market price, end of period   | \$ 10.77          | \$ 8.79             | \$ 8.40           | \$ 12.14   | \$ 14.70              |
| <b>Total Investment Return<sup>4</sup></b>  |                   |                     |                   |            |                       |
| Based on net asset value  | 26.81%            | 15.78% <sup>5</sup> | (33.64)%          | (2.93)%    | 7.48% <sup>5</sup>    |
| Based on market price   | 31.25%            | 9.06% <sup>5</sup>  | (26.49)%          | (13.00)%   | 1.40% <sup>5</sup>    |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>                                     |                   |                     |                   |            |                       |
| Total expenses  | 1.80%             | 2.95% <sup>6</sup>  | 4.00%             | 4.69%      | 4.55% <sup>6</sup>    |
| Total expenses after fees waived and before fees paid indirectly  | 1.40%             | 2.55% <sup>6</sup>  | 3.60%             | 4.29%      | 4.14% <sup>6</sup>    |
| Total expenses after fees waived and paid indirectly  | 1.40%             | 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> | 0.75%             | 0.82% <sup>6</sup>  | 0.83%             | 0.89%      | 0.97% <sup>6</sup>    |
| Net investment income   | 7.07%             | 7.88% <sup>6</sup>  | 6.56%             | 4.87%      | 4.79% <sup>6</sup>    |
| <b>Supplemental Data</b>  |                   |                     |                   |            |                       |
| Net assets, end of period (000)   | \$ 150,357        | \$ 127,079          | \$ 114,382        | \$ 183,161 | \$ 198,137            |
| Portfolio turnover  | 30%               | 15%                 | 16%               | 39%        | 20%                   |

<sup>1</sup> Commencement of operations.

<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.

<sup>4</sup> Total investment returns based on market price, 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.

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<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.

See Notes to Financial Statements.

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BlackRock Municipal 2020 Term Trust  
(BKK)

## Financial Highlights

|  | Year Ended<br>April<br>30,<br>2010 | Period<br>January<br>1,<br>2009 to<br>April<br>30,<br>2009 | 2008              | Year Ended<br>December 31,<br>2007 | 2006       | 2005       |
|--|------------------------------------|--|-------------------|------------------------------------|------------|------------|
| <b>Per Share Operating Performance</b>   |                                    |  |                   |                                    |            |            |
| Net asset value, beginning of period   | \$ 12.04                           | \$ 10.55   | \$ 14.79          | \$ 15.77                           | \$ 15.28   | \$ 14.85   |
| Net investment income  | 1.10 <sup>1</sup>                  | 0.35 <sup>1</sup>  | 1.09 <sup>1</sup> | 1.12                               | 1.10       | 1.11       |
| Net realized and unrealized gain (loss)  | 2.16                               | 1.41   | (4.28)            | (0.97)                             | 0.48       | 0.39       |
| Dividends to Preferred Shareholders from<br>net investment income  | (0.04)                             | (0.02)   | (0.30)            | (0.33)                             | (0.29)     | (0.20)     |
| Net increase (decrease) from investment operations   | 3.22                               | 1.74   | (3.49)            | (0.18)                             | 1.29       | 1.30       |
| Dividends to Common Shareholders from<br>net investment income   | (0.75)                             | (0.25)   | (0.75)            | (0.80)                             | (0.80)     | (0.87)     |
| Net asset value, end of period   | \$ 14.51                           | \$ 12.04   | \$ 10.55          | \$ 14.79                           | \$ 15.77   | \$ 15.28   |
| Market price, end of period  | \$ 14.89                           | \$ 12.70   | \$ 10.57          | \$ 13.60                           | \$ 15.77   | \$ 14.00   |
| <b>Total Investment Return<sup>2</sup></b>   |                                    |  |                   |                                    |            |            |
| Based on net asset value   | 26.97%                             | 16.39% <sup>3</sup>  | (24.57)%          | (1.16)%                            | 8.72%      | 8.98%      |
| Based on market price  | 23.52%                             | 22.54% <sup>3</sup>  | (17.81)%          | (9.11)%                            | 18.66%     | (1.28)%    |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>  |                                    |  |                   |                                    |            |            |
| Total expenses <sup>4</sup>  | 1.06%                              | 1.23% <sup>5</sup>   | 1.12%             | 1.06%                              | 1.07%      | 1.09%      |
| Total expenses after fees waived and paid indirectly <sup>4</sup>  | 1.06%                              | 1.23% <sup>5</sup>   | 1.12%             | 1.05%                              | 1.07%      | 1.08%      |
| Total expenses after fees waived and paid indirectly and<br>excluding interest expense and fees <sup>4,6</sup> | 1.05%                              | 1.21% <sup>5</sup>   | 1.10%             | 1.05%                              | 1.07%      | 1.08%      |
| Net investment income <sup>4</sup>   | 8.08%                              | 9.28% <sup>5</sup>   | 8.01%             | 7.27%                              | 7.09%      | 7.27%      |
| Dividends to Preferred Shareholders  | 0.28%                              | 0.59% <sup>5</sup>   | 2.18%             | 2.14%                              | 1.89%      | 1.34%      |
| Net investment income to Common Shareholders   | 7.80%                              | 8.69% <sup>5</sup>   | 5.83%             | 5.13%                              | 5.20%      | 5.93%      |
| <b>Supplemental Data</b>   |                                    |  |                   |                                    |            |            |
| Net assets applicable to Common Shareholders,<br>end of period (000)   | \$ 293,549                         | \$ 243,571   | \$ 213,472        | \$ 299,372                         | \$ 319,131 | \$ 309,146 |
| Preferred Shares outstanding at \$25,000 liquidation<br>preference, end of period (000)                        | \$ 173,850                         | \$ 173,850   | \$ 173,850        | \$ 177,600                         | \$ 177,600 | \$ 177,600 |
| Portfolio turnover   | 6%                                 | 1%   | 5%                | 4%                                 | 12%        | 14%        |
| Asset coverage per Preferred Share at \$25,000 liquidation<br>preference, end of period                        | \$ 67,215                          | \$ 60,027  | \$ 55,703         | \$ 67,154                          | \$ 69,937  | \$ 68,527  |

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

<sup>2</sup> Total investment returns based on market price, 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 Municipal Income  
Trust (BFK)

|  | Period<br>November<br>1,<br>2008 to<br>April<br>30, |                     | Year Ended October<br>31, |                     |            |            |
|--|---|---------------------|---------------------------|---------------------|------------|------------|
|  | 2010  | 2009                | 2008                      | 2007                | 2006       | 2005       |
| <b>Per Share Operating Performance</b>   |   |                     |                           |                     |            |            |
| Net asset value, beginning of period   | \$ 10.74  | \$ 10.08            | \$ 14.55                  | \$ 15.37            | \$ 14.71   | \$ 14.26   |
| Net investment income  | 1.03 <sup>1</sup>                                   | 0.52 <sup>1</sup>   | 1.12 <sup>1</sup>         | 1.11                | 1.14       | 1.18       |
| Net realized and unrealized gain (loss)  | 2.42  | 0.58                | (4.38)                    | (0.63)              | 0.78       | 0.43       |
| Dividends and distributions to Preferred Shareholders from:  |   |                     |                           |                     |            |            |
| Net investment income  | (0.03)  | (0.03)              | (0.30)                    | (0.31)              | (0.27)     | (0.18)     |
| Net realized gain  |   |                     |                           | (0.00) <sup>2</sup> |            |            |
| Net increase (decrease) from investment operations   | 3.42  | 1.07                | (3.56)                    | 0.17                | 1.65       | 1.43       |
| Dividends and distributions to Common Shareholders from:   |   |                     |                           |                     |            |            |
| Net investment income  | (0.93)  | (0.41)              | (0.91)                    | (0.99)              | (0.99)     | (0.98)     |
| Net realized gain  |   |                     |                           | (0.00) <sup>2</sup> |            |            |
| Total dividends and distributions to Common Shareholders   | (0.93)  | (0.41)              | (0.91)                    | (0.99)              | (0.99)     | (0.98)     |
| Net asset value, end of period   | \$ 13.23  | \$ 10.74            | \$ 10.08                  | \$ 14.55            | \$ 15.37   | \$ 14.71   |
| Market price, end of period  | \$ 13.44  | \$ 11.10            | \$ 8.75                   | \$ 15.92            | \$ 17.30   | \$ 15.69   |
| <b>Total Investment Return<sup>3</sup></b>   |   |                     |                           |                     |            |            |
| Based on net asset value   | 32.75%  | 11.15% <sup>4</sup> | (25.69)%                  | 0.70%               | 11.24%     | 10.21%     |
| Based on market price  | 30.49%  | 32.34% <sup>4</sup> | (41.05)%                  | (2.11)%             | 17.39%     | 19.31%     |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>  |   |                     |                           |                     |            |            |
| Total expenses <sup>5</sup>  | 1.26%   | 1.44% <sup>6</sup>  | 1.38%                     | 1.18%               | 1.21%      | 1.22%      |
| Total expenses after fees waived and paid indirectly <sup>5</sup>  | 1.15%   | 1.26% <sup>6</sup>  | 1.15%                     | 0.88%               | 0.83%      | 0.83%      |
| Total expenses after fees waived and paid indirectly and<br>excluding interest expense and fees <sup>5,7</sup> | 1.07%   | 1.15% <sup>6</sup>  | 0.98%                     | 0.88%               | 0.83%      | 0.83%      |
| Net investment income <sup>5</sup>   | 8.37%   | 10.48% <sup>6</sup> | 8.34%                     | 7.43%               | 7.65%      | 7.97%      |
| Dividends to Preferred Shareholders  | 0.23%   | 0.70% <sup>6</sup>  | 2.19%                     | 2.04%               | 1.83%      | 1.23%      |
| Net investment income to Common Shareholders   | 8.14%   | 9.78% <sup>6</sup>  | 6.15%                     | 5.39%               | 5.82%      | 6.74%      |
| <b>Supplemental Data</b>   |   |                     |                           |                     |            |            |
| Net assets applicable to Common Shareholders,<br>end of period (000)   | \$ 587,250  | \$ 474,814          | \$ 445,289                | \$ 640,981          | \$ 674,080 | \$ 642,047 |
| Preferred Shares outstanding at \$25,000 liquidation<br>preference, end of period (000)                        | \$ 270,875  | \$ 293,125          | \$ 293,125                | \$ 375,125          | \$ 375,125 | \$ 375,125 |
| Portfolio turnover   | 32%   | 11%                 | 13%                       | 17%                 | 77%        | 68%        |

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Asset coverage per Preferred Share at \$25,000 liquidation

|                           |           |           |           |           |           |           |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| preference, end of period | \$ 79,201 | \$ 65,498 | \$ 62,989 | \$ 67,727 | \$ 69,933 | \$ 67,797 |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|

<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 price, 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.

See Notes to Financial Statements.

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

|  | Period<br>January<br>1,<br>Year Ended 2009 to |                     | Year Ended        |           |           |           |
|--|---|---------------------|-------------------|-----------|-----------|-----------|
|  | April 30,                                     | April 30,           | December 31,      |           |           |           |
|  | 2010  | 2009                | 2008              | 2007      | 2006      | 2005      |
| <b>Per Share Operating Performance</b>   |   |                     |                   |           |           |           |
| Net asset value, beginning of period   | \$ 11.87                                      | \$ 10.77            | \$ 14.12          | \$ 15.01  | \$ 15.27  | \$ 15.81  |
| Net investment income  | 0.92 <sup>1</sup>                             | 0.27 <sup>1</sup>   | 0.89 <sup>1</sup> | 0.99      | 1.02      | 0.97      |
| Net realized and unrealized gain (loss)  | 1.83  | 1.03                | (3.36)            | (0.74)    | (0.09)    | (0.42)    |
| Dividends to Preferred Shareholders from<br>net investment income  | (0.04)  | (0.02)              | (0.26)            | (0.31)    | (0.28)    | (0.19)    |
| Net increase (decrease) from investment operations   | 2.71  | 1.28                | (2.73)            | (0.06)    | 0.65      | 0.36      |
| Dividends to Common Shareholders from<br>net investment income   | (0.72)  | (0.18)              | (0.62)            | (0.83)    | (0.91)    | (0.90)    |
| Net asset value, end of period   | \$ 13.86                                      | \$ 11.87            | \$ 10.77          | \$ 14.12  | \$ 15.01  | \$ 15.27  |
| Market price, end of period  | \$ 13.88                                      | \$ 9.85             | \$ 8.42           | \$ 13.55  | \$ 17.43  | \$ 15.85  |
| <b>Total Investment Return<sup>2</sup></b>   |   |                     |                   |           |           |           |
| Based on net asset value   | 23.80%  | 12.28% <sup>3</sup> | (19.63)%          | (0.82)%   | 4.09%     | 2.39%     |
| Based on market price  | 49.41%  | 19.18% <sup>3</sup> | (34.53)%          | (18.04)%  | 16.45%    | 7.02%     |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>  |   |                     |                   |           |           |           |
| Total expenses <sup>4</sup>  | 1.60%   | 1.63% <sup>5</sup>  | 1.61%             | 1.55%     | 1.51%     | 1.52%     |
| Total expenses after fees waived and before fees<br>paid indirectly <sup>4</sup>                               | 1.59%   | 1.61% <sup>5</sup>  | 1.45%             | 1.37%     | 1.28%     | 1.21%     |
| Total expenses after fees waived and paid indirectly <sup>4</sup>  | 1.59%   | 1.61% <sup>5</sup>  | 1.45%             | 1.35%     | 1.23%     | 1.13%     |
| Total expenses after fees waived and paid indirectly<br>and excluding interest expense and fees <sup>4,6</sup> | 1.57%   | 1.61% <sup>5</sup>  | 1.42%             | 1.35%     | 1.23%     | 1.13%     |
| Net investment income <sup>4</sup>   | 6.94%   | 7.38% <sup>5</sup>  | 6.82%             | 6.82%     | 6.73%     | 6.28%     |
| Dividends to Preferred Shareholders  | 0.28%   | 0.56% <sup>5</sup>  | 2.17%             | 2.10%     | 1.85%     | 1.22%     |
| Net investment income to Common Shareholders   | 6.66%   | 6.82% <sup>5</sup>  | 4.65%             | 4.72%     | 4.88%     | 5.06%     |
| <b>Supplemental Data</b>   |   |                     |                   |           |           |           |
| Net assets applicable to Common Shareholders,<br>end of period (000)   | \$ 28,038                                     | \$ 24,023           | \$ 21,799         | \$ 28,560 | \$ 30,306 | \$ 30,801 |
| Preferred Shares outstanding at \$25,000 liquidation<br>preference, end of period (000)                        | \$ 16,325                                     | \$ 16,825           | \$ 16,825         | \$ 17,500 | \$ 17,500 | \$ 17,500 |
| Portfolio turnover   | 19%   | 8%                  | 45%               | 41%       | 7%        | 8%        |
| Asset coverage per Preferred Share at \$25,000 liquidation<br>preference, end of period                        | \$ 67,939                                     | \$ 60,696           | \$ 57,399         | \$ 65,817 | \$ 68,305 | \$ 69,008 |

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

<sup>2</sup> Total investment returns based on market price, 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. 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>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 Strategic Municipal  
Trust (BSD)

|  | Period<br>January<br>1,<br>Year Ended 2009 to |                     | Year Ended December<br>31, |            |            |            |
|--|---|---------------------|----------------------------|------------|------------|------------|
|  | April 30,<br>2010                             | April 30,<br>2009   | 2008                       | 2007       | 2006       | 2005       |
| <b>Per Share Operating Performance</b>   |   |                     |                            |            |            |            |
| Net asset value, beginning of period   | \$ 10.95                                      | \$ 9.90             | \$ 14.27                   | \$ 15.64   | \$ 15.68   | \$ 15.70   |
| Net investment income  | 0.96 <sup>1</sup>                             | 0.32 <sup>1</sup>   | 1.02 <sup>1</sup>          | 1.07       | 1.07       | 1.14       |
| Net realized and unrealized gain (loss)  | 1.96  | 1.00                | (4.32)                     | (1.10)     | 0.28       | 0.07       |
| Dividends to Preferred Shareholders from<br>net investment income  | (0.03)  | (0.02)              | (0.26)                     | (0.32)     | (0.29)     | (0.20)     |
| Net increase (decrease) from investment operations   | 2.89  | 1.30                | (3.56)                     | (0.35)     | 1.06       | 1.01       |
| Dividends to Common Shareholders from<br>net investment income   | (0.84)  | (0.25)              | (0.81)                     | (1.02)     | (1.10)     | (1.03)     |
| Net asset value, end of period   | \$ 13.00                                      | \$ 10.95            | \$ 9.90                    | \$ 14.27   | \$ 15.64   | \$ 15.68   |
| Market price, end of period  | \$ 12.95                                      | \$ 10.15            | \$ 8.19                    | \$ 13.96   | \$ 18.69   | \$ 17.14   |
| <b>Total Investment Return<sup>2</sup></b>   |   |                     |                            |            |            |            |
| Based on net asset value   | 27.36%  | 13.44% <sup>3</sup> | (25.70)%                   | (2.82)%    | 6.38%      | 6.67%      |
| Based on market price  | 36.87%  | 27.11% <sup>3</sup> | (37.17)%                   | (20.44)%   | 16.29%     | 26.08%     |
| <b>Ratios to Average Net Assets Applicable to Common Shareholders</b>  |   |                     |                            |            |            |            |
| Total expenses <sup>4</sup>  | 1.36%   | 1.49% <sup>5</sup>  | 1.54%                      | 1.30%      | 1.31%      | 1.29%      |
| Total expenses after fees waived and before fees<br>paid indirectly <sup>4</sup>                               | 1.36%   | 1.48% <sup>5</sup>  | 1.45%                      | 1.14%      | 1.07%      | 0.98%      |
| Total expenses after fees waived and paid indirectly <sup>4</sup>  | 1.36%   | 1.48% <sup>5</sup>  | 1.45%                      | 1.13%      | 1.04%      | 0.97%      |
| Total expenses after fees waived and paid indirectly<br>and excluding interest expense and fees <sup>4,6</sup> | 1.26%   | 1.40% <sup>5</sup>  | 1.23%                      | 1.13%      | 1.04%      | 0.97%      |
| Net investment income <sup>4</sup>   | 7.91%   | 9.48% <sup>5</sup>  | 8.04%                      | 7.12%      | 6.89%      | 7.23%      |
| Dividends to Preferred Shareholders  | 0.22%   | 0.49% <sup>5</sup>  | 2.02%                      | 2.12%      | 1.83%      | 1.26%      |
| Net investment income to Common Shareholders   | 7.69%   | 8.99% <sup>5</sup>  | 6.02%                      | 5.00%      | 5.06%      | 5.97%      |
| <b>Supplemental Data</b>   |   |                     |                            |            |            |            |
| Net assets applicable to Common Shareholders,<br>end of period (000)   | \$ 94,736                                     | \$ 79,820           | \$ 72,188                  | \$ 103,882 | \$ 113,697 | \$ 113,684 |
| Preferred Shares outstanding at \$25,000 liquidation<br>preference, end of period (000)                        | \$ 42,975                                     | \$ 47,750           | \$ 47,750                  | \$ 62,000  | \$ 62,000  | \$ 62,000  |
| Portfolio turnover   | 32%   | 6%                  | 17%                        | 21%        | 71%        | 96%        |
| Asset coverage per Preferred Share at \$25,000 liquidation<br>preference, end of period                        | \$ 80,113                                     | \$ 66,791           | \$ 62,803                  | \$ 66,904  | \$ 78,856  | \$ 70,847  |

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

<sup>2</sup> Total investment returns based on market price, 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. 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>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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## Notes to Financial Statements

### 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, together with BKN, 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 ( US GAAP ), 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: The Trusts policy is to fair value their financial instruments at market value, using independent dealers and pricing services selected under the supervision of the Board. Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments. Financial futures contracts traded on exchanges are valued at their last sale price. Short-term securities with remaining maturities of 60 days or less 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 the 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

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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:** The Trusts 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 bonds. 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 short-term 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 Trusts' Schedules of Investments and the proceeds from the issuance of the short-term floating rate certificates are shown as trust certificates in the Statements of Assets and Liabilities.

Interest income from the underlying municipal bonds are 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 and fees of the Trusts. The short-term 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 April 30, 2010, the aggregate value of the underlying municipal bonds transferred to TOBs, the related liability for trust certificates and the range of interest rates on the liability for trust certificates were as follows:

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## Notes to Financial Statements (continued)

|     | <b>Underlying<br/>Municipal</b> | <b>Liability</b>    | <b>Range of</b>       |       |
|-----|---------------------------------|---------------------|-----------------------|-------|
|     | <b>Bonds</b>                    | <b>for Trust</b>    | <b>Interest Rates</b> |       |
|     | <b>Transferred</b>              | <b>Certificates</b> |                       |       |
|     | <b>to TOBs</b>                  |                     |                       |       |
| BKN | \$ 21,389,309                   | \$11,137,401        | 0.23%                 | 0.40% |
| BTA | \$129,841,323                   | \$86,090,000        | 0.23%                 | 0.51% |
| BKK | \$ 5,480,800                    | \$ 3,750,000        |                       | 0.40% |
| BFK | \$123,288,690                   | \$68,583,501        | 0.21%                 | 0.45% |
| BPS | \$ 4,488,226                    | \$ 2,299,742        | 0.23%                 | 0.46% |
| BSD | \$ 22,954,227                   | \$12,396,382        | 0.21%                 | 0.40% |

For the year ended April 30, 2010, the Trusts' average trust certificates outstanding and the daily weighted average interest rate, including fees, were as follows:

|     | <b>Average Trust</b> | <b>Daily</b>    |
|-----|----------------------|-----------------|
|     | <b>Certificates</b>  | <b>Weighted</b> |
|     | <b>Outstanding</b>   | <b>Average</b>  |
|     |                      | <b>Interest</b> |
|     |                      | <b>Rate</b>     |
| BKN | \$10,982,150         | 0.72%           |
| BTA | \$82,681,431         | 1.11%           |
| BKK | \$ 3,750,000         | 0.76%           |
| BFK | \$65,136,376         | 0.73%           |
| BPS | \$ 701,864           | 0.84%           |
| BSD | \$11,769,343         | 0.73%           |

Should short-term interest rates rise, the Trusts' investments in TOBs may adversely affect the Trusts' net 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:** The Trusts 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 the Trusts either deliver collateral or segregate 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 investment transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income, including amortization of premium and accretion of discount on debt securities, is recognized on the accrual basis.

**Dividends and Distributions:** Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates. The amount and timing of dividends and distributions are determined in accordance with federal income tax regulations, which may differ from US GAAP. Dividends and distributions to Preferred Shareholders are accrued and determined as described in Note 7.

**Income Taxes:** It is each Trust's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, 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 remains open for the year ended April 30, 2010, the period ended April 30, 2009 and the preceding three taxable years of the respective Trust. The statutes of limitations on each of the Trusts' state and local tax returns may remain open for an additional year depending upon the jurisdiction. There are no uncertain tax positions that require recognition of a tax liability.

**Recent Accounting Standard:** In January 2010, the Financial Accounting Standards Board issued amended guidance to improve disclosure about fair value measurements which will require additional disclosures about transfers into and out of Levels 1 and 2 and separate disclosures about purchases, sales, issuances and settlements in the reconciliation for fair value measurements using significant unobservable inputs (Level 3). It also clarifies existing disclosure requirements relating to the levels of disaggregation for fair value measurement and inputs and valuation techniques used to measure fair value. The amended guidance is effective for financial statements for fiscal years beginning after December 15, 2009,

and interim periods within those fiscal years, except for disclosures about purchases, sales, issuances and settlements in the rollforward of activity in Level 3 fair value measurements, which are effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. The impact of this guidance on the Trusts' financial statements and disclosures 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 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

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## Notes to Financial Statements (continued)

cover each Trust's deferred compensation liability, if any, 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.

Other: Expenses directly related to a 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.

The Trusts have an arrangement with the custodian whereby fees may be reduced by credits earned on uninvested cash balances, which if applicable are shown as fees paid indirectly in the Statements of Operations. The custodian imposes fees on overdrawn cash balances, which can be offset by accumulated credits earned or may result in additional custody charges.

### 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 certain risks such as interest rate risk. Losses may arise if the value of the contract decreases due to an unfavorable change in the price of the underlying instrument or if the counterparty's 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. In addition, each Trust manages counterparty risk by entering into agreements only with counterparties that it believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Counterparty risk related to exchange-traded financial futures contracts is minimal because of the protection against defaults provided by the exchanges on which they trade.

Financial Futures Contracts: The Trusts may purchase or sell 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 transactions 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:

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The Effect of Derivative Instruments of the Statements of Operations  
Year Ended April 30, 2010\*

Net Realized Gain (Loss) From

|                             | BKN        | BTA         | BFK       | BPS       | BSD       |
|-----------------------------|------------|-------------|-----------|-----------|-----------|
| Interest rate contracts:    |            |             |           |           |           |
| Financial futures contracts | \$ (6,854) | \$ (32,862) | \$917,454 | \$ 17,063 | \$ 71,802 |

For the year ended April 30, 2010, the average quarterly balance of outstanding derivative financial instruments was as follows:

|   | BKN         | BTA | BFK                      | BPS          | BSD         |
|---|-------------|-----|--------------------------|--------------|-------------|
| Financial futures contracts:                  |             |     |                          |              |             |
| Average number of contracts purchased         | 4           | 46  | 70                       | 1            | 13          |
| Average number of contracts sold              | 26          | 13  | 150                      | 3            | 8           |
| Average notional value of contracts purchased | \$ 402,508  |     | \$5,429,258 \$ 8,058,216 | \$ 57,501    | \$1,502,005 |
| Average notional value of contracts sold      | \$3,042,397 |     | \$1,487,996 \$17,745,366 | \$357,118 \$ | 952,318     |

\* As of April 30, 2010, there were no financial futures contracts outstanding.

3. Investment Advisory Agreement and Other Transactions

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with Affiliates:

The PNC Financial Services Group, Inc. ("PNC"), Bank of America Corporation ("BAC") and Barclays Bank PLC ("Barclays") are the largest stockholders of BlackRock, Inc. ("BlackRock"). Due to the ownership structure, PNC is an affiliate of the Trusts for 1940 Act purposes, but BAC and Barclays are 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 at the following annual rates of each Trust's average weekly net assets as follows:

|     |       |
|-----|-------|
| 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 fees as a percentage of average net assets as follows:

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

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## Notes to Financial Statements (continued)

For the year ended April 30, 2010, the Manager waived the following amounts, which are included in fees waived by advisor in the Statements of Operations:

|     |           |
|-----|-----------|
| BTA | \$567,931 |
| BFK | \$549,893 |

The Manager has voluntarily agreed to waive its advisory fees by the amount of investment advisory fees the Trusts pay to the Manager indirectly through their investment in affiliated money market funds; however, the Manager does not waive its advisory fees by the amount of investment advisory fees through its investment in other affiliated investment companies, if any. This amount is included in fees waived by advisor in the Statements of Operations. For the year ended April 30, 2010, the amounts waived were as follows:

|     |          |
|-----|----------|
| BKN | \$ 8,791 |
| BTA | \$ 2,614 |
| BKK | \$ 3,357 |
| BFK | \$15,003 |
| BPS | \$ 2,180 |
| BSD | \$ 3,555 |

The Manager has entered into a separate sub-advisory agreement with BlackRock Financial Management, LLC ( BFM ), an affiliate of the Manager. The Manager pays BFM for services it provides, a monthly fee that is a percentage of the investment advisory fees paid by each Trust 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 year ended April 30, 2010, the Trusts reimbursed the Manager for certain accounting services, which are included in accounting services in the Statements of Operations. The reimbursements were as follows:

|     |          |
|-----|----------|
| BTA | \$ 4,942 |
| BKK | \$ 9,005 |
| BFK | \$17,922 |
| BPS | \$ 858   |
| BSD | \$ 2,835 |

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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, including paydowns and excluding short-term securities, for the year ended April 30, 2010, were as follows:

|     | Purchases     | Sales         |
|-----|---------------|---------------|
| BKN | \$153,183,797 | \$148,788,254 |
| BTA | \$ 76,057,897 | \$ 67,156,173 |
| BKK | \$ 31,453,700 | \$ 25,557,794 |
| BFK | \$272,989,099 | \$273,903,009 |
| BPS | \$ 11,770,611 | \$ 7,942,486  |
| BSD | \$ 44,939,101 | \$ 45,902,121 |

#### 5. Income Tax Information:

Reclassifications: Accounting principles generally accepted in the United States of America require that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share. The following permanent differences as of April 30, 2010 attributable to amortization methods on fixed income securities and income recognized from pass-through entities were reclassified to the following accounts:

|                                     | BKN         | BTA         | BFK        | BSD       |
|-------------------------------------|-------------|-------------|------------|-----------|
| Undistributed net investment income | \$ (35,949) | \$ (63,480) | \$ 2,172   | (18,794)  |
| Accumulated net realized loss       | \$ 35,949   | \$ 63,480   | \$ (2,172) | \$ 18,794 |

The tax character of distributions paid during the fiscal year ended April 30, 2010, period ended April 30, 2009, and fiscal years ended October 31, 2008 and December 31, 2008 was as follows:

|                   | BKN          | BTA          | BKK          | BFK          | BPS          | BSD       |
|-------------------|--------------|--------------|--------------|--------------|--------------|-----------|
| Tax Exempt Income |              |              |              |              |              | \$        |
| 4/30/2010         | \$16,623,854 | \$ 9,208,155 | \$15,895,100 | \$42,585,886 | \$ 1,528,702 | 6,302,528 |
| 4/30/2009         | 7,032,294    | 4,403,900    | 5,487,308    | 19,730,393   | 407,158      | 1,943,857 |
| 12/31/2008        |              |              | 21,045,740   |              | 1,818,032    | 7,766,914 |
| 10/31/2008        | 19,993,104   | 8,807,259    |              | 51,795,142   |              |           |

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|                     |              |              |              |              |              |           |           |
|---------------------|--------------|--------------|--------------|--------------|--------------|-----------|-----------|
| Ordinary Income     |              |              |              |              |              |           |           |
| 4/30/2009           | \$ 485,549   |              |              |              |              |           |           |
| 12/31/2008          |              |              |              | \$ 60,704    |              |           | \$ 20,253 |
| 10/31/2008          | 306,274      | \$ 541       |              | \$ 1,544,313 |              |           |           |
| Total Distributions |              |              |              |              |              |           |           |
|                     |              |              |              |              |              |           | \$        |
| 4/30/2010           | \$16,623,854 | \$ 9,208,155 | \$15,895,100 | \$42,585,886 | \$ 1,528,702 | 6,302,528 | \$        |
|                     |              |              |              |              |              |           | \$        |
| 4/30/2009           | \$ 7,517,843 | \$ 4,403,900 | \$ 5,487,308 | \$19,730,393 | \$ 407,158   | 1,943,857 | \$        |
|                     |              |              |              |              |              |           | \$        |
| 12/31/2008          |              |              | \$21,106,444 |              | \$ 1,818,032 | 7,787,167 |           |
| 10/31/2008          | \$20,299,378 | \$ 8,807,800 |              | \$53,339,455 |              |           |           |

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## Notes to Financial Statements (continued)

As of April 30, 2010, the tax components of accumulated net earnings (losses) were as follows:

|                                 | BKN                   | BTA                   | BKK                 | BFK                   | BPS                 | BSD                |
|---------------------------------|-----------------------|-----------------------|---------------------|-----------------------|---------------------|--------------------|
|                                 |                       |                       | \$                  |                       |                     |                    |
| Undistributed tax exempt income | \$ 4,443,228          | \$ 2,590,796          | 10,022,655          | \$ 9,556,456          | \$ 469,813          | \$ 1,390,198       |
| Undistributed ordinary income   | 5,442                 | 21,012                | 3,248               | 27,252                | 304                 | 24,961             |
| Capital loss carryforwards      | (10,976,747)          | (34,458,618)          | (1,672,606)         | (47,548,605)          | (1,777,681)         | (8,101,021)        |
| Net unrealized gains/losses*    | 2,938,195             | (8,585,534)           | (1,989,259)         | (4,839,888)           | 858,834             | (1,934,012)        |
|                                 |                       |                       |                     |                       |                     | \$                 |
| <b>Total</b>                    | <b>\$ (3,589,882)</b> | <b>\$(40,432,344)</b> | <b>\$ 6,364,038</b> | <b>\$(42,804,785)</b> | <b>\$ (448,730)</b> | <b>(8,619,874)</b> |

\* The differences between book-basis and tax-basis net unrealized gains/losses were attributable primarily to the tax deferral of losses on wash sales, amortization methods for pre-miums and discounts on fixed income securities, the deferral of post-October capital losses for tax purposes, the timing and recognition of partnership income, the treatment of residual interests in tender option bond trusts and the deferral of compensation to trustees.

As of April 30, 2010, 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               | BPS                 | BSD              |
|-------------------|----------------------|-------------------|---------------------|-------------------|---------------------|------------------|
|                   |                      |                   |                     | \$                |                     |                  |
| 2011              |                      |                   |                     | 11,445,922        |                     |                  |
| 2012              |                      |                   |                     | 15,775,833        |                     | \$ 427,602       |
| 2013              |                      |                   | \$ 264,701          |                   | \$ 133,646          | 1,011,077        |
| 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        | 127,957             | 251,883          |
| 2017              | 4,506,796            | 6,882,935         |                     | 2,065,704         | 929,529             | 4,028,776        |
| 2018              | 1,174,679            | 4,821,726         | 471,188             | 2,455,638         | 586,549             | 2,381,683        |
|                   |                      |                   | \$                  | \$                |                     | \$               |
| <b>Total</b>      | <b>\$ 10,976,747</b> | <b>34,458,618</b> | <b>\$ 1,672,606</b> | <b>47,548,605</b> | <b>\$ 1,777,681</b> | <b>8,101,021</b> |

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

The Trusts invest a substantial amount of their 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 may reduce the potential for loss due to credit risk. 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. The Trusts manage counterparty risk by entering into transactions only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. 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 generally approximated by their value recorded in the Trusts Statements of Assets and Liabilities, less any collateral held by the Trusts.

7. Capital Share Transactions:

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. BTA is authorized to issue an unlimited number of Common Shares, par value \$0.001 per share. BTA is also allowed to issue Preferred Shares but has not done so. Each Board is authorized, however, to reclassify any unissued shares without approval of Common Shareholders.

Common Shares

At April 30, 2010, 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>Year<br/>Ended</b> | <b>Period<br/>Ended</b> | <b>Prior</b> |
|-----------------------|-------------------------|--------------|
|-----------------------|-------------------------|--------------|

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|     | <b>April 30,</b> | <b>April 30,</b> | <b>Year</b>   |
|-----|------------------|------------------|---------------|
|     | <b>2010</b>      | <b>2009</b>      | <b>Ended*</b> |
| BKN | 58,180           |                  | 138,790       |
| BFK | 152,317          | 31,369           | 152,320       |
| BPS |                  |                  | 1,436         |
| BSD | 1,237            |                  | 6,166         |

\* The prior year ended for BKN and BFK is October 31, 2008; and December 31, 2008 for BPS and BSD.

Shares issued and outstanding remained constant for BTA and BKK for the year ended April 30, 2010, and the period ended April 30, 2009, and for the year ended October 31, 2008 for BTA and for the year ended December 31, 2008 for BKK.

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## Notes to Financial Statements (continued)

### 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 per share plus any accumulated and unpaid dividends whether or not declared. The Preferred Shares are also subject to mandatory redemption at their liquidation preference plus any accumulated and 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 Articles Supplementary (the "Governing Instrument") are not satisfied.

From time to time in the future, each Trust may effect repurchases of its Preferred Shares at prices below their liquidation preference as agreed upon by the Trust and seller. Each Trust also may redeem its Preferred Shares from time to time as provided in the applicable Governing Instrument. Each 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 of Common Shares (one vote per share) as a single class. However, the holders of Preferred Shares, voting as a separate class, are also entitled to elect two Directors 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 as of April 30, 2010:

|     |        | Preferred | Effective | Reset     |
|-----|--------|-----------|-----------|-----------|
|     | Series | Shares    | Yield     | Frequency |
|     |        |           |           | Days      |
| BKN | T7     | 2,804     | 0.47%     | 7         |
|     | T28    | 2,234     | 0.46%     | 28        |
| BKK | M7     | 2,318     | 0.49%     | 7         |
|     | W7     | 2,318     | 0.47%     | 7         |
|     | F7     | 2,318     | 0.49%     | 7         |
| BFK | M7     | 2,167     | 0.49%     | 7         |
|     | T7     | 2,167     | 0.47%     | 7         |
|     | W7     | 2,167     | 0.47%     | 7         |

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|     |    |       |       |   |
|-----|----|-------|-------|---|
|     | R7 | 2,167 | 0.47% | 7 |
|     | F7 | 2,167 | 0.49% | 7 |
| BPS | W7 | 653   | 0.47% | 7 |
| BSD | W7 | 1,719 | 0.47% | 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, each 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 year ended April 30, 2010 were as follows:

|     | <b>Series</b> | <b>Low</b> | <b>High</b> | <b>Average</b> |
|-----|---------------|------------|-------------|----------------|
| BKN | T7            | 0.26%      | 0.79%       | 0.45%          |
|     | T28           | 0.31%      | 0.75%       | 0.46%          |
| BKK | M7            | 0.24%      | 0.79%       | 0.44%          |
|     | W7            | 0.26%      | 0.79%       | 0.45%          |
|     | F7            | 0.24%      | 0.76%       | 0.44%          |
| BFK | M7            | 0.24%      | 0.79%       | 0.45%          |
|     | T7            | 0.26%      | 0.79%       | 0.45%          |
|     | W7            | 0.26%      | 0.79%       | 0.45%          |
|     | R7            | 0.24%      | 0.76%       | 0.44%          |
|     | F7            | 0.24%      | 0.76%       | 0.44%          |
| BPS | W7            | 0.26%      | 0.79%       | 0.45%          |
| BSD | W7            | 0.26%      | 0.79%       | 0.45%          |

Since February 13, 2008, the Preferred Shares of the Trusts failed to clear any of their auctions. As a result, the Preferred Shares dividend rates were reset to the maximum applicable rate, which ranged from 0.24% to 0.79% for the year ended April 30, 2010. 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. A successful auction for the Trusts' Preferred Shares may not occur for some time, if ever, and even if liquidity does resume, holders of the Preferred Shares 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 decla-

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ration, 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 year ended April 30, 2010, 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:

|     | <b>Series</b> | <b>Redemption<br/>Date</b> | <b>Shares<br/>Redeemed</b> | <b>Aggregate<br/>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                    |
|     | 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                    |

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## Notes to Financial Statements (concluded)

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:

|     | <b>Series</b> | <b>Redemption<br/>Date</b> | <b>Shares<br/>Redeemed</b> | <b>Aggregate<br/>Principal</b> |
|-----|---------------|----------------------------|----------------------------|--------------------------------|
| 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 Share redemptions with cash received from TOB transactions.

Preferred Shares issued and outstanding remained constant for the year ended April 30, 2010 for BKK.

### 8. Subsequent Events:

Management's evaluation of the impact of all subsequent events on the Trusts' financial statements was completed through the date the financial statements were issued and the following items were noted:

Each Trust paid a net investment income dividend on June 1, 2010 to Common Shareholders of record on May 14, 2010 as follows:

|     | <b>Common Dividend<br/>Per Share</b> |
|-----|--------------------------------------|
| BKN | \$0.08400                            |
| BTA | \$0.05950                            |
| BKK | \$0.06225                            |
| BFK | \$0.07860                            |
| BPS | \$0.07000                            |
| BSD | \$0.07250                            |

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The dividends declared on Preferred Shares for the period May 1, 2010 to May 31, 2010 were as follows:

|     |               | <b>Dividends</b> |
|-----|---------------|------------------|
|     | <b>Series</b> | <b>Declared</b>  |
| BKN | T7            | \$25,072         |
|     | T28           | \$19,810         |
| BKK | M7            | \$20,560         |
|     | W7            | \$20,631         |
|     | F7            | \$20,512         |
| BFK | M7            | \$19,221         |
|     | T7            | \$19,377         |
|     | W7            | \$19,288         |
|     | R7            | \$18,925         |
|     | F7            | \$19,176         |
| BPS | W7            | \$ 5,812         |
| BSD | W7            | \$15,300         |

On June 1, 2010, BPS declared a dividend to Common Shareholders of record on June 15, 2010 of \$0.07250 per share.

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## Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors/Trustees of:  
BlackRock Investment Quality Municipal Trust Inc.  
BlackRock Long-Term Municipal Advantage Trust  
BlackRock Municipal 2020 Term Trust  
BlackRock Municipal Income Trust  
BlackRock Pennsylvania Strategic Municipal Trust  
BlackRock Strategic Municipal Trust (collectively  
the Trusts ):

We have audited the accompanying statements of assets and liabilities of BlackRock Investment Quality Municipal Trust Inc., BlackRock Long-Term Municipal Advantage Trust, and BlackRock Municipal Income Trust, including the schedules of investments, as of April 30, 2010, the related statements of operations for the year then ended, the statement of cash flows for the year then ended for BlackRock Long-Term Municipal Advantage Trust, the statements of changes in net assets for the year ended April 30, 2010, for the period November 1, 2008 to April 30, 2009 and for the year ended October 31, 2008, and the financial highlights for the periods presented. We have also audited the accompanying statements of assets and liabilities of BlackRock Municipal 2020 Term Trust, BlackRock Pennsylvania Strategic Municipal Trust, and BlackRock Strategic Municipal Trust, including the schedules of investments, as of April 30, 2010, and the related statements of operations for the year then ended, the statements of changes in net assets for year ended April 30, 2010, for the period January 1, 2009 to April 30, 2009 and for the year ended December 31, 2008, and the financial highlights for the periods presented. These financial statements and financial highlights are the responsibility of the Trusts management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trusts are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate

in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trusts internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of April 30, 2010, by correspondence with the custodian and brokers; where replies were not received from brokers, we

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performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock Investment Quality Municipal Trust Inc., BlackRock Long-Term Municipal Advantage Trust, and BlackRock Municipal Income Trust as of April 30, 2010, the results of their operations for the year then ended, the cash flows for the year then ended for BlackRock Long-Term Municipal Advantage Trust, the changes in their net assets for the year ended April 30, 2010, for the period November 1, 2008 to April 30, 2009 and for the year ended October 31, 2008, and the financial highlights for the periods presented, in conformity with accounting principles generally accepted in the United States of America. Additionally, in our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock Municipal 2020 Term Trust, BlackRock Pennsylvania Strategic Municipal Trust, and BlackRock Strategic Municipal Trust as of April 30, 2010, the results of their operations for the year then ended, the changes in their net assets for the year ended April 30, 2010, for the period January 1, 2009 to April 30, 2009 and for the year ended December 31, 2008, and the financial highlights for the periods presented, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP  
Princeton, New Jersey  
June 28, 2010

### **Important Tax Information (Unaudited)**

All of the net investment income distributions paid by BKN, BTA, BKK, BFK, BPS and BSD during the taxable year ended April 30, 2010 qualify as tax-exempt interest dividends for federal income tax purposes.

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## Automatic Dividend Reinvestment Plans

Pursuant to each Trust's Dividend Reinvestment Plan (the Plan), common shareholders are automatically enrolled to have all distributions of dividends and capital gains reinvested by Computershare Trust Company, N.A. (the Plan Agent) in the respective Trust's shares pursuant to the Plan. Shareholders who do not participate in the Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Plan Agent, which serves as agent for the shareholders in administering the Plan.

After BKN, BTA, BFK, BPS, and BSD declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants' accounts, depending upon the following circumstances, either (i) through receipt of unissued but authorized shares from the Trust (newly issued shares) or (ii) by purchase of outstanding shares on the open market, on the Trust's primary exchange or elsewhere (open-market purchases). If, on the dividend payment date, the net asset value per share (NAV) is equal to or less than the market price per share plus estimated brokerage commissions (such condition often referred to as a market premium), the Plan Agent will invest the dividend amount in newly issued shares on behalf of the participants. The number of newly issued shares to be credited to each participant's account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the payment date, the dollar amount of the dividend will be divided by 95% of the market price on the payment date. If, on the dividend payment date, the NAV is greater than the market value per share plus estimated brokerage commissions (such condition often referred to as a market discount), the Plan Agent will invest the dividend amount in shares acquired on behalf of the participants in open-market purchases. If the Plan Agent is unable to invest the full dividend amount in open market purchases, or if the market discount shifts to a market premium during the purchase period, the Plan Agent will invest any un-invested portion in newly issued shares.

After BKK declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants' account by the purchase of outstanding shares on the open market, on BKK's primary exchange or elsewhere (open market purchases). BKK will not issue any new shares under the Plan.

Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Plan Administrator prior to the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

The Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by each Trust. However, each participant will pay a

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pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any federal income tax that maybe payable on such dividends or distributions.

Each Trust reserves the right to amend or terminate the Plan. There is no direct service charge to participants in the Plan; however, each Trust reserves the right to amend the Plan to include a service charge payable by the participants. Participants that request a sale of shares through the Plan Agent are subject to a \$2.50 sales fee and a \$0.15 per share sold brokerage commission. All correspondence concerning the Plan should be directed to the Plan Agent at P.O. Box 43078, Providence, RI 02940-3078 or by calling (800) 699-1BFM. All overnight correspondence should be directed to the Plan Agent at 250 Royall Street, Canton, MA 02021.

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## Officers and Trustees

| Name, Address and Year of Birth   | Position(s) Held with Trusts                                      | Length of Time Served as a Trustee <sup>2</sup> | Principal Occupation(s) During Past Five Years   | Number of                                       |   |
|---|---|---|--|---|---|
|   |   |   |  | BlackRock-Advised Funds and Portfolios Overseen | Public Directorships  |
| <b>Non-Interested Trustees<sup>1</sup></b>  |   |   |  |   |   |
| <b>Richard E. Cavanagh</b><br>55 East 52nd Street<br>New York, NY 10055<br>1946   | Chairman of the Board and Trustee                                 | Since 1994                                      | Trustee, Aircraft Finance Trust from 1999 to 2009; Director, The Guardian Life Insurance Company of America since 1998; Trustee, Educational Testing Service from 1997 to 2009 and Chairman thereof from 2005 to 2009; Senior Advisor, The Fremont Group since 2008 and Director thereof since 1996; Adjunct Lecturer, Harvard University since 2007; President and Chief Executive Officer, The Conference Board, Inc. (global business research organization) from 1995 to 2007. | 99 Funds<br>97 Portfolios                       | Arch Chemical (chemical and allied products)  |
| <b>Karen P. Robards</b><br>55 East 52nd Street<br>New York, NY 10055<br>1950      | Vice Chair of the Board, Chair of the Audit Committee and Trustee | Since 2007                                      | Partner of Robards & Company, LLC (financial advisory firm) since 1987; Co-founder and Director of the Cooke Center for Learning and Development, (a not-for-profit organization) since 1987; Director of Enable Medical Corp. from 1996 to 2005; Investment Banker at Morgan Stanley from 1976 to 1987.   | 99 Funds<br>97 Portfolios                       | AtriCure, Inc. (medical devices);<br>Care Investment Trust, Inc. (health care real estate investment trust) |
| <b>Frank J. Fabozzi</b><br>55 East 52nd Street<br>New York, NY 10055<br>1948      | Trustee and Member of the Audit Committee                         | Since 1993                                      | Consultant/Editor of The Journal of Portfolio Management since 2006; Professor in the Practice of Finance and Becton Fellow, Yale University, School of Management, since 2006; Adjunct Professor of Finance and Becton Fellow, Yale University from 1994 to 2006.   | 99 Funds<br>97 Portfolios                       | None  |
| <b>Kathleen F. Feldstein</b><br>55 East 52nd Street<br>New York, NY 10055<br>1941 | Trustee   | Since 2005                                      | President of Economics Studies, Inc. (private economic consulting firm) since 1987; Chair, Board of Trustees, McLean Hospital from 2000 to 2008 and Trustee Emeritus thereof since 2008; Member of the Board of Partners Community Healthcare, Inc. from 2005 to 2009; Member of the Corporation of Partners   | 99 Funds<br>97 Portfolios                       | The McClatchy Company (publishing);<br>Bell South (telecommunications);                                     |



## Officers and Trustees (continued)

| Name, Address<br>and Year of Birth   | Position(s)<br>Held with<br>Trusts                 | Length of<br>Time<br>Served as<br>a<br>Trustee <sup>2</sup> | Principal Occupation(s) During Past Five Years   | Number of   |   |
|--|--|---|--|---|---|
|  |  |   |  | BlackRock-<br>Advised<br>Funds<br>and<br>Portfolios | Public<br>Directorships   |
| <b>Non-Interested Trustees<sup>1</sup></b><br>(concluded)                                  |  |   |  |   |   |
| <b>R. Glenn<br/>Hubbard</b><br>55 East 52nd<br>Street<br>New York, NY<br>10055<br><br>1958 | Trustee  | Since<br><br>2004   | Dean, Columbia Business School since 2004; Columbia faculty member since 1988; Co-Director of Columbia Business School's Entrepreneurship Program from 1997 to 2004; Chairman, U.S. Council of Economic Advisers under the President of the United States from 2001 to 2003; Chairman, Economic Policy Committee of the OECD from 2001 to 2003.  | 99 Funds<br><br>97 Portfolios                       | ADP (data and information services);<br><br>KKR Financial Corporation (finance);<br>Metropolitan Life Insurance Company (insurance) |
| <b>W. Carl Kester</b><br>55 East 52nd<br>Street<br>New York, NY<br>10055<br><br>1951       | Trustee and<br>Member of<br>the Audit<br>Committee | Since<br><br>2007   | George Fisher Baker Jr. Professor of Business Administration, Harvard Business School; Deputy Dean for Academic Affairs since 2006; Unit Head, Finance, Harvard Business School from 2005 to 2006; Senior Associate Dean and Chairman of the MBA Program of Harvard Business School from 1999 to 2005; Member of the faculty of Harvard Business School since 1981; Independent Consultant since 1978. | 99 Funds<br><br>97 Portfolios                       | None  |

<sup>1</sup> Trustees serve until their resignation, removal or death, or until December 31 of the year in which they turn 72.

<sup>2</sup> Date shown is the earliest date a person has served for the Trusts covered by this annual report. Following the combination of Merrill Lynch Investment

Managers, L.P. ( MLIM ) and BlackRock, Inc. ( BlackRock ) in September 2006, the various legacy MLIM and legacy BlackRock Fund boards were

realigned and consolidated into three new Fund boards in 2007. As a result, although the chart shows certain trustees as joining the Trusts' board in

2007, each trustee first became a member of the board of other legacy MLIM or legacy BlackRock Funds as follows: Richard E. Cavanagh, 1994; Frank J.

Fabozzi, 1988; Kathleen F. Feldstein, 2005; James T. Flynn, 1996; Jerrold B. Harris, 1999; R. Glenn Hubbard, 2004; W. Carl Kester, 1995; and Karen P.

Robards, 1998.

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### Interested Trustees<sup>3</sup>

|   |   |  |
|---|---|--|
| <p><b>Richard S. Davis</b></p> <p>Trustee</p> <p>Since</p> <p>2007</p> <p>55 East 52nd Street<br/>New York, NY 10055<br/>1945</p> | <p>Managing Director, BlackRock, Inc. since 2005; Chief Executive Officer, State Street Research &amp; Management Company from 2000 to 2005; Chairman of the Board of Trustees, State Street Research Mutual Funds from 2000 to 2005.</p>   | <p>169 Funds</p> <p>298 Portfolios</p> <p>None</p> |
| <p><b>Henry Gabbay</b></p> <p>Trustee</p> <p>Since</p> <p>2007</p> <p>55 East 52nd Street<br/>New York, NY 10055<br/>1947</p>     | <p>Consultant, BlackRock, Inc. from 2007 to 2008; Managing Director, BlackRock, Inc. from 1989 to 2007; Chief Administrative Officer, BlackRock Advisors, LLC from 1998 to 2007; President of BlackRock Funds and BlackRock Bond Allocation Target Shares from 2005 to 2007; Treasurer of certain closed-end funds in the BlackRock fund complex from 1989 to 2006.</p> | <p>169 Funds</p> <p>298 Portfolios</p> <p>None</p> |

<sup>3</sup> Mr. Davis is an interested person, as defined in the Investment Company Act of 1940, of the Trusts based on his position with BlackRock, Inc. and its affiliates. Mr. Gabbay is an interested person of the Trusts based on his former positions with BlackRock, Inc. and its affiliates as well as his ownership of BlackRock, Inc. and the PNC Financial Services Group, Inc. securities. Trustees serve until their resignation, removal or death, or until December 31 of the year in which they turn 72.

Effective January 1, 2010, Kent Dixon, a Trustee of the Trusts, retired.

Effective March 31, 2010, G. Nicholas Beckwith, III, a Trustee of the Trusts, resigned.

The Trusts Board of Trustees extends its best wishes to both Mr. Dixon and Mr. Beckwith.

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## Officers and Trustees (concluded)

| Name, Address and Year of Birth   | Position(s)<br>Held with Trusts | Length of Time Served      | Principal Occupation(s) During Past 5 Years   |
|---|---------------------------------|----------------------------|---|
| <b>Officers<sup>1</sup></b>   |                                 |                            |   |
| <b>Anne Ackerley</b><br>55 East 52nd Street<br>New York, NY<br>10055<br>1962  | Chief<br>Executive<br>Officer   | Since<br>2009 <sup>2</sup> | Managing Director of BlackRock, Inc. since 2000; Vice President of the BlackRock-advised funds from 2007 to 2009; Chief Operating Officer of BlackRock's Global Client Group (GCG) since 2009; Chief Operating Officer of BlackRock's U.S. Retail Group from 2006 to 2009; Head of BlackRock's Mutual Fund Group from 2000 to 2006. |
| <b>Brendan Kyne</b><br>55 East 52nd Street<br>New York, NY<br>10055<br>1977   | Vice<br>President               | Since<br>2009              | Managing Director of BlackRock, Inc. since 2010; Director of BlackRock, Inc. from 2008 to 2009; Head of Product Development and Management for BlackRock's U.S. Retail Group since 2009, Co-head thereof from 2007 to 2009; Vice President of BlackRock, Inc. from 2005 to 2008.  |
| <b>Neal Andrews</b><br>55 East 52nd Street<br>New York, NY<br>10055<br>1966   | Chief<br>Financial<br>Officer   | Since<br>2007              | Managing Director of BlackRock, Inc. since 2006; Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. from 1992 to 2006.  |
| <b>Jay Fife</b><br>55 East 52nd Street<br>New York, NY<br>10055<br>1970       | Treasurer                       | Since<br>2007              | Managing Director of BlackRock, Inc. since 2007 and Director in 2006; Assistant Treasurer of the Merrill Lynch Investment Managers, L.P. ( MLIM ) and Fund Asset Management, L.P. advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006.  |
| <b>Brian Kindelan</b><br>55 East 52nd Street<br>New York, NY<br>10055<br>1959 | Chief<br>Compliance<br>Officer  | Since<br>2007              | Chief Compliance Officer of the BlackRock-advised funds since 2007; Managing Director and Senior Counsel of BlackRock, Inc. since 2005.   |
| <b>Howard Surloff</b><br>55 East 52nd Street<br>New York, NY<br>10055<br>1965 | Secretary                       | Since<br>2007              | Managing Director and General Counsel of U.S. Funds at BlackRock, Inc. since 2006; General Counsel (U.S.) of Goldman Sachs Asset Management, L.P. from 1993 to 2006.  |

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<sup>1</sup> Officers of the Trusts serve at the pleasure of the Boards.

<sup>2</sup> Ms. Ackerley has been President and Chief Executive Officer since 2009 and was Vice President from 2007 to 2009.

| <b>Investment Advisor</b>   | <b>Custodian</b>  | <b>Auction Agent</b>   | <b>Accounting Agent</b>   | <b>Legal Counsel</b>  |
|---|---|--|---|---|
| BlackRock Advisors,<br>LLC<br>Wilmington, DE<br>19809             | State Street Bank<br><br>and Trust Company<br>Boston, MA 02111                        | <b>Preferred Shares:</b><br><br>The Bank of<br>New York Mellon<br>New York, NY 10286 | State Street Bank<br><br>and Trust Company<br>Princeton, NJ 08540                 | Skadden, Arps, Slate,<br><br>Meagher & Flom LLP<br>New York, NY 10036 |
| <b>Sub-Advisor</b>  | <b>Transfer Agent</b>   |  | <b>Independent Registered</b>   | <b>Address of the</b>   |
| BlackRock Financial<br><br>Management, Inc.<br>New York, NY 10022 | <b>Common Shares:</b><br><br>Computershare Trust<br>Company, N.A.<br>Canton, MA 02021 |  | <b>Public Accounting Firm</b><br><br>Deloitte & Touche LLP<br>Princeton, NJ 08540 | Trusts<br>100 Bellevue<br>Parkway<br>Wilmington, DE<br>19809          |

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## Additional Information

### Trust Certification

Those Trusts listed for trading on the New York Stock Exchange ( NYSE ) have filed with the NYSE their annual chief executive officer certification regarding compliance with the NYSE s listing standards. Each Trust filed

with the Securities and Exchange Commission ( SEC ) the certification of its chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

### Dividend Policy

The Trusts dividend policy is to distribute all or a portion of their net investment income to its shareholders on a monthly basis. In order to provide shareholders with a more stable level of dividend distributions, the Trusts may at times pay out less than the entire amount of net investment income earned in any particular month and may at times in any particular month pay out such accumulated but undistributed income in addition to

net investment income earned in that month. As a result, the dividends paid by the Trusts for any particular month may be more or less than the amount of net investment income earned by the Trusts during such month. The Trusts current accumulated but undistributed net investment income, if any, is disclosed in the Statements of Assets and Liabilities, which comprises part of the financial information included in this report.

### General Information

The Trusts do not make available copies of their Statements of Additional Information because the Trusts shares are not continuously offered, which means that the Statement of Additional Information of each Trust has not been updated after completion of the respective Trust s offerings and the information contained in each Trust s Statement of Additional Information may have become outdated.

During the period, there were no material changes in the Trusts investment objectives or policies or to the Trusts charters or by-laws that were not approved by the shareholders or in the principal risk factors associated with investment in the Trusts. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Trusts portfolio.

Quarterly performance, semi-annual and annual reports and other information regarding the Funds may be found on BlackRock s website, which can be accessed at <http://www.blackrock.com>. This reference to BlackRock s website is intended to allow investors public access to information regarding the Funds and does not, and is not intended to, incorporate BlackRock s website into this report.

#### 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 is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded 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 call (800) 441-7762.

#### Availability of Quarterly Portfolio Schedule of Investments

Each Trust files its complete schedule of portfolio holdings with the 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 (800) SEC-0330. 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 (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>.

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## 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 reduce the Common Shares yield. Statements and other information herein are as dated and are subject to change.

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Item 2 Code of Ethics The registrant (or the Fund ) has adopted a code of ethics, as of the end of the period covered by this report, applicable to the registrant's principal executive officer, principal financial officer and principal accounting officer, or persons performing similar functions. During the period covered by this report, there have been no amendments to or waivers granted under the code of ethics. A copy of the code of ethics is available without charge at [www.blackrock.com](http://www.blackrock.com).

Item 3 Audit Committee Financial Expert The registrant's board of directors or trustees, as applicable (the board of directors ) has determined that (i) the registrant has the following audit committee financial experts serving on its audit committee and (ii) each audit committee financial expert is independent:

Kent Dixon (retired effective December 31, 2009)

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

The registrant's board of directors has determined that W. Carl Kester and Karen P. Robards qualify as financial experts pursuant to Item 3(c)(4) of Form N-CSR.

Prof. Kester has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Prof. Kester has been involved in providing valuation and other financial consulting services to corporate clients since 1978. Prof. Kester's financial consulting services present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrant's financial statements.

Ms. Robards has a thorough understanding of generally accepted accounting principles, financial statements and internal control over financial reporting as well as audit committee functions. Ms. Robards has been President of Robards & Company, a financial advisory firm, since 1987. Ms. Robards was formerly an investment banker for more than 10 years where she was responsible for evaluating and assessing the performance of companies based on their financial results. Ms. Robards has over 30 years of experience analyzing financial statements. She also is a member of the audit committee of one publicly held company and a non-profit organization.

Under applicable securities laws, a person determined to be an audit committee financial expert will not be deemed an expert for any purpose, including without limitation for the purposes of Section 11 of the Securities Act of 1933, as a result of being designated or identified as an audit committee financial expert. The designation or identification as an audit committee financial expert does not impose on such person any duties, obligations, or liabilities greater than the duties, obligations, and liabilities imposed on such person as a member of the audit committee and board of directors in the absence of such designation or identification.

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### Item 4 Principal Accountant Fees and Services

| Entity Name      | (a) Audit Fees |             | (b) Audit-Related Fees <sup>1</sup> |             | (c) Tax Fees <sup>2</sup> |             | (d) All Other Fees <sup>3</sup> |             |
|------------------|----------------|-------------|-------------------------------------|-------------|---------------------------|-------------|---------------------------------|-------------|
|                  | Current        | Previous    | Current                             | Previous    | Current                   | Previous    | Current                         | Previous    |
|                  | Fiscal Year    | Fiscal Year | Fiscal Year                         | Fiscal Year | Fiscal Year               | Fiscal Year | Fiscal Year                     | Fiscal Year |
|                  | End            | End         | End                                 | End         | End                       | End         | End                             | End         |
| BlackRock        |                |             |                                     |             |                           |             |                                 |             |
| Municipal Income | \$33,700       | \$33,700    | \$3,500                             | \$3,500     | \$6,100                   | \$6,100     | \$0                             | \$1,028     |
| Trust            |                |             |                                     |             |                           |             |                                 |             |

1 The nature of the services include assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.

2 The nature of the services include tax compliance, tax advice and tax planning.

3 The nature of the services include a review of compliance procedures and attestation thereto.

#### (e)(1) Audit Committee Pre-Approval Policies and Procedures:

The registrant's audit committee (the Committee) has adopted policies and procedures with regard to the pre-approval of services. Audit, audit-related and tax compliance services provided to the registrant on an annual basis require specific pre-approval by the Committee. The Committee also must approve other non-audit services provided to the registrant and those non-audit services provided to the registrant's affiliated service providers that relate directly to the operations and the financial reporting of the registrant. Certain of these non-audit services that the Committee believes are a) consistent with the SEC's auditor independence rules and b) routine and recurring services that will not impair the independence of the independent accountants may be approved by the Committee without consideration on a specific case-by-case basis (general pre-approval). The term of any general pre-approval is 12 months from the date of the pre-approval, unless the Committee provides for a different period. Tax or other non-audit services provided to the registrant which have a direct impact on the operation or financial reporting of the registrant will only be deemed pre-approved provided that any individual project does not exceed \$10,000 attributable to the registrant or \$50,000 for all of the registrants the Committee oversees. For this purpose, multiple projects will be aggregated to determine if they exceed the previously mentioned cost levels.

Any proposed services exceeding the pre-approved cost levels will require specific pre-approval by the Committee, as will any other services not subject to general pre-approval (e.g., unanticipated but permissible services). The Committee is informed of each service approved subject to general pre-approval at the next regularly scheduled in-person board meeting. At this meeting, an analysis of such services is presented to the Committee for ratification. The Committee may delegate to one or more of its members the authority to approve the provision of and fees for any specific engagement of permitted non-audit services, including services exceeding pre-approved cost levels.

(e)(2) None of the services described in each of Items 4(b) through (d) were approved by the audit committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

(f) Not Applicable

(g) Affiliates Aggregate Non-Audit Fees:

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| <b>Entity Name</b>                  | <b>Current Fiscal Year<br/>End</b> | <b>Previous Fiscal Year<br/>End</b> |
|-------------------------------------|------------------------------------|-------------------------------------|
| BlackRock Municipal Income<br>Trust | \$20,377                           | \$418,128                           |

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(h) The registrant's audit committee has considered and determined that the provision of non-audit services that were rendered to the registrant's investment adviser (not including any non-affiliated sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by the registrant's investment adviser), and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

Regulation S-X Rule 2-01(c)(7)(ii) \$10,777, 0%

**Item 5 Audit Committee of Listed Registrants** The following individuals are members of the registrant's separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(58)(A)):

Kent Dixon (retired effective December 31, 2009)

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

**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** The board of directors has delegated the voting of proxies for the Fund securities to the Fund's investment adviser ( "Investment Adviser" ) pursuant to the Investment Adviser's proxy voting guidelines. Under these guidelines, the Investment Adviser will vote proxies related to Fund securities in the best interests of the Fund and its stockholders. From time to time, a vote may present a conflict between the interests of the Fund's stockholders, on the one hand, and those of the Investment Adviser, or any affiliated person of the Fund or the Investment Adviser, on the other. In such event, provided that the Investment Adviser's Equity Investment Policy Oversight Committee, or a sub-committee thereof (the "Oversight Committee" ) is aware of the real or potential conflict or material non-routine matter and if the Oversight Committee does not reasonably believe it is able to follow its general voting guidelines (or if the particular proxy matter is not addressed in the guidelines) and vote impartially, the Oversight Committee may retain an independent fiduciary to advise the Oversight Committee on how to vote or to cast votes on behalf of the Investment Adviser's clients. If the Investment Adviser determines not to retain an independent fiduciary, or does not desire to follow the advice of such independent fiduciary, the Oversight Committee shall determine how to vote the proxy after consulting with the Investment Adviser's Portfolio Management Group and/or the Investment Adviser's Legal and Compliance Department and concluding that the vote cast is in its client's best interest notwithstanding the conflict. A copy of the Fund's Proxy Voting Policy and Procedures are attached as Exhibit 99.PROXYPOL. Information on how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available

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without charge, (i) at [www.blackrock.com](http://www.blackrock.com) and (ii) on the SEC's website at <http://www.sec.gov>.

Item 8 Portfolio Managers of Closed-End Management Investment Companies as of April 30, 2010.

(a)(1) The registrant is managed by a team of investment professionals comprised of Theodore R. Jaeckel, Jr., CFA, Managing Director at BlackRock and Walter O Connor, Managing Director at BlackRock. Each is a member of BlackRock's municipal tax-exempt management group. Each is jointly responsible for the day-to-day management of the registrant's portfolio, which includes setting the registrant's overall investment strategy, overseeing the management of the registrant and/or selection of its investments. Messrs. Jaeckel and O Connor have been members of the registrant's portfolio management team since 2006 and 2006, respectively.

| Portfolio Manager        | Biography   |
|--------------------------|---|
| Theodore R. Jaeckel, Jr. | Managing Director at BlackRock, Inc. since 2006; Managing Director of Merrill Lynch Investment Managers, L.P. ( MLIM ) from 2005 to 2006; Director of MLIM from 1997 to 2005. |
| Walter O Connor          | Managing Director of BlackRock, Inc. since 2006; Managing Director of MLIM from 2003 to 2006; Director of MLIM from 1998 to 2003.   |

(a)(2) As of April 30, 2010:

| (i) Name of<br>Portfolio Manager | (ii) Number of Other Accounts Managed<br>and Assets by Account Type |  |                   | (iii) Number of Other Accounts and<br>Assets for Which Advisory Fee is<br>Performance-Based |  |                   |
|----------------------------------|---|--|-------------------|---|--|-------------------|
|                                  | Other<br>Registered<br>Investment<br>Companies                      | Other Pooled<br>Investment<br>Vehicles | Other<br>Accounts | Other<br>Registered<br>Investment<br>Companies  | Other Pooled<br>Investment<br>Vehicles | Other<br>Accounts |
|                                  | Theodore R. Jaeckel, Jr.  | 72<br>\$19.29 Billion                  | 0<br>\$0          | 0<br>\$0  | 0<br>\$0                               | 0<br>\$0          |
| Walter O Connor                  | 72<br>\$19.29 Billion   | 0<br>\$0                               | 0<br>\$0          | 0<br>\$0  | 0<br>\$0                               | 0<br>\$0          |

(iv) Potential Material Conflicts of Interest

BlackRock and its affiliates (collectively, herein BlackRock) has built a professional working environment, firm-wide compliance culture and compliance procedures and systems designed to protect against potential incentives that may favor one account over another. BlackRock has adopted policies and procedures that address the allocation of investment opportunities, execution of portfolio transactions, personal trading by employees and other potential conflicts of interest that are designed to ensure that all client accounts are treated equitably over time. Nevertheless, BlackRock furnishes investment management and advisory services to numerous clients in addition to the Fund, and BlackRock may, consistent with applicable law, make investment recommendations to other clients or accounts (including accounts which are hedge funds or have performance or higher fees

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paid to BlackRock, or in which portfolio managers have a personal interest in the receipt of such fees), which may be the same as or different from those made to the Fund. In addition, BlackRock, its affiliates and significant shareholders and any officer, director, stockholder or employee may or may not have an interest in the securities whose purchase and sale

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BlackRock recommends to the Fund. BlackRock, or any of its affiliates or significant shareholders, or any officer, director, stockholder, employee or any member of their families may take different actions than those recommended to the Fund by BlackRock with respect to the same securities. Moreover, BlackRock may refrain from rendering any advice or services concerning securities of companies of which any of BlackRock's (or its affiliates' or significant shareholders') officers, directors or employees are directors or officers, or companies as to which BlackRock or any of its affiliates or significant shareholders or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Each portfolio manager also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for a fund. In this connection, it should be noted that a portfolio manager may currently manage certain accounts that are subject to performance fees. In addition, a portfolio manager may assist in managing certain hedge funds and may be entitled to receive a portion of any incentive fees earned on such funds and a portion of such incentive fees may be voluntarily or involuntarily deferred. Additional portfolio managers may in the future manage other such accounts or funds and may be entitled to receive incentive fees.

As a fiduciary, BlackRock owes a duty of loyalty to its clients and must treat each client fairly. When BlackRock purchases or sells securities for more than one account, the trades must be allocated in a manner consistent with its fiduciary duties. BlackRock attempts to allocate investments in a fair and equitable manner among client accounts, with no account receiving preferential treatment. To this end, BlackRock has adopted a policy that is intended to ensure that investment opportunities are allocated fairly and equitably among client accounts over time. This policy also seeks to achieve reasonable efficiency in client transactions and provide BlackRock with sufficient flexibility to allocate investments in a manner that is consistent with the particular investment discipline and client base.

(a)(3) As of April 30, 2010:

### **Portfolio Manager Compensation Overview**

BlackRock's financial arrangements with its portfolio managers, its competitive compensation and its career path emphasis at all levels reflect the value senior management places on key resources. Compensation may include a variety of components and may vary from year to year based on a number of factors. The principal components of compensation include a base salary, a performance-based discretionary bonus, participation in various benefits programs and one or more of the incentive compensation programs established by BlackRock such as its Long-Term Retention and Incentive Plan.

**Base compensation.** Generally, portfolio managers receive base compensation based on their seniority and/or their position with the firm. Senior portfolio managers who perform additional management functions within the portfolio management group or within BlackRock may receive additional compensation for serving in these other capacities.

### **Discretionary Incentive Compensation**

Discretionary incentive compensation is a function of several components: the performance of BlackRock, Inc., the performance of the portfolio manager's group within BlackRock, the investment performance, including risk-adjusted returns, of the firm's assets under management or supervision by that portfolio manager relative to predetermined benchmarks, and the individual's seniority, role within the portfolio management team, teamwork and contribution to the overall performance of these portfolios and BlackRock.



In most cases, including for the portfolio managers of the Fund, these benchmarks are the same as the benchmark or benchmarks against which the performance of the Fund or other accounts managed by the portfolio managers are measured. BlackRock's Chief Investment Officers determine the benchmarks against which the performance of funds and other accounts managed by each portfolio manager is compared and the period of time over which performance is evaluated. With respect to the portfolio managers, such benchmarks for the Fund include a combination of market-based indices (e.g. Barclays Capital Municipal Bond Index), certain customized indices and certain fund industry peer groups.

BlackRock's Chief Investment Officers make a subjective determination with respect to the portfolio managers' compensation based on the performance of the funds and other accounts managed by each portfolio manager relative to the various benchmarks noted above. Performance is measured on both a pre-tax and after-tax basis over various time periods including 1, 3, 5 and 10-year periods, as applicable.

#### **Distribution of Discretionary Incentive Compensation**

Discretionary incentive compensation is distributed to portfolio managers in a combination of cash and BlackRock, Inc. restricted stock units which vest ratably over a number of years. The BlackRock, Inc. restricted stock units, if properly vested, will be settled in BlackRock, Inc. common stock. Typically, the cash bonus, when combined with base salary, represents more than 60% of total compensation for the portfolio managers. Paying a portion of annual bonuses in stock puts compensation earned by a portfolio manager for a given year at risk based on BlackRock's ability to sustain and improve its performance over future periods.

*Long-Term Retention and Incentive Plan ( LTIP )* From time to time long-term incentive equity awards are granted to certain key employees to aid in retention, align their interests with long-term shareholder interests and motivate performance. Equity awards are generally granted in the form of BlackRock, Inc. restricted stock units that, once vested, settle in BlackRock, Inc. common stock. Messrs. Jaeckel and O'Connor have each received awards under the LTIP.

*Deferred Compensation Program* A portion of the compensation paid to eligible BlackRock employees may be voluntarily deferred into an account that tracks the performance of certain of the firm's investment products. Each participant in the deferred compensation program is permitted to allocate his deferred amounts among the various investment options. Messrs. Jaeckel and O'Connor have each participated in the deferred compensation program.

**Other compensation benefits.** In addition to base compensation and discretionary incentive compensation, portfolio managers may be eligible to receive or participate in one or more of the following:

*Incentive Savings Plans* BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock employees are eligible to participate, including a 401(k) plan, the BlackRock Retirement Savings Plan (RSP), and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution components of the RSP include a company match equal to 50% of the first 6% of eligible pay contributed to the plan capped at \$4,000 per year, and a company retirement contribution equal to 3-5% of eligible compensation. The RSP offers a range of investment options, including registered investment companies managed by the firm. BlackRock contributions follow the investment



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direction set by participants for their own contributions or, absent employee investment direction, are invested into a balanced portfolio. The ESPP allows for investment in BlackRock common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares or a dollar value of \$25,000. Each portfolio manager is eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities* April 30, 2010.

| <b>Portfolio Manager</b> | <b>Dollar Range of Equity Securities<br/>Beneficially Owned</b> |
|--------------------------|---|
| Theodore R. Jaeckel, Jr. | \$10,001 - \$50,000   |
| Walter O Connor          | None  |

Item 9 Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers Not Applicable due to no such purchases during the period covered by this report.

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.

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Item 12 Exhibits attached hereto

12(a)(1) Code of Ethics See Item 2

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: June 28, 2010

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: June 28, 2010

By: /s/ Neal J. Andrews

Neal J. Andrews

Chief Financial Officer (principal financial officer) of

BlackRock Municipal Income Trust

Date: June 28, 2010

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