

BLACKROCK MUNICIPAL INCOME TRUST II

Form N-CSR

November 05, 2012

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT

INVESTMENT COMPANIES

Investment Company Act file number 811-21126

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Municipal Income Trust II, 55 East 52nd Street, New York, NY 10055

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

Date of fiscal year end: 08/31/2012

Date of reporting period: 08/31/2012

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Item 1 Report to Stockholders

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August 31, 2012

Annual Report

BlackRock Municipal Bond Investment Trust (BIE)

BlackRock Municipal Bond Trust (BBK)

BlackRock Municipal Income Investment Quality Trust (BAF)

BlackRock Municipal Income Quality Trust (BYM)

BlackRock Municipal Income Trust II (BLE)

BlackRock MuniHoldings Investment Quality Fund (MFL)

BlackRock MuniVest Fund, Inc. (MVF)

Not FDIC Insured No Bank Guarantee May Lose Value

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Dear Shareholder

About this time one year ago, financial markets had been upended by sovereign debt turmoil in the United States and Europe as well as growing concerns about the future of the global economy. Since then, asset prices have waxed and waned in broad strokes as investors reacted to developments in Europe's financial situation, mixed US economic news and global central bank policy action.

After confidence crumbled in the third quarter of 2011, October brought improving economic data and more concerted efforts among European leaders toward stemming the region's debt crisis, gradually drawing investors back to the markets. Improving sentiment carried over into early 2012 as investors felt some relief from the world's financial woes. Volatility abated and risk assets (including stocks, commodities and high yield bonds) moved boldly higher through the first two months of 2012 while climbing Treasury yields pressured higher-quality fixed income assets.

Markets reversed course in the spring when Europe's debt problems boiled over once again. High levels of volatility returned as political instability in Greece threatened the country's membership in the euro zone. Spain faced severe deficit issues while the nation's banks clamored for liquidity. Yields on Spanish and Italian government debt rose to levels deemed unsustainable. European leaders conferred and debated vehemently over the need for fiscal integration among the 17 nations comprising the euro currency bloc as a means to resolve the crisis for the long term.

Alongside the drama in Europe, investors were discouraged by gloomy economic reports from various parts of the world. A slowdown in China, a key powerhouse for global growth, became particularly worrisome. In the United States, disappointing jobs reports dealt a crushing blow to sentiment. Risk assets sold off in the second quarter as investors again retreated to safe haven assets.

Despite the continuation of heightened market volatility, most asset classes enjoyed a robust summer rally. Global economic data continued to be mixed, but the spate of downside surprises seen in the second quarter began to recede and, outside of Europe, the risk of recession largely subsided. Central bank policy action has been a major driver of market sentiment in 2012. Investors' anticipation for economic stimulus drove asset prices higher over the summer as the European Central Bank stepped up its efforts to support the region's troubled nations and the US Federal Reserve reiterated its readiness to take action if economic conditions warrant.

On the whole, most asset classes advanced during the reporting period. US large cap stocks delivered strong returns for the 12 months ended August 31, 2012, while small cap stocks and high yield bonds also performed well. Despite the risk-asset rally in recent months, higher-quality investments including tax-exempt municipal bonds and US Treasury bonds posted exceptional gains by historical standards and outperformed investment-grade corporate bonds. International and emerging equities, however, lagged other asset classes amid ongoing global uncertainty. Near-zero short term interest rates kept yields on money market securities near their all-time lows.

We know that investors continue to face a world of uncertainty and volatile markets, but we also believe these challenging times present many opportunities. We remain committed to working with you and your financial professional to identify actionable ideas for your portfolio. We encourage you to visit www.blackrock.com/newworld for more information.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

We know that investors continue to face a world of uncertainty and volatile markets, but we also believe these challenging times present many opportunities.

Rob Kapito

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President, BlackRock Advisors, LLC

Total Returns as of August 31, 2012

	6-month	12-month
US large cap equities (S&P 500® Index)	4.14%	18.00%
US small cap equities (Russell 2000® Index)	0.89	13.40
International equities (MSCI Europe, Australasia, Far East Index)	(4.00)	(0.04)
Emerging market equities (MSCI Emerging Markets Index)	(10.51)	(5.80)
3-month Treasury bill (BofA Merrill Lynch 3-Month US Treasury Bill Index)	0.06	0.06
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	5.25	9.14
US investment grade bonds (Barclays US Aggregate Bond Index)	2.97	5.78
Tax-exempt municipal bonds (S&P Municipal Bond Index)	3.24	9.37
US high yield bonds (Barclays US Corporate High Yield 2% Issuer Capped Index)	4.80	13.84

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

THIS PAGE NOT PART OF YOUR FUND REPORT

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Table of Contents**Municipal Market Overview****For the 12-Month Period Ended August 31, 2012**

Municipal bonds delivered exceptional performance during the reporting period, with the S&P Municipal Bond Index gaining 9.37% for the 12 months ended August 31, 2012. In the later part of 2011, heightened volatility in equity markets led to increased demand for municipal bonds as investors flocked to more stable asset classes. The municipal market benefited from an exuberant Treasury market amid global uncertainty in addition to muted new issuance. Supply was constrained while demand from both traditional and non-traditional buyers was strong, pushing long-term municipal bond yields lower and sparking a curve-flattening trend that continued through year end. Ultimately, 2011 was one of the strongest performance years in municipal market history and municipal bonds outperformed most fixed income asset classes for the year.

Market conditions remained favorable even though supply picked up considerably in 2012. As the fiscal situation for municipalities continued to improve, the rate of new issuance came back in line with historical averages. Total new issuance for the first eight months of 2012 was \$253 billion as compared to \$288 billion for the entire year of 2011. It is important to note that refunding activity has accounted for a large portion of supply in 2012 as issuers refinanced their debt at lower interest rates. Refunding issues are easily absorbed by the market because when seasoned bonds are refinanced, issuers re-enter the market via cheaper and predominantly shorter-maturity financing. Investors, in turn, support these new issues with the proceeds from bond maturities or coupon payments.

Increased supply was met with the continuation of strong demand in 2012 as investors remained starved for yield in a low-rate environment. Investors poured into municipal bond mutual funds, particularly those with long-duration and high-yield investment mandates as they tend to provide higher levels of income. Year-to-date through August 2012, flows into municipal funds have totaled \$38.812 billion (according to the Investment Company Institute). Following an extensive period of significant outflows from late 2010 through mid-2011, these robust 2012 inflows are telling of the complete turnaround in confidence. Municipal market supply-and-demand technicals typically strengthen considerably upon the conclusion of tax season as net negative supply takes hold (i.e., more bonds are being called and maturing than being issued) and this theme remained intact for 2012. In the spring, a resurgence of concerns about Europe's financial crisis and weakening US economic data drove municipal bond yields lower and prices higher. In addition to income and capital preservation, investors were drawn to the asset class for its relatively low volatility. As global sentiment improved over the summer, municipal bonds outperformed the more volatile US Treasury market. Given these positive market factors, the S&P Municipal Bond Index has gained 5.99% year-to-date through August 31, 2012.

Overall, the municipal yield curve flattened during the period from August 31, 2011 to August 31, 2012. As measured by Thomson Municipal Market Data, yields declined by 100 basis points (bps) to 2.89% on AAA-rated 30-year municipal bonds and by 51 bps to 1.74% on 10-year bonds, while yields on 5-year issues fell 20 bps to 0.69%. While the entire municipal curve flattened over the 12-month time period, the spread between 2- and 30-year maturities tightened by 99 bps, and in the 2- to 10-year range, the spread tightened by 50 bps.

The fundamental picture for municipalities continues to improve. Austerity has been the general theme across the country as states set their budgets, although a small number of states continue to rely on a "kick-the-can" approach to close their budget gaps, using aggressive revenue projections and accounting gimmicks. It has been more than a year and a half since the fiscal problems plaguing state and local governments first became highly publicized and the prophecy of widespread defaults across the municipal market has not materialized. Year-to-date through August 2012, total outstanding municipal bonds entering into debt service cash-payment default for the first time had an aggregate par value of \$1.16 billion. This amount represents only 0.5% of total issuance for the same period and 0.031% of total municipal bonds outstanding. This compares favorably to data for the full year 2011 when first-time defaults totaled 0.84% of issuance and 0.065% of outstanding. (Data provided by Bank of America Merrill Lynch.) BlackRock maintains the view that municipal bond defaults will remain in the periphery and the overall market is fundamentally sound. We continue to recognize that careful credit research and security selection remain imperative amid uncertainty in this economic environment.

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

Table of Contents**Trust Summary** as of August 31, 2012**BlackRock Municipal Bond Investment Trust****Trust Overview**

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

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

Performance

For the 12 months ended August 31, 2012, the Trust returned 24.21% based on market price and 22.36% based on net asset value (NAV). For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 22.25% based on market price and 18.93% based on NAV. All returns reflect reinvestment of dividends. The Trust's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust's long duration posture (greater sensitivity to interest rates) contributed positively to performance as the municipal yield curve flattened (i.e., longer-term interest rates fell more than shorter rates) and bond prices moved higher on the long end of the curve. The Trust's longer-dated holdings in the health, transportation and utilities sectors experienced the strongest price appreciation. The Trust's small position in US Treasury futures as a strategy for hedging interest rate risk was a slight detractor from performance as rates generally declined during the period.

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

Trust Information

Symbol on New York Stock Exchange (NYSE)	BIE
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of August 31, 2012 (\$16.61) ¹	5.85%
Tax Equivalent Yield ²	9.00%
Current Monthly Distribution per Common Share ³	\$0.081
Current Annualized Distribution per Common Share ³	\$0.972
Economic Leverage as of August 31, 2012 ⁴	39%

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

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The Monthly Distribution per Common Share, declared on October 1, 2012, was decreased to \$0.078 per share. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

⁴ Represents Variable Rate Demand Preferred Shares (VRDP 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 VRDP 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 12.

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

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	8/31/12	8/31/11	Change	High	Low
Market Price	\$ 16.61	\$ 14.22	16.81%	\$ 17.20	\$ 14.18
Net Asset Value	\$ 16.88	\$ 14.67	15.06%	\$ 16.93	\$ 14.67

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

Sector Allocations

	8/31/12	8/31/11
County/City/Special District/School District	19%	17%
Transportation	18	21
Health	17	23
Utilities	16	19
Education	12	7
State	12	6
Housing	4	5
Corporate	1	1
Tobacco	1	1

Credit Quality Allocations⁵

	8/31/12	8/31/11
AAA/Aaa	15%	10%
AA/Aa	60	62
A	20	21
BBB/Baa	5	6
BB/Ba		1

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

Table of Contents**Trust Summary** as of August 31, 2012**BlackRock Municipal Bond Trust****Trust Overview**

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

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

Performance

For the 12 months ended August 31, 2012, the Trust returned 23.45% based on market price and 23.96% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 22.25% based on market price and 18.93% based on NAV. All returns reflect reinvestment of dividends. The Trust's premium to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust's neutral-to-long average duration (greater sensitivity to interest rates) contributed positively to performance as interest rates generally declined over the one-year period. A preference for longer-dated maturities enhanced returns as the municipal yield curve flattened (long-term interest rates fell more than short and intermediate rates). The Trust benefited from a tightening of credit spreads during the period, with particularly strong performance from its allocations to the health sector. Narrowing spreads also bode well for the Trust's holdings of lower-coupon bonds, which tend to offer higher yield and duration relative to their stated maturity. However, the Trust held limited exposure to tobacco, which was the strongest performing sector during the period. The Trust's small position in US Treasury futures as a strategy for hedging interest rate risk was a slight detractor from performance as rates generally declined during the period.

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

Trust Information

Symbol on NYSE	BBK
Initial Offering Date	April 30, 2002
Yield on Closing Market Price as of August 31, 2012 (\$17.16) ¹	5.84%
Tax Equivalent Yield ²	8.98%
Current Monthly Distribution per Common Share ³	\$0.0835
Current Annualized Distribution per Common Share ³	\$1.0020
Economic Leverage as of August 31, 2012 ⁴	35%

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

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents Variable Rate Muni Term Preferred Shares (VMTP Shares) and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP 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 12.

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

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	8/31/12	8/31/11	Change	High	Low
Market Price	\$ 17.16	\$ 14.86	15.48%	\$ 17.91	\$ 14.80
Net Asset Value.	\$ 16.79	\$ 14.48	15.95%	\$ 16.79	\$ 14.48

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

Sector Allocations

	8/31/12	8/31/11
Health	25%	21%
State	14	14
County/City/Special District/School District	13	12
Transportation	13	10
Education	11	10
Utilities	8	7
Housing	8	14
Corporate	5	10
Tobacco	3	2

Credit Quality Allocations⁵

	8/31/12	8/31/11
AAA/Aaa	9%	11%
AA/Aa	35	35
A	26	18
BBB/Baa	18	22
BB/Ba	4	1
B	2	6
CCC/Caa		1
Not Rated ⁶	6	6

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

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2012 and August 31, 2011, the market value of these securities was \$3,199,110, representing 1%, and \$4,464,558, representing 2%, respectively, of the Trust's long-term investments.

Table of Contents**Trust Summary** as of August 31, 2012**BlackRock Municipal Income Investment Quality Trust****Trust Overview**

BlackRock Municipal Income Investment Quality Trust's (BAF) (the Trust) investment objective is to provide current income exempt from federal income tax, including the alternative minimum tax and Florida intangible property tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its assets in municipal bonds exempt from federal income taxes, including the alternative minimum tax. The Trust also invests at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the 12 months ended August 31, 2012, the Trust returned 23.59% based on market price and 20.76% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 22.25% based on market price and 18.93% based on NAV. All returns reflect reinvestment of dividends. The Trust's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust's long duration posture (greater sensitivity to interest rates) contributed positively to performance as the municipal yield curve flattened (i.e., longer-term interest rates fell more than shorter rates) and bond prices moved higher on the long end of the curve. The Trust's longer-dated holdings in the health, transportation and utilities sectors experienced the strongest price appreciation. The Trust's small position in US Treasury futures as a strategy for hedging interest rate risk was a slight detractor from performance as rates generally declined during the period.

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

Trust Information

Symbol on NYSE	BAF
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of August 31, 2012 (\$16.24) ¹	5.36%
Tax Equivalent Yield ²	8.25%
Current Monthly Distribution per Common Share ³	\$0.0725
Current Annualized Distribution per Common Share ³	\$0.8700
Economic Leverage as of August 31, 2012 ⁴	35%

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

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The Monthly Distribution per Common Share, declared on October 1, 2012, was decreased to \$0.0685 per share. The Yield on Closing Market Price, Current Monthly Distribution per Common Share and Current Annualized Distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

⁴ Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP 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 12.

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

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	8/31/12	8/31/11	Change	High	Low
Market Price	\$ 16.24	\$ 13.92	16.67%	\$ 16.92	\$ 13.76
Net Asset Value	\$ 16.53	\$ 14.50	14.00%	\$ 16.61	\$ 14.50

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

Sector Allocations

	8/31/12	8/31/11
County/City/Special District/School District	29%	34%
Utilities	20	22
Transportation	19	16
Health	12	9
Education	10	9
State	8	8
Housing	1	1
Tobacco	1	1

Credit Quality Allocations⁵

	8/31/12	8/31/11
AAA/Aaa	11%	14%
AA/Aa	74	70
A	14	12
BBB/Baa	1	4

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

Table of Contents**Trust Summary** as of August 31, 2012**BlackRock Municipal Income Quality Trust****Trust Overview**

BlackRock Municipal Income Quality Trust's (BYM) (the Trust) investment objective is to provide current income exempt from federal income taxes, including the alternative minimum tax. The Trust seeks to achieve its investment objective by investing, under normal circumstances, at least 80% of its assets in municipal bonds exempt from federal income taxes, including the alternative minimum tax. The Trust also invests at least 80% of its assets in municipal bonds that are investment grade quality at the time of investment. The Trust may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the 12 months ended August 31, 2012, the Trust returned 28.40% based on market price and 21.54% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 22.25% based on market price and 18.93% based on NAV. All returns reflect reinvestment of dividends. The Trust moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. Over the one-year period, the Trust benefited from the declining interest rate environment (bond prices rise when interest rates fall), the flattening of the yield curve (long-term rates fell more than short and intermediate rates) and the tightening of credit spreads. The Trust's exposure to zero-coupon bonds and the health sector had a positive impact on performance as these types of bonds derived the greatest benefit from the decline in interest rates and spread tightening. The Trust's small position in US Treasury futures as its strategy for hedging interest rate risk was a modest detractor from performance as rates generally declined during the period.

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

Trust Information

Symbol on NYSE	BYM
Initial Offering Date	October 31, 2002
Yield on Closing Market Price as of August 31, 2012 (\$16.73) ¹	5.59%
Tax Equivalent Yield ²	8.60%
Current Monthly Distribution per Common Share ³	\$0.078
Current Annualized Distribution per Common Share ³	\$0.936
Economic Leverage as of August 31, 2012 ⁴	36%

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

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP 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 12.

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

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	8/31/12	8/31/11	Change	High	Low
Market Price	\$ 16.73	\$ 13.85	20.79%	\$ 17.02	\$ 13.76
Net Asset Value	\$ 16.11	\$ 14.09	14.34%	\$ 16.15	\$ 14.09

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

Sector Allocations

	8/31/12	8/31/11
Transportation	21%	24%
County/City/Special District/School District	19	18
Utilities	19	21
State	17	14
Health	9	8
Education	6	6
Tobacco	5	6
Corporate	3	2
Housing	1	1

Credit Quality Allocations⁵

	8/31/12	8/31/11
AAA/Aaa	17%	21%
AA/Aa	55	58
A	19	13
B	1	
BBB/Baa	7	8
Not Rated	1 ⁶	

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

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2012, the market value of these securities was \$8,360,761, representing 1% of the Trust's long-term investments.

Table of Contents**Trust Summary** as of August 31, 2012**BlackRock Municipal Income Trust II****Trust Overview**

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

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

Performance

For the 12 months ended August 31, 2012, the Trust returned 26.61% based on market price and 23.25% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 22.25% based on market price and 18.93% based on NAV. All returns reflect reinvestment of dividends. The Trust's premium to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust's long duration (greater sensitivity to interest rates) contributed positively to performance as interest rates generally declined over the one-year period. A preference for longer-dated maturities enhanced returns as the municipal yield curve flattened (long-term interest rates fell more than short and intermediate rates). The Trust's heavier concentrations in the strong-performing health and transportation sectors had a positive impact, as did exposure to lower-quality issues as credit spreads tightened during the period. However, the Trust held limited exposure to tobacco, which outperformed the broader market. The Trust's small position in US Treasury futures as a strategy for hedging interest rate risk was a slight detractor from performance as rates generally declined during the period.

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

Trust Information

Symbol on NYSE Amex	BLE
Initial Offering Date	July 30, 2002
Yield on Closing Market Price as of August 31, 2012 (\$16.74) ¹	6.09%
Tax Equivalent Yield ²	9.37%
Current Monthly Distribution per Common Share ³	\$0.085
Current Annualized Distribution per Common Share ³	\$1.020
Economic Leverage as of August 31, 2012 ⁴	39%

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

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP 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 12.

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

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	8/31/12	8/31/11	Change	High	Low
Market Price	\$ 16.74	\$ 14.13	18.47%	\$ 17.05	\$ 13.85
Net Asset Value	\$ 16.10	\$ 13.96	15.33%	\$ 16.11	\$ 13.96

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

Sector Allocations

	8/31/12	8/31/11
Health	18%	21%
Transportation	17	13
State	16	16
Utilities	15	13
County/City/Special District/School District	11	10
Education	9	8
Corporate	7	10
Tobacco	4	4
Housing	3	5

Credit Quality Allocations⁵

	8/31/12	8/31/11
AAA/Aaa	13%	10%
AA/Aa	36	32
A	25	26
BBB/Baa	17	16
BB/Ba	2	5
B	1	4
Not Rated ⁶	6	7

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

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2012 and August 31, 2011, the market value of these securities was \$12,361,560 and \$11,677,703, each representing 2%, respectively, of the Trust's long-term investments.

Table of Contents**Trust Summary** as of August 31, 2012**BlackRock MuniHoldings Investment Quality Fund****Trust Overview**

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

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

Performance

For the 12 months ended August 31, 2012, the Trust returned 23.93% based on market price and 21.22% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 22.25% based on market price and 18.93% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a discount to NAV to a premium by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Trust's long duration posture (greater sensitivity to interest rates) contributed positively to performance as the municipal yield curve flattened (i.e., longer-term interest rates fell more than shorter rates) and bond prices moved higher on the long end of the curve. The Trust's longer-dated holdings in the health, transportation and utilities sectors experienced the strongest price appreciation. The Trust's small position in US Treasury futures as a strategy for hedging interest rate risk was a slight detractor from performance as rates generally declined during the period.

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

Trust Information

Symbol on NYSE	MFL
Initial Offering Date	September 26, 1997
Yield on Closing Market Price as of August 31, 2012 (\$16.13) ¹	5.69%
Tax Equivalent Yield ²	8.75%
Current Monthly Distribution per Common Share ³	\$0.0765
Current Annualized Distribution per Common Share ³	\$0.9180
Economic Leverage as of August 31, 2012 ⁴	40%

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

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VRDP 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 12.

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

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	8/31/12	8/31/11	Change	High	Low
Market Price	\$ 16.13	\$ 13.84	16.55%	\$ 16.35	\$ 13.20
Net Asset Value	\$ 15.96	\$ 14.00	14.00%	\$ 16.03	\$ 14.00

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

Sector Allocations

	8/31/12	8/31/11
Transportation	21%	25%
Utilities	18	25
County/City/Special District/School District	16	18
State	16	10
Health	14	11
Education	11	6
Housing	3	4
Tobacco	1	1

Credit Quality Allocations⁵

	8/31/12	8/31/11
AAA/Aaa	14%	12%
AA/Aa	66	72
A	18	12
BBB/Baa	1	2
Not Rated ⁶	1	2

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

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2012 and August 31, 2011, the market value of these securities was \$4,206,588 and \$3,979,631, each representing less than 1%, respectively, of the Trust's long-term investments.

Table of Contents**Trust Summary** as of August 31, 2012

BlackRock MuniVest Fund, Inc.

Trust Overview

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

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

Performance

For the 12 months ended August 31, 2012, the Trust returned 24.24% based on market price and 19.85% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of 22.25% based on market price and 18.93% based on NAV. All returns reflect reinvestment of dividends. The Trust s premium to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. During the period, municipal bond prices generally rose as the yield curve flattened (longer-term interest rates fell more than shorter-term rates) and credit spreads tightened. Given these market conditions, the Trust s exposure to longer-maturity bonds and lower-quality investment grade bonds had a significant positive impact on performance. Exposure to the health sector and zero-coupon bonds also boosted returns as these bonds particularly benefited from the decline in interest rates and spread tightening during the period. The Trust s income component was negatively impacted by the recent high level of refunding activity in the market as issuers were enticed to refinance their outstanding debt at significantly lower interest rates. The Trust s small position in US Treasury futures as a strategy for hedging interest rate risk was a slight detractor from performance as rates generally declined during the period.

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

Trust Information

Symbol on NYSE Amex	MVF
Initial Offering Date	September 29, 1988
Yield on Closing Market Price as of August 31, 2012 (\$11.28) ¹	6.28%
Tax Equivalent Yield ²	9.66%
Current Monthly Distribution per Common Share ³	\$0.059
Current Annualized Distribution per Common Share ³	\$0.708
Economic Leverage as of August 31, 2012 ⁴	39%

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

² Tax equivalent yield assumes the maximum federal tax rate of 35%.

³ The distribution rate is not constant and is subject to change.

⁴ Represents VMTP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Trust, including any assets attributable to VMTP 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 12.

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

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	8/31/12	8/31/11	Change	High	Low
Market Price	\$ 11.28	\$ 9.73	15.93%	\$ 11.39	\$ 9.63
Net Asset Value	\$ 10.68	\$ 9.55	11.83%	\$ 10.71	\$ 9.55

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

Sector Allocations

	8/31/12	8/31/11
Health	28%	23%
Transportation	17	17
Education	10	9
Corporate	10	13
Housing	9	7
County/City/Special District/School District	8	9
Utilities	6	12
State	6	8
Tobacco	6	2

Credit Quality Allocations⁵

	8/31/12	8/31/11
AAA/Aaa	12%	12%
AA/Aa	46	46
A	25	22
BBB/Baa	12	15
BB/Ba	2	1
B		1
Not Rated ⁶	3	3

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

⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of August 31, 2012 and August 31, 2011, the market value of these securities was \$30,422,382, representing 3%, and \$22,724,541, 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 (Common Shares). However, these objectives cannot be achieved in all interest rate environments.

To obtain leverage, the Trusts issue Variable Rate Demand Preferred Shares (VRDP Shares) or Variable Rate Muni Term Preferred Shares (VMTP Shares) and previously issued and had outstanding Auction Market Preferred Shares (AMPS) (VRDP Shares and VMTP Shares are collectively referred to as Preferred Shares). Preferred Shares pay dividends at prevailing short-term interest rates, and the Trusts invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the financing cost of assets to be obtained from leverage, which will be based on short-term interest rates, will normally 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 shareholders will benefit from the incremental net income.

The interest earned on securities purchased with the proceeds from leverage is paid to shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share NAV. However, in order to benefit shareholders, the yield curve must be positively sloped; that is, short-term interest rates must be lower than long-term interest rates. If the yield curve becomes negatively sloped, meaning short-term interest rates exceed long-term interest rates, income to shareholders will be lower than if the Trusts had not used leverage.

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 income based on long-term interest rates. In this case, the dividends paid to holders of Preferred Shares (Preferred Shareholders) are significantly lower than the income earned on the Trust's long-term investments, and therefore the holders of Common Shares (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 will be reduced or eliminated completely. Furthermore, if prevailing short-term interest rates rise above long-term interest rates, the yield curve has a negative slope. In this case, the Trust pays higher short-term interest rates whereas the Trust's total portfolio earns income based on lower long-term interest rates.

Furthermore, the value of the Trusts' portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the redemption value of the Trusts' Preferred Shares and/or debt securities does not fluctuate in relation to interest rates. As a result, changes in

interest rates can influence the Trusts' NAVs positively or negatively in addition to the impact on Trust performance from leverage from Preferred Shares and borrowings discussed above.

The Trusts may also leverage their assets through the use of TOBs, as described in Note 1 of the Notes to Financial Statements. TOB investments generally will provide the Trusts with economic benefits in periods of declining short-term interest rates, but expose the Trusts to risks during periods of rising short-term interest rates similar to those associated with Preferred Shares issued by the Trusts, as described above. Additionally, fluctuations in the market value of municipal bonds deposited into the TOB trust may adversely affect each Trust's NAV 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' NAVs, market prices and dividend rates than comparable portfolios 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 rating agencies that rate the 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.

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Under the Investment Company Act of 1940, as amended (the "1940 Act"), the Trusts are permitted to issue senior securities in the form of equity securities (e.g., Preferred Shares) up to 50% of their total managed assets (each Trust's total assets less the sum of its accrued liabilities). In addition, each Trust with VRDP or VMTP Shares limits its economic leverage to 45% of its total managed assets. As of August 31, 2012, the Trusts had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

	Percent of Economic Leverage
BIE	39%
BBK	35%
BAF	35%
BYM	36%
BLE	39%
MFL	40%
MVF	39%

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Derivative Financial Instruments

The Trusts may invest in various derivative financial instruments, including financial futures contracts, as specified in Note 2 of the Notes to Financial Statements, which may constitute forms of economic leverage. Such derivative financial 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. Derivative financial instruments involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative financial instrument. The Trusts' ability to use a derivative financial instrument

successfully depends on the investment advisor's ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial instruments may result in losses greater than if they had not been used, may require a Trust to sell or purchase portfolio investments at inopportune times or for distressed values, may limit the amount of appreciation a Trust can realize on an investment, may result in lower dividends paid to shareholders or may cause a Trust to hold an investment that it might otherwise sell. The Trusts' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Table of Contents**Schedule of Investments** August 31, 2012**BlackRock Municipal Bond Investment Trust (BIE)**

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 0.3%		
Selma IDB, RB, International Paper Co. Project, Series A, 5.38%, 12/01/35	\$ 145	\$ 158,112
Alaska 0.2%		
Northern Tobacco Securitization Corp., Refunding RB, Tobacco Settlement Revenue, Asset-Backed, Series A, 5.00%, 6/01/46	180	145,013
Arizona 2.6%		
Arizona Board of Regents, Refunding COP, University of Arizona, Series C, 5.00%, 6/01/29	655	753,643
Arizona Board of Regents, Refunding RB, University of Arizona, Series A: 5.00%, 6/01/42	250	285,622
Tax Exempt, 5.00%, 7/01/30	365	433,248
		1,472,513
California 11.3%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38	700	821,961
California Health Facilities Financing Authority, RB, Stanford Hospital & Clinics, 5.00%, 8/15/42	430	475,438
California Health Facilities Financing Authority, Refunding RB, Catholic Healthcare West, Series A, 6.00%, 7/01/39	120	141,438
Grossmont Union High School District, GO, Election of 2008, Series B, 4.75%, 8/01/45	825	888,063
Los Angeles Department of Water & Power, RB, Power System, Sub-Series A-1, 5.25%, 7/01/38	1,660	1,937,187
San Diego Regional Building Authority California, RB, County Operations Center & Annex, Series A, 5.38%, 2/01/36	850	958,553
State of California, GO, Various Purpose, 6.00%, 3/01/33	685	842,249
University of California, Refunding RB, Limited Project, Series G, 5.00%, 5/15/37	250	288,633
		6,353,522
Colorado 3.0%		
Colorado Health Facilities Authority, Refunding RB, Catholic Healthcare, Series A, 5.50%, 7/01/34	580	661,652
University of Colorado, Refunding RB, Enterprise System, Series A-2: 5.00%, 6/01/32	460	546,669
5.00%, 6/01/33	400	473,116
		1,681,437
Florida 0.6%		
City of Jacksonville Florida, Refunding RB, Better Jacksonville Sales Tax, Series A, 5.00%, 10/01/30	295	339,899
Municipal Bonds		
Georgia 1.2%		
Municipal Electric Authority of Georgia, Refunding RB, Project One, Sub-Series D, 6.00%, 1/01/23	\$ 555	\$ 660,805
Illinois 12.9%		
Chicago Board of Education Illinois, GO, Series A: 5.50%, 12/01/39	500	583,140
5.00%, 12/01/42	740	806,230
Chicago Transit Authority, RB, Sales Tax Receipts Revenue, 5.25%, 12/01/36	165	188,762
City of Chicago Illinois, GARB, O Hare International Airport, Third Lien, Series C, 6.50%, 1/01/41	1,590	1,968,436
City of Chicago Illinois, Refunding RB, Sales Tax Revenue, Series A, 5.25%, 1/01/38	205	234,573
Cook County Forest Preserve District, GO, Series C, 5.00%, 12/15/32	150	171,717
Cook County Forest Preserve District, GO, Refunding, Limited Tax Project, Series B, 5.00%, 12/15/32	70	80,134
Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41	750	879,840

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Illinois Finance Authority, Refunding RB, Northwestern Memorial Hospital, 6.00%, 8/15/39	1,000	1,173,350
Metropolitan Pier & Exposition Authority, Refunding RB, McCormick Place Project, Series B, 5.00%, 12/15/28	530	618,828
Railsplitter Tobacco Settlement Authority, RB: 5.50%, 6/01/23	365	425,729
6.00%, 6/01/28	105	123,076
		7,253,815
Indiana 2.4%		
Indiana Municipal Power Agency, RB, Series B, 6.00%, 1/01/39	1,190	1,389,991
Kansas 3.9%		
Kansas Development Finance Authority, Refunding RB: Adventist Health, 5.50%, 11/15/29	900	1,054,323
Adventist Health System Sunbelt Obligated Group, 5.00%, 11/15/32	1,000	1,148,210
		2,202,533
Kentucky 2.5%		
Kentucky Economic Development Finance Authority, RB, Owensboro Medical Health System, Series A, 6.38%, 6/01/40	350	414,113
Louisville & Jefferson County Metropolitan Government Parking Authority, RB, Series A, 5.75%, 12/01/34	800	984,712
		1,398,825

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:

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

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (continued)****BlackRock Municipal Bond Investment Trust (BIE)**

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Louisiana 0.8%		
Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp., Series A-1, 6.50%, 11/01/35	\$ 380	\$ 441,579
Maine 1.5%		
Maine Health & Higher Educational Facilities Authority, RB, Maine General Medical Center, 7.50%, 7/01/32	675	838,485
Massachusetts 0.8%		
Massachusetts Development Finance Agency, Refunding RB, Trustees of Deerfield Academy, 5.00%, 10/01/40	375	433,714
Michigan 3.2%		
Lansing Board of Water & Light Utilities, RB, Series A, 5.50%, 7/01/41	485	574,322
Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 6.00%, 10/15/38	500	577,560
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39	530	681,750
		1,833,632
Mississippi 1.6%		
Mississippi Development Bank, Refunding RB, Jackson Mississippi Water & Sewer (AGM), 5.00%, 9/01/30	785	912,406
Multi-State 5.9%		
Centerline Equity Issuer Trust, 7.20%, 11/15/52 (a)(b)	3,000	3,320,520
Nevada 4.1%		
City of Las Vegas Nevada, GO, Limited Tax, Performing Arts Center, 6.00%, 4/01/34	1,000	1,177,980
County of Clark Nevada, RB, Series B, 5.75%, 7/01/42	1,000	1,147,150
		2,325,130
New Jersey 7.0%		
New Jersey EDA, Refunding RB, School Facilities Construction, Series AA, 5.50%, 12/15/29	750	879,435
New Jersey State Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29	610	673,019
New Jersey Transportation Trust Fund Authority, RB, Transportation System:		
Series A, 5.88%, 12/15/38	695	808,278
Series A, 5.50%, 6/15/41	500	584,135
Series B, 5.25%, 6/15/36	850	980,424
		3,925,291
New York 2.0%		
Hudson New York Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47	145	170,088
Metropolitan Transportation Authority, RB, Series E, 5.00%, 11/15/42	125	139,716
New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49	325	372,616
New York State Dormitory Authority, RB, Series B, 5.00%, 3/15/42	390	445,243
		1,127,663
North Carolina 1.1%		
North Carolina Medical Care Commission, RB, Duke University Health System, Series A, 5.00%, 6/01/32	530	614,148
Pennsylvania 7.5%		
Pennsylvania Economic Development Financing Authority, RB, American Water Co. Project, 6.20%, 4/01/39	300	350,901
Pennsylvania Turnpike Commission, RB, Sub-Series A: 5.63%, 12/01/31	750	882,113
Municipal Bonds	Par (000)	Value

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Pennsylvania (concluded)

Pennsylvania Turnpike Commission, RB, Sub-Series A: (concluded)		
6.00%, 12/01/41	\$ 1,500	\$ 1,707,375
Pennsylvania Turnpike Commission, Refunding RB, Sub-Series C (AGC), 6.25%, 6/01/38	500	609,395
Philadelphia Hospitals & Higher Education Facilities Authority, Refunding RB, Children s Hospital of Philadelphia, Series D, 5.00%, 7/01/32	575	664,602
		4,214,386

South Carolina 0.7%

City of North Charleston South Carolina, RB, 5.00%, 6/01/35	355	401,154
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Texas 11.6%

Central Texas Regional Mobility Authority, Refunding RB, Senior Lien, 6.00%, 1/01/41	890	1,034,901
Conroe ISD Texas, GO, School Building, Series A, 5.75%, 2/15/35	470	573,428
Harris County Health Facilities Development Corp., Refunding RB, Memorial Hermann Healthcare System, Series B, 7.13%, 12/01/31	250	310,452
Katy ISD, GO, Refunding, Unlimited Tax School Building, Series A (PSF-GTD), 5.00%, 2/15/42	295	343,522
Lamar Texas Consolidated ISD, GO, Refunding, School House Improvements, Series A, 5.00%, 2/15/45	500	578,670
North Texas Tollway Authority, RB, Special Projects System, Series A, 5.50%, 9/01/41	500	593,615
North Texas Tollway Authority, Refunding RB, System, First Tier, Series K-1 (AGC), 5.75%, 1/01/38	250	285,350
Tarrant County Cultural Education Facilities Finance Corp., RB, Scott & White Healthcare, 6.00%, 8/15/45	1,020	1,204,263
Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien, NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39	500	600,045
Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.00%, 8/15/42	290	290,081
University of Texas System, Refunding RB, Financing System Bonds, Series B, 5.00%, 8/15/43	615	718,443
		6,532,770

Virginia 3.6%

Fairfax County IDA, RB, Health Care, Inova Health System, Series A, 5.00%, 5/15/40	275	306,048
Norfolk Economic Development Authority, Refunding RB, Sentara Healthcare, Series B, 5.00%, 11/01/36	500	564,130
Virginia Public School Authority, RB, School Financing, 6.50%, 12/01/35	500	622,305
Virginia Resources Authority, RB, Series A-1, 5.00%, 11/01/42	485	563,895
		2,056,378

Washington 2.1%

Port of Seattle, Refunding RB, Intermediate Lien, Series A, 5.00%, 8/01/32	1,000	1,169,500
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Wisconsin 2.7%

Wisconsin Health & Educational Facilities Authority, RB, Ascension Health Alliance, Series D, 5.00%, 11/15/41	485	537,778
Wisconsin Health & Educational Facilities Authority, Refunding RB, Froedtert & Community Health, 5.25%, 4/01/39	890	985,808

		1,523,586
Total Municipal Bonds 97.1%		54,726,807

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (continued)****BlackRock Municipal Bond Investment Trust (BIE)**

(Percentages shown are based on Net Assets)

Municipal Bonds Transferred to

Tender Option Bond Trusts (c)	Par (000)	Value
California 18.8%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/39	\$ 1,005	\$ 1,177,187
Grossmont Union High School District, GO, Election of 2008, Series B, 5.00%, 8/01/40	1,300	1,448,044
Los Angeles Community College District California, GO, Election of 2008, Series C, 5.25%, 8/01/39	1,410	1,638,554
Los Angeles Community College District California, GO, Refunding, Series A, 6.00%, 8/01/33	2,079	2,528,274
Los Angeles Unified School District California, GO, Series I, 5.00%, 1/01/34	200	225,594
San Diego Public Facilities Financing Authority, Refunding RB, Series B, 5.50%, 8/01/39	2,234	2,611,173
University of California, RB, Series O, 5.75%, 5/15/34	810	971,598
		10,600,424
District of Columbia 3.5%		
District of Columbia, RB, Series A, 5.50%, 12/01/30	735	920,668
District of Columbia Water & Sewer Authority, Refunding RB, Series A, 5.50%, 10/01/39	899	1,050,555
		1,971,223
Florida 0.5%		
County of Miami-Dade Florida, RB, Transit System Sales Surtax, 5.00%, 7/01/42	260	292,659
Illinois 8.0%		
City of Chicago Illinois, Refunding RB, Second Lien Water, 5.00%, 11/01/42	400	455,150
Illinois Finance Authority, RB, University of Chicago, Series B, 6.25%, 7/01/38	1,500	1,845,585
Illinois State Toll Highway Authority, RB, Series B, 5.50%, 1/01/33	2,000	2,218,273
		4,519,008
Massachusetts 1.6%		
Massachusetts School Building Authority, RB, Senior Lien, Series B, 5.00%, 10/15/41	790	911,162
Nevada 3.3%		
Clark County Water Reclamation District, GO, Limited Tax, 6.00%, 7/01/38	1,500	1,845,465
New Hampshire 1.2%		
New Hampshire Health & Education Facilities Authority, RB, Dartmouth College, 5.25%, 6/01/39	585	694,383
New Jersey 2.1%		
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series A (AGM), 5.00%, 12/15/32	1,000	1,145,250
New York 14.5%		
New York City Municipal Water Finance Authority, RB, Fiscal 2009, Series A, 5.75%, 6/15/40	750	903,532
New York City Municipal Water Finance Authority, Refunding RB: 5.00%, 6/15/45	1,000	1,142,612
Series FF-2, 5.50%, 6/15/40	990	1,162,589
New York City Transitional Finance Authority, RB: Building Aid, Fiscal 2009, Series S-3, 5.25%, 1/15/39	1,000	1,125,645
Future Tax Secured, Fiscal 2012, Series E, 5.00%, 2/01/42	460	527,146
New York Liberty Development Corp., RB, 1 World Trade Center Project, 5.25%, 12/15/43	1,170	1,340,106
New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51	680	804,773
New York State Dormitory Authority, ERB, Series B, 5.25%, 3/15/38	1,000	1,168,710
		8,175,113
Municipal Bonds Transferred to		Value

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Tender Option Bond Trusts (c)	Par (000)	
Ohio 1.7%		
County of Allen Ohio, Refunding RB, Catholic Healthcare, Series A, 5.25%, 6/01/38	\$ 840	\$ 926,982
Puerto Rico 0.9%		
Puerto Rico Sales Tax Financing Corp., Refunding RB, Sales Tax Revenue, Series C, 5.25%, 8/01/40	460	511,513
Texas 7.3%		
City of San Antonio Texas, Refunding RB, Series A, 5.25%, 2/01/31	1,050	1,222,612
Harris County Cultural Education Facilities Finance Corp., RB, Hospital, Texas Children s Hospital Project, 5.50%, 10/01/39	1,450	1,713,769
Waco Educational Finance Corp., Refunding RB, Baylor University, 5.00%, 3/01/43	1,005	1,148,645
		4,085,026
Virginia 0.9%		
Fairfax County IDA Virginia, Refunding RB, Health Care, Inova Health System, Series A, 5.50%, 5/15/35	460	524,509
Washington 1.5%		
University of Washington, Refunding RB, Series A, 5.00%, 7/01/41	735	853,737
Total Municipal Bonds Transferred to Tender Option Bond Trusts 65.8%		37,056,454
Total Long-Term Investments (Cost \$81,671,960) 162.9%		91,783,261
Short-Term Securities	Shares	
FBI Institutional Tax-Exempt Fund, 0.01% (d)(e)	159,677	159,677
Total Short-Term Securities (Cost \$159,677) 0.3%		159,677
Total Investments (Cost \$81,831,637) 163.2%		91,942,938
Other Assets Less Liabilities 1.4%		779,902
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (33.0%)		(18,592,156)
VRDP Shares, at Liquidation Value (31.6%)		(17,800,000)
Net Assets Applicable to Common Shares 100.0%		\$ 56,330,684

- (a) 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.
- (b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) Securities represent bonds transferred to a TOB 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 TOBs.
- (d) Investments in issuers considered to be an affiliate of the Trust during the year ended August 31, 2012, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at August 31, 2011	Net Activity	Shares Held at August 31, 2012	Income
FBI Institutional Tax-Exempt Fund	2,198,525	(2,038,848)	159,677	\$ 403

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

See Notes to Financial Statements.

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AUGUST 31, 2012

Table of Contents**Schedule of Investments (concluded)****BlackRock Municipal Bond Investment Trust (BIE)**

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

Level 1 unadjusted price quotations in active markets/exchanges for identical assets 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)

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Trust's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based on the pricing transparency of the investment and is not necessarily an indication of the risks 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 Trust's investments categorized in the disclosure hierarchy as of August 31, 2012:

	Level 1	Level 2	Level 3	Total
Assets:				
Long-Term Investments ¹		\$ 91,783,261		\$ 91,783,261
Short-Term Securities	\$ 159,677			159,677
Total	\$ 159,677	\$ 91,783,261		\$ 91,942,938

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

Certain of the Trust's assets and liabilities are held at carrying amount, which approximates fair value for financial statement purposes. As of August 31, 2012, such assets and liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash	\$ 569,822			\$ 569,822
Liabilities:				
TOB trust certificates		\$ (18,585,072)		(18,585,072)
VRDP Shares		(17,800,000)		(17,800,000)
Total	\$ 569,822	\$ (36,385,072)		\$ (35,815,250)

There were no transfers between levels during the year ended August 31, 2012.

See Notes to Financial Statements.

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AUGUST 31, 2012

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Table of Contents**Schedule of Investments** August 31, 2012**BlackRock Municipal Bond Trust (BBK)**

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 4.0%		
Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC):		
6.00%, 6/01/34	\$ 1,150	\$ 1,369,742
6.00%, 6/01/39	450	531,589
Birmingham Water Works Board, RB, 4.75%, 1/01/36	2,100	2,281,902
Hoover City Board of Education, GO, Refunding, 4.25%, 2/15/40	2,750	2,926,990
		7,110,223
Arizona 9.4%		
Arizona Health Facilities Authority, Refunding RB, Phoenix Children s Hospital, Series A, 5.00%, 2/01/42 (a)		
	2,200	2,309,450
Arizona Sports & Tourism Authority, RB, Multipurpose Stadium Facilities, Series A (NPFGC), 5.00%, 7/01/13 (b)		
	1,500	1,559,145
Arizona State University, RB, Series D, 5.50%, 7/01/26	200	243,152
County of Pinal Arizona Election District No. 3, Refunding RB, 4.75%, 7/01/31	3,750	4,088,475
Pima County IDA, Refunding IDR, Tucson Electric Power, 5.75%, 9/01/29	900	960,606
Salt Verde Financial Corp., RB, Senior:		
5.00%, 12/01/32	1,500	1,598,880
5.00%, 12/01/37	2,065	2,203,499
San Luis Facility Development Corp., RB, Senior Lien, Regional Detention Center Project:		
6.25%, 5/01/15	185	183,994
7.00%, 5/01/20	300	305,412
7.25%, 5/01/27	600	574,902
State of Arizona, COP, Department of Administration, Series A (AGM), 5.00%, 10/01/29	750	835,440
University Medical Center Corp. Arizona, RB:		
6.00%, 7/01/39	900	1,037,853
6.50%, 7/01/39	500	578,915
		16,479,723
Arkansas 0.3%		
City of Conway Arkansas, RB, Wastewater Revenue Improvement, Series A, 4.20%, 10/01/37	500	517,715
California 17.8%		
California County Tobacco Securitization Agency, RB, CAB, Stanislaus, Sub-Series C, 11.02%, 6/01/55 (c)	4,500	45,945
California Educational Facilities Authority, RB, Santa Clara University, 5.00%, 2/01/40	1,000	1,112,400
California Health Facilities Financing Authority, RB, Sutter Health, Series B, 5.88%, 8/15/31	1,900	2,289,994
California HFA, RB, Home Mortgage, Series G, AMT, 5.05%, 2/01/29	2,285	2,269,531
Carlsbad Unified School District, GO, Election of 2006, Series B, 0.00%, 5/01/34 (d)	1,000	801,350
City of San Jose California, Refunding ARB, San Jose Airport, Series A1, AMT, 5.75%, 3/01/34	2,000	2,302,980
Dinuba Unified School District, GO, Election of 2006 (AGM):		
5.63%, 8/01/31	250	288,683
5.75%, 8/01/33	500	581,230
Hartnell Community College District California, GO, CAB, Election of 2002, Series D, 0.00%, 8/01/34 (d)	1,650	1,212,271
Norwalk-La Mirada Unified School District California, GO, CAB, Election of 2002, Series E (AGC), 5.18%, 8/01/38 (c)		
	8,000	2,125,600
Palomar Community College District, GO, CAB, Election of 2006, Series B:		
4.72%, 8/01/30 (c)	1,500	650,265
6.00%, 8/01/33 (c)	4,000	1,160,600
0.00%, 8/01/39 (d)	2,000	1,188,720
San Diego Community College District California, GO, CAB, Election of 2002, 0.00%, 8/01/19 (d)	2,800	2,272,648
	Par (000)	Value
Municipal Bonds		
California (concluded)		
San Jose Evergreen Community College District, GO, Election of 2010, Series B, 3.50%, 8/01/32	\$ 1,200	\$ 1,224,216
State of California, GO, Refunding: (NPFGC), 4.50%, 8/01/28		
	500	532,715

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Veterans, AMT, 5.05%, 12/01/36	1,000	1,022,580
State of California, GO, Various Purpose:		
5.75%, 4/01/31	2,000	2,359,000
6.00%, 3/01/33	1,000	1,229,560
6.50%, 4/01/33	1,950	2,430,090
5.50%, 3/01/40	2,350	2,692,700
Val Verde Unified School District California, Special Tax Bonds, Refunding, Junior Lien, 6.25%, 10/01/28	1,585	1,634,579
		31,427,657
Colorado 1.2%		
Colorado Health Facilities Authority, RB, Catholic Health Initiatives, Series D, 6.25%, 10/01/33	1,070	1,266,591
Park Creek Metropolitan District, Refunding RB, Limited Property Tax (AGM), 6.00%, 12/01/38	750	873,368
		2,139,959
Connecticut 1.7%		
Connecticut State Health & Educational Facilities Authority, Refunding RB:		
Hartford Healthcare, Series A, 5.00%, 7/01/32	1,390	1,536,061
Lawrence & Memorial Hospital, Series F, 5.00%, 7/01/36	550	603,433
Pomfret School, Series B, 4.00%, 7/01/37	490	498,085
Sacred Heart University, Series G, 5.38%, 7/01/31	400	443,708
		3,081,287
Delaware 0.8%		
County of Sussex Delaware, RB, NRG Energy, Inc., Indian River Project, 6.00%, 10/01/40	1,200	1,370,304
District of Columbia 1.4%		
District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.75%, 5/15/40	2,500	2,550,225
Florida 5.7%		
County of Lee Florida, Refunding RB, Lee Airport, Series A, AMT (AGM), 5.00%, 10/01/28	2,000	2,199,840
Orange County Health Facilities Authority, Refunding RB, Mayflower Retirement Center, 5.00%, 6/01/36	125	128,650
Palm Beach County Housing Finance Authority, HRB, Indian Trace Apartments, Series A, AMT (AGM), 5.63%, 1/01/44	7,050	7,057,261
Stevens Plantation Community Development District, Special Assessment Bonds, Series A, 7.10%, 5/01/35	910	682,637
		10,068,388
Georgia 1.1%		
Chatham County Hospital Authority, Refunding RB, Memorial Health University Medical Center, Inc., Series A, 4.00%, 1/01/34	2,000	2,026,380
Hawaii 0.2%		
Hawaii State Department of Budget & Finance Senior Living, Refunding RB, Special Purpose, Kahala Nui, 5.25%, 11/15/37	400	419,296
Idaho 1.2%		
Idaho Health Facilities Authority, Refunding RB, Trinity Health Group, Series B, 6.25%, 12/01/33	1,750	2,094,995
Illinois 10.9%		
Chicago Transit Authority, RB, Sales Tax Receipts Revenue, 5.25%, 12/01/40	665	758,506
City of Chicago, Refunding RB, O Hare International Airport, Passenger Facility Charge, Series B, AMT, 4.00%, 1/01/29 (a)	4,000	3,961,000

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (continued)****BlackRock Municipal Bond Trust (BBK)**

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Illinois (concluded)		
Illinois Finance Authority, RB:		
MJH Education Assistance IV LLC, Sub-Series B, 5.38%, 6/01/35 (e)(f)	\$ 425	\$ 42,479
Navistar International, Recovery Zone, 6.50%, 10/15/40	560	581,353
Roosevelt University Project, 6.50%, 4/01/44	1,000	1,123,340
Rush University Medical Center, Series C, 6.63%, 11/01/39	650	801,236
Illinois Finance Authority, Refunding RB:		
OSF Healthcare System, 6.00%, 5/15/39	1,025	1,178,032
Series A, Friendship Village Schaumburg, 5.63%, 2/15/37	210	210,995
Metropolitan Pier & Exposition Authority, Refunding RB, McCormick Place Project, Series B, 4.25%, 6/15/42	3,000	3,089,310
Railsplitter Tobacco Settlement Authority, RB:		
6.25%, 6/01/24	1,000	1,125,100
6.00%, 6/01/28	1,150	1,347,972
Village of Bolingbrook Illinois, GO, Refunding, Series B (NPFGC), 6.23%, 1/01/36 (c)	21,065	5,022,739
		19,242,062
Indiana 0.6%		
Indiana Finance Authority, Refunding RB, Improvement, U.S. Steel Corp., 6.00%, 12/01/26	1,000	1,040,640
Iowa 1.5%		
Iowa Higher Education Loan Authority, RB, Private College Facility, Buena Vista University Project, 5.00%, 4/01/31	875	976,369
Iowa Higher Education Loan Authority, Refunding RB, Private College Facility:		
5.75%, 9/01/30	500	554,710
6.00%, 9/01/39	1,000	1,106,420
		2,637,499
Louisiana 1.0%		
Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp, Series A-1, 6.50%, 11/01/35	1,050	1,220,152
Louisiana Public Facilities Authority, RB, Belle Chasse Educational Foundation Project, 6.50%, 5/01/31	400	455,628
		1,675,780
Maryland 1.9%		
Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25	250	270,800
Maryland Health & Higher Educational Facilities Authority, Refunding RB, Doctor s Community Hospital, 5.63%, 7/01/30	2,900	3,119,124
		3,389,924
Michigan 4.1%		
Board of Control of Michigan Technological University, Refunding RB, General, Series A, 4.00%, 10/01/30	1,290	1,345,509
Michigan State Building Authority, Refunding RB, Facilities Program, Series I, 6.25%, 10/15/38	1,250	1,461,525
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39	1,950	2,508,324
Wayne County Airport Authority, Refunding RB, Airport Revenue, Series A (AGM), 4.00%, 12/01/20	1,750	1,867,880
		7,183,238
Minnesota 3.8%		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38	4,600	5,493,688
Minnesota Higher Education Facilities Authority, Refunding RB, Saint Catherine University, Series 7-Q, 5.00%, 10/01/32 (a)	275	310,035

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Municipal Bonds	Par (000)	Value
Minnesota (concluded)		
Tobacco Securitization Authority Minnesota, Refunding RB, Tobacco Settlement, Series B, 5.25%, 3/01/31	\$ 800	\$ 902,664
		6,706,387
Mississippi 3.3%		
Mississippi Development Bank, RB, Hinds Community College District, CAB (AGM), 5.00%, 4/01/36	845	938,246
Mississippi Development Bank Special Obligation, RB, Jackson County Limited Tax Note (AGC), 5.50%, 7/01/32	1,750	1,997,520
University of Southern Mississippi, RB, Campus Facilities Improvements Project, 5.38%, 9/01/36	2,100	2,387,238
Warren County Mississippi, RB, Gulf Opportunity Zone Bonds, International Paper Company Project, Series A, AMT, 5.38%, 12/01/35	400	435,372
		5,758,376
Missouri 1.2%		
Missouri State Development Finance Board, RB, Annual Appropriation Sewer System, Series B, 5.00%, 11/01/41	900	966,303
Missouri State Development Finance Board, RB, St. Joseph Sewage System Improvements, 5.25%, 5/01/31	580	623,071
Missouri State Health & Educational Facilities Authority, RB, A.T. Still University Health Sciences, 5.25%, 10/01/31	500	566,320
		2,155,694
Montana 0.8%		
Montana Facility Finance Authority, Refunding RB, Sisters of Leavenworth, Series A, 4.75%, 1/01/40	1,350	1,464,615
Multi-State 6.6%		
Centerline Equity Issuer Trust, 7.20%, 11/15/52 (g)(h)	10,500	11,621,820
Nebraska 2.2%		
Central Plains Energy Project Nebraska, RB, Gas Project No. 3:		
5.25%, 9/01/37	510	543,507
5.00%, 9/01/42	600	622,482
Nebraska Investment Finance Authority, Refunding RB, Series A, 6.05%, 9/01/41	700	713,545
Omaha Nebraska Sanitation Sewer Revenue, RB, System, 4.25%, 11/15/38	1,890	2,014,456
		3,893,990
Nevada 1.1%		
City of Las Vegas Nevada, Special Assessment Bonds, Summerlin Area, 5.65%, 6/01/23	1,285	1,257,565
County of Clark Nevada, Refunding RB, Alexander Dawson School Nevada Project, 5.00%, 5/15/29	575	603,273
		1,860,838
New Jersey 11.5%		
Middlesex County Improvement Authority, RB, Subordinate, Heldrich Center Hotel, Series B, 6.25%, 1/01/37 (e)(f)	915	68,442
New Jersey EDA, RB, Continental Airlines, Inc. Project, AMT, 7.20%, 11/15/30 (i)	3,000	3,011,490
New Jersey EDA, Refunding RB, First Mortgage, Winchester, Series A, 5.80%, 11/01/31	1,500	1,537,980
New Jersey EDA, Refunding Special Assignment, Kapkowski Road Landfill Project, 6.50%, 4/01/28	7,500	8,965,500
New Jersey Educational Facilities Authority, Refunding RB, University of Medicine & Dentistry, Series B:		
7.13%, 12/01/23	630	786,902
7.50%, 12/01/32	800	1,002,872

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (continued)****BlackRock Municipal Bond Trust (BBK)**

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
New Jersey (concluded)		
New Jersey Health Care Facilities Financing Authority, Refunding RB Barnabas Health, Series A: 4.63%, 7/01/23	\$ 510	\$ 531,185
5.63%, 7/01/37	1,700	1,881,101
New Jersey State Housing & Mortgage Finance Agency, RB, Series AA, 6.50%, 10/01/38	565	601,855
New Jersey Transportation Trust Fund Authority, RB, Series B, 5.25%, 6/15/36	1,400	1,614,816
Union County Utilities Authority, Refunding RB, County Deficiency Agreement, Series A, 4.00%, 6/15/32	250	269,340
		20,271,483
New York 5.1%		
Albany Industrial Development Agency, RB, New Covenant Charter School Project, Series A, 7.00%, 5/01/35 (e)(f)	455	102,361
Hudson New York Yards Infrastructure Corp., RB, Series A (NPPGC): 4.50%, 2/15/47	750	773,490
5.00%, 2/15/47	1,000	1,058,410
New York City Industrial Development Agency, RB, American Airlines Inc., JFK International Airport, 7.75%, 8/01/31 (e)(i)	3,165	3,324,041
New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49	800	917,208
New York State Dormitory Authority, RB, Rochester Institute of Technology, Series A, 6.00%, 7/01/33	1,000	1,179,330
Westchester County Healthcare Corp. New York, Refunding RB, Senior Lien, Series A, Remarketing, 5.00%, 11/01/30	1,500	1,647,900
		9,002,740
North Carolina 5.8%		
City of Charlotte North Carolina, Refunding RB, Series A, 5.50%, 7/01/34	225	261,610
Gaston County Industrial Facilities & Pollution Control Financing Authority North Carolina, RB, Exempt Facilities, National Gypsum Co. Project, AMT, 5.75%, 8/01/35	2,945	2,667,257
North Carolina Capital Facilities Finance Agency, RB, Duke Energy Carolinas, Series B, 4.38%, 10/01/31	1,000	1,078,650
North Carolina Capital Facilities Finance Agency, Refunding RB, Duke Energy Carolinas, Series B, 4.63%, 11/01/40	5,000	5,355,950
North Carolina Medical Care Commission, Refunding RB, University Health System, Series D, 6.25%, 12/01/33	800	937,672
		10,301,139
North Dakota 1.4%		
City of Fargo North Dakota, Refunding RB, University Facilities Development Foundation Project: 3.00%, 12/01/30	400	389,536
4.00%, 12/01/36	600	628,878
City of Grand Forks North Dakota, Refunding RB, Healthcare Systems, 5.00%, 12/01/32	1,415	1,533,676
		2,552,090
Ohio 0.8%		
City of Marion, GO, Various Purpose Improvement, 4.00%, 12/01/33	480	485,611
Kent State University, RB, General Receipts, Series A, 5.00%, 5/01/42	800	901,856
		1,387,467
Oregon 3.5%		
City of Tigard Washington County Oregon, Refunding RB, Water System, 5.00%, 8/01/42	930	1,076,401
Municipal Bonds	Par (000)	Value
Oregon (concluded)		
Oregon Health & Science University, RB, Series A, 5.75%, 7/01/39	\$ 750	\$ 865,523
Oregon Health & Science University, Refunding RB, Series A, 3.00%, 7/01/24	2,000	2,015,760

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Oregon State Facilities Authority, RB, Student Housing, CHF- Ashland LLC, Southern Oregon University Project (AGM), 5.00%, 7/01/44	600	644,814
Oregon State Facilities Authority, Refunding RB, Limited College Project, Series A: 5.00%, 10/01/34	850	934,668
5.25%, 10/01/40	500	553,705
		6,090,871
Pennsylvania 3.6%		
County of Allegheny Pennsylvania IDA, Refunding RB, U.S. Steel Corp. Project, 6.55%, 12/01/27	1,695	1,848,177
Delaware River Port Authority, RB, Series D (AGM), 5.00%, 1/01/40	2,600	2,860,806
Pennsylvania Higher Educational Facilities Authority, RB, University Sciences Philadelphia (a): 4.00%, 11/01/39	560	553,930
5.00%, 11/01/42	1,000	1,090,670
		6,353,583
Puerto Rico 1.4%		
Puerto Rico Sales Tax Financing Corp., RB: CAB, Series A, 5.64%, 8/01/35 (c)	1,000	279,600
First Sub-Series A, 5.75%, 8/01/37	1,000	1,115,020
Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, Series A (NPFGC), 5.57%, 8/01/41 (c)	5,000	1,020,150
		2,414,770
Rhode Island 2.6%		
Rhode Island Health & Educational Building Corp., RB, Hospital Financing, LifeSpan Obligation, Series A (AGC), 7.00%, 5/15/39	1,000	1,209,900
Rhode Island Health & Educational Building Corp., Refunding RB, Rhode Island School of Design, 3.50%, 6/01/29	2,405	2,400,671
State of Rhode Island, COP, Series C, School for the Deaf (AGC), 5.38%, 4/01/28	900	1,024,506
		4,635,077
Tennessee 1.4%		
Johnson City Health & Educational Facilities Board, RB, Mountain States Health, 5.00%, 8/15/42 (a)	800	839,656
Memphis-Shelby County Sports Authority, Inc., Refunding RB, Memphis Arena Project, Series A, 5.38%, 11/01/28	275	310,392
Shelby County Health Educational & Housing Facilities Board, RB, Methodist Le Bonheur Healthcare, 5.00%, 5/01/42	1,200	1,300,368
		2,450,416
Texas 13.1%		
Harris County Health Facilities Development Corp., Refunding RB, Memorial Hermann Healthcare System, Series B: 7.13%, 12/01/31	500	620,905
7.25%, 12/01/35	1,750	2,185,592
Harris County Metropolitan Transit Authority Sales and Use Tax, RB, Series A, 5.00%, 11/01/36	400	459,880
Harris County-Houston Sports Authority, Refunding RB, CAB, Senior Lien, Series G (NPFGC), 6.11%, 11/15/41 (c)	11,690	2,014,304
Matagorda County Navigation District No. 1 Texas, Refunding RB, Central Power & Light Co. Project, Series A, 6.30%, 11/01/29	1,500	1,741,005

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (continued)****BlackRock Municipal Bond Trust (BBK)**

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Texas (concluded)		
Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien, LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40	\$ 2,000	\$ 2,440,580
Texas State Turnpike Authority, RB (AMBAC):		
CAB, 6.03%, 8/15/35 (c)	50,000	12,796,000
First Tier, Series A, 5.00%, 8/15/42	750	750,210
		23,008,476
Vermont 2.7%		
University of Vermont & State Agricultural College, Refunding RB, Series A, 4.00%, 10/01/38	2,000	2,053,800
Vermont Educational & Health Buildings Financing Agency, RB, Hospital, Fletcher Allen Health, Series A, 4.75%, 12/01/36	1,600	1,636,960
Vermont Educational & Health Buildings Financing Agency, Refunding RB, St. Michaels College, 5.00%, 10/01/42	900	992,907
		4,683,667
Virginia 0.6%		
Virginia Small Business Financing Authority, RB, Senior Lien, Elizabeth River Crossings OpCo LLC Project, AMT, 5.50%, 1/01/42	940	1,036,754
Washington 1.2%		
City of Lynnwood, GO (AGM), 4.00%, 12/01/37	400	415,336
Washington Healthcare Facilities Authority, RB, MultiCare Health System, Series B (AGC), 6.00%, 8/15/39	1,400	1,636,418
		2,051,754
West Virginia 0.7%		
West Virginia State University, RB, West Virginia University Projects, Series B, 5.00%, 10/01/36	1,100	1,275,659
Wisconsin 1.8%		
Public Finance Authority Wisconsin, Refunding RB, Senior Obligated Group, Series B, AMT, 5.00%, 7/01/42 (a)	950	953,230
Wisconsin Health & Educational Facilities Authority, RB, Gunderson Lutheran, 5.00%, 11/15/44 (a)	800	867,144
Wisconsin State Health & Educational Facilities Authority, Refunding RB, Ministry HealthCare, Series C, 5.00%, 8/15/32	1,200	1,328,904
		3,149,278
Wyoming 0.8%		
County of Sweetwater Wyoming, Refunding RB, Idaho Power Co. Project, 5.25%, 7/15/26	1,200	1,367,507
Total Municipal Bonds 141.8%		249,949,746

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

Colorado 2.3%		
Colorado Health Facilities Authority, RB, Catholic Health, Series C-7 (AGM), 5.00%, 9/01/36	3,750	4,008,825
Massachusetts 0.9%		
Massachusetts Water Resources Authority, Refunding RB, General, Series A, 5.00%, 8/01/41	1,450	1,634,136
Michigan 2.4%		
Michigan State Hospital Finance Authority, Refunding RB, Trinity Health Credit Group, Series C, 4.00%, 12/01/32	4,000	4,150,440
New York 8.2%		
Hudson New York Yards Infrastructure Corp., RB, Series A, 5.75%, 2/15/47	2,500	2,932,301
Municipal Bonds Transferred to Tender Option Bond Trusts (j)	Par (000)	Value

New York (concluded)

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New York City Municipal Water Finance Authority, RB, Fiscal 2009, Series A, 5.75%, 6/15/40	\$ 450	\$ 542,119
New York City Municipal Water Finance Authority, Refunding RB:		
Series A, 4.75%, 6/15/30	3,000	3,372,990
Series FF-2, 5.50%, 6/15/40	405	475,605
New York Liberty Development Corp., RB, 5.25%, 12/15/43	2,505	2,869,202
New York State Dormitory Authority, RB, New York University, Series A, 5.00%, 7/01/38	2,199	2,422,013
New York State Thruway Authority, Refunding RB, Transportation, Series A, 5.00%, 3/15/31	1,560	1,835,106
		14,449,336
Ohio 2.0%		
County of Montgomery Ohio, RB, Catholic Health, Series C-1 (AGM), 5.00%, 10/01/41	1,260	1,338,901
Ohio Higher Educational Facility Commission, Refunding RB, Hospital, Cleveland Clinic Health, Series A, 5.25%, 1/01/33	2,000	2,208,760
		3,547,661
Total Municipal Bonds Transferred to		
Tender Option Bond Trusts 15.8%		27,790,398
Total Long-Term Investments		
(Cost \$254,337,180) 157.6%		277,740,144
Short-Term Securities	Shares	
FFI Institutional Tax-Exempt Fund, 0.01%(k)(l)	583,607	583,607
Total Short-Term Securities		
(Cost \$583,607) 0.3%		583,607
Total Investments (Cost \$254,920,787) 157.9%		278,323,751
Liabilities in Excess of Other Assets (4.4)%		(7,713,969)
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (8.2)%		(14,494,197)
VMTP Shares, at Liquidation Value (45.3)%		(79,900,000)
		\$ 176,215,585

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

Counterparty	Value	Unrealized Appreciation
Goldman Sachs Group, Inc.	\$ 953,230	\$ 24,900
JPMorgan Chase & Co.	\$ 2,309,450	\$ 24,954
Merrill Lynch	\$ 3,351,400	\$ 28,190
Stifel, Nicolaus & Co.	\$ 3,961,000	\$ 8,440
Wells Fargo & Co.	\$ 310,035	\$ 932

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

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

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

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

(f) Non-income producing security.

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

See Notes to Financial Statements.

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Table of Contents**Schedule of Investments (concluded)****BlackRock Municipal Bond Trust (BBK)**

- (h) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (i) Variable rate security. Rate shown is as of report date.
- (j) Securities represent bonds transferred to a TOB 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 TOBs.
- (k) Investments in issuers considered to be an affiliate of the Trust during the year ended August 31, 2012, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at August 31, 2011	Net Activity	Shares Held at August 31, 2012	Income
FFI Institutional Tax-Exempt Fund	2,247,948	(1,664,341)	583,607	\$ 606

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

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

Level 1 unadjusted price quotations in active markets/exchanges for identical assets 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)

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Trust's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based on the pricing transparency of the investment and is not necessarily an indication of the risks 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 Trust's investments categorized in the disclosure hierarchy as of August 31, 2012:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 277,740,144		\$ 277,740,144

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Short-Term Securities	\$ 583,607		583,607
Total	\$ 583,607	\$ 277,740,144	\$ 278,323,751

¹ See above Schedule of Investments for values in each state or political subdivision. Certain of the Trust's liabilities are held at carrying amount, which approximates fair value for financial statement purposes. As of August 31, 2012, such liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Liabilities:				
TOB trust certificates		\$ (14,488,936)		\$ (14,488,936)
VMTP Shares		(79,900,000)		(79,900,000)
Total		\$ (94,388,936)		\$ (94,388,936)

There were no transfers between levels during the year ended August 31, 2012.

See Notes to Financial Statements.

Table of Contents**Schedule of Investments** August 31, 2012**BlackRock Municipal Income Investment Quality Trust (BAF)**

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 1.9%		
Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC):		
6.13%, 6/01/34	\$ 1,000	\$ 1,191,190
6.00%, 6/01/39	1,000	1,181,310
Selma IDB Alabama, RB, International Paper Co. Project, Series A, 5.38%, 12/01/35	335	365,294
		2,737,794
Arizona 2.5%		
Arizona Board of Regents, Refunding COP, University of Arizona, Series C:		
5.00%, 6/01/28	250	289,010
5.00%, 6/01/29	1,400	1,610,840
Arizona Board of Regents, Refunding RB, University of Arizona, Series A:		
5.00%, 6/01/42	500	571,245
Tax Exempt, 5.00%, 7/01/30	925	1,097,956
		3,569,051
California 15.0%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38		
	2,155	2,530,466
California Health Facilities Financing Authority, RB:		
Stanford Hospital & Clinics, Series A,		
5.00%, 8/15/42	1,095	1,210,709
Sutter Health, Series B, 6.00%, 8/15/42	1,120	1,342,186
County of Sacramento California, RB, Senior Series A (AGC), 5.50%, 7/01/41	1,400	1,572,424
Los Angeles Community College District California, GO:		
Election of 2001, Series A (NPFGC),		
5.00%, 8/01/32	1,000	1,128,980
Election of 2008, Series C, 5.25%, 8/01/39	500	581,035
Los Angeles Department of Water & Power, RB, Power System, Sub-Series A-1, 5.25%, 7/01/38	1,175	1,371,201
Los Angeles Municipal Improvement Corp., Refunding RB, Real Property, Series B (AGC), 5.50%, 4/01/39	3,210	3,610,576
Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/34	1,000	1,188,270
San Bernardino Community College District, GO, Election of 2002, Series A, 6.25%, 8/01/33	925	1,107,900
San Diego Public Facilities Financing Authority, Refunding RB, Series B (AGC), 5.38%, 8/01/34	1,125	1,319,107
State of California, GO, Refunding, Various Purpose, 5.00%, 9/01/41	3,270	3,585,032
University of California, Refunding RB, Limited Project, Series G, 5.00%, 5/15/37	1,000	1,154,530
		21,702,416
Colorado 3.0%		
Colorado Health Facilities Authority, RB, Hospital, NCMC Inc. Project, Series B (AGM), 6.00%, 5/15/26		
	1,425	1,695,807
University of Colorado, Refunding RB, Enterprise System, Series A-2:		
5.00%, 6/01/32	1,165	1,384,498
5.00%, 6/01/33	1,010	1,194,618
		4,274,923
Florida 6.7%		
City of Jacksonville Florida, RB, Series A,		
5.25%, 10/01/31	4,525	5,313,436
City of Jacksonville Florida, Refunding RB, Better Jacksonville, Series A, 5.00%, 10/01/30	745	858,389
	Par (000)	Value
Municipal Bonds		

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Florida (concluded)

Orange County Health Facilities Authority, RB, The Nemours Foundation Project, Series A, 5.00%, 1/01/29	\$ 1,070	\$ 1,216,718
Palm Beach County Florida School Board, Refunding COP, Series A, 5.00%, 8/01/28	2,000	2,309,300

9,697,843

Georgia 2.1%

City of Atlanta Georgia, Refunding RB, General, Series C, 6.00%, 1/01/30	2,500	3,090,825
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Illinois 13.0%

Chicago Board of Education Illinois, GO, Series A: 5.50%, 12/01/39	1,500	1,749,420
5.00%, 12/01/42	1,865	2,031,918
Chicago Transit Authority, RB: Federal Transit Administration Section 5309, Series A (AGC), 6.00%, 6/01/26	1,300	1,535,547
Sales Tax Receipts Revenue, 5.25%, 12/01/36	415	474,764
Sales Tax Receipts Revenue, 5.25%, 12/01/40	1,325	1,511,308
City of Chicago Illinois, Refunding RB, Sales Tax Revenue, Series A, 5.25%, 1/01/38	515	589,294
City of Chicago Illinois O Hare International Airport, RB, General, Third Lien: Series A, 5.75%, 1/01/39	825	971,174
Series C, 6.50%, 1/01/41	3,740	4,630,157
City of Chicago Illinois O Hare International Airport, Refunding RB, General, Third Lien, Series C (AGC), 5.25%, 1/01/30	1,000	1,133,710
Cook County Forest Preserve District, GO, Series C, 5.00%, 12/15/32	380	435,016
Cook County Forest Preserve District, GO, Refunding, Limited Tax Project, Series B, 5.00%, 12/15/32	180	206,060
Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41	1,885	2,211,331
Railsplitter Tobacco Settlement Authority, RB: 5.50%, 6/01/23	915	1,067,238
6.00%, 6/01/28	260	304,759

18,851,696

Indiana 3.1%

Indiana Finance Authority Waste Water Utility, RB, First Lien CWA Authority Project, Series A, 5.00%, 10/01/41	1,500	1,678,695
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC), 5.50%, 1/01/38	2,415	2,738,441

4,417,136

Kansas 2.4%

Kansas Development Finance Authority, Refunding RB, Adventist Health Sunbelt Obligation, Series A, 5.00%, 11/15/32	3,000	3,444,630
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Louisiana 0.4%

New Orleans Aviation Board Louisiana, Refunding RB, GARB, Restructuring (AGC): Series A-1, 6.00%, 1/01/23	375	448,268
Series A-2, 6.00%, 1/01/23	150	179,307

627,575

Michigan 6.6%

City of Detroit Michigan, RB, Second Lien, Series B (AGM), 6.25%, 7/01/36	1,700	1,980,721
City of Detroit Michigan, Refunding RB, Senior Lien, Series C-1 (AGM), 7.00%, 7/01/27	1,800	2,155,644

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (continued)****BlackRock Municipal Income Investment Quality Trust (BAF)**

(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Michigan (concluded)		
City of Detroit Michigan, RB, Sewage Disposal System, Senior Lien, Series B (AGM), 7.50%, 7/01/33	\$ 580	\$ 729,518
Lansing Board of Water & Light Utilities, RB, Series A, 5.00%, 7/01/37	2,765	3,149,777
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39	1,205	1,550,016
		9,565,676
Minnesota 3.0%		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38	3,680	4,394,950
Mississippi 1.6%		
Mississippi Development Bank, Refunding RB, Jackson Mississippi Water & Sewer (AGM), 5.00%, 9/01/30	2,000	2,324,600
Nevada 1.7%		
Clark County Water Reclamation District, GO, Series A, 5.25%, 7/01/34	2,000	2,424,200
New Jersey 4.5%		
New Jersey Health Care Facilities Financing Authority, RB, Virtua Health (AGC), 5.50%, 7/01/38	1,300	1,445,886
New Jersey State Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29	1,540	1,699,097
New Jersey Transportation Trust Fund Authority, RB, Transportation System: Series A (AGC), 5.50%, 12/15/38	2,000	2,273,480
Series B, 5.25%, 6/15/36	1,000	1,153,440
		6,571,903
New York 6.7%		
Metropolitan Transportation Authority, RB, Series E, 5.00%, 11/15/42	320	357,674
Metropolitan Transportation Authority, Refunding RB, Transportation, Series C, 5.00%, 11/15/28	1,300	1,530,815
New York City Transitional Finance Authority, RB:		
Future Tax Secured, Sub-Series E-1, 5.00%, 2/01/42	2,000	2,292,400
Series S-4 (AGC), 5.50%, 1/15/29	2,465	2,949,372
Sub-Future Tax Secured, Series C, 5.00%, 11/01/39	1,175	1,353,236
New York State Dormitory Authority, RB, Series B, 5.00%, 3/15/42	1,000	1,141,650
		9,625,147
North Carolina 1.1%		
North Carolina Medical Care Commission, RB, Duke University Health System, Series A, 5.00%, 6/01/32	1,340	1,552,752
Pennsylvania 0.5%		
Philadelphia Hospitals & Higher Education Facilities Authority, Refunding RB, Children s Hospital Philadelphia, Series D, 5.00%, 7/01/32	580	670,381
Puerto Rico 1.1%		
Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.38%, 8/01/39	1,350	1,592,906
South Carolina 0.7%		
City of North Charleston South Carolina, RB, 5.00%, 6/01/35	895	1,011,359
	Par (000)	Value
Municipal Bonds		

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Texas 18.0%

Austin Community College District, RB, Educational Facilities Project, Round Rock Campus, 5.25%, 8/01/33	\$ 2,000	\$ 2,230,760
City of Houston Texas, Refunding RB, Combined, First Lien, Series A (AGC):		
6.00%, 11/15/35	2,600	3,160,274
6.00%, 11/15/36	2,215	2,683,162
5.38%, 11/15/38	1,000	1,155,730
Frisco ISD Texas, GO, School Building (AGC), 5.50%, 8/15/41	3,365	4,165,769
Harris County Health Facilities Development Corp., Refunding RB, Memorial Hermann Healthcare System, Series B, 7.13%, 12/01/31	500	620,905
Katy ISD, GO, Refunding, School Building, Series A (PSF-GTD), 5.00%, 2/15/42	745	867,538
Lamar Texas Consolidated ISD, GO, Refunding, School House, Series A (PSF-GTD), 5.00%, 2/15/45	1,000	1,157,340
North Texas Tollway Authority, RB, Special Projects System, Series A, 5.50%, 9/01/41	1,000	1,187,230
North Texas Tollway Authority, Refunding RB, System, First Tier: (AGM), 6.00%, 1/01/43	1,000	1,196,870
Series K-1 (AGC), 5.75%, 1/01/38	1,500	1,712,100
Tarrant County Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC), 6.50%, 7/01/37	1,000	1,174,000
Texas State Turnpike Authority, RB, First Tier, Series A (AMBAC), 5.00%, 8/15/42	1,395	1,395,391
Texas Tech University, Refunding RB, Refunding & Improvement, 14th Series A, 5.00%, 8/15/31	1,000	1,175,780
University of Texas System, Refunding RB, Financing System, Series B, 5.00%, 8/15/43	1,805	2,108,601
		25,991,450

Virginia 2.4%

Fairfax County IDA, RB, Health Care, Inova Health System, Series A, 5.00%, 5/15/40	685	762,336
Virginia Public School Authority, RB, School Financing, 6.50%, 12/01/35	1,000	1,244,610
Virginia Resources Authority, RB, 5.00%, 11/01/42	1,225	1,424,271
		3,431,217

Washington 3.9%

City of Seattle Washington, Refunding RB, Series A, 5.25%, 2/01/36	1,025	1,194,566
Port of Seattle, Refunding RB, Intermediate, Series A, 5.00%, 8/01/32	3,000	3,508,500
State of Washington, GO, Various Purpose, Series B, 5.25%, 2/01/36	795	931,024
		5,634,090

Wisconsin 0.9%

Wisconsin Health & Educational Facilities Authority, RB, Ascension Health, Series D, 5.00%, 11/15/41	1,230	1,363,849
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Total Municipal Bonds 102.8%		148,568,369
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Municipal Bonds Transferred to Tender Option Bond Trusts (a)

Alabama 1.1%		
Mobile Board of Water & Sewer Commissioners, RB (NPFGC), 5.00%, 1/01/31	1,500	1,591,980

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Municipal Income Investment Quality Trust (BAF)

(Percentages shown are based on Net Assets)

Municipal Bonds Transferred to Tender Option Bond Trusts (a)	Par (000)	Value
California 8.7%		
San Marcos Unified School District, GO, Election of 2010, Series A, 5.25%, 8/01/31	\$ 10,680	\$ 12,498,377
District of Columbia 0.6%		
District of Columbia Water & Sewer Authority, Refunding RB, Series A, 6.00%, 10/01/35	760	924,094
Florida 0.5%		
County of Miami-Dade Florida, RB, Transit System Sales Surtax, 5.00%, 7/01/42	650	731,647
Illinois 5.4%		
Chicago Transit Authority, Refunding RB, Federal Transit Administration Section 5309 (AGM), 5.00%, 6/01/28	2,999	3,306,273
City of Chicago Illinois, Refunding RB, 5.00%, 11/01/42	1,020	1,160,631
Illinois State Toll Highway Authority, RB, Series B, 5.50%, 1/01/33	2,999	3,327,410
		7,794,314
Kentucky 0.7%		
Kentucky State Property & Building Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/27	898	