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BLACKROCK MUNI ENHANCED FUND INC
Form N-CSRS
December 28, 2010
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSRS

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-05739

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

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Anne F. Ackerley, Chief Executive Officer, BlackRock MuniEnhanced Fund, Inc., 55 East 52nd Street,
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Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 04/30/2011

Date of reporting period: 10/31/2010

Item 1 Report to Stockholders

October 31, 2010

Semi-Annual Report (Unaudited)

BlackRock Apex Municipal Fund, Inc. (APX)

BlackRock MuniAssets Fund, Inc. (MUA)

BlackRock MuniEnhanced Fund, Inc. (MEN)

BlackRock MuniHoldings Fund, Inc. (MHD)

BlackRock MuniHoldings Fund II, Inc. (MUH)

BlackRock MuniHoldings Quality Fund, Inc. (MUS)

BlackRock Muni Intermediate Duration Fund, Inc. (MUI)

BlackRock MuniVest Fund II, Inc. (MVT)

Not FDIC Insured No Bank Guarantee May Lose Value

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Dear Shareholder

The global economic recovery that began in 2009 has continued on its choppy course this year, delivering mixed but slowly improving economic data and gradual if uneven improvement of investor sentiment. The risks of a double-dip recession continue to recede, but the economy remains mired in a slow-growth environment. In the United States, the National Bureau of Economic Research declared that the Great Recession ended in June 2009. Spanning December 2007 to June 2009, this marked the longest reported recession since the Great Depression. Structural problems of ongoing deleveraging and weak spending among businesses and households weigh heavily on the pace of economic growth. The unemployment rate remains stubbornly high in the face of sluggish job gains in the private sector. The US dollar, along with other developed market currencies, has experienced devaluation resulting from aggressively easy monetary and fiscal policies. Given these long-standing conditions, the Federal Reserve Board has announced that additional policy action will be taken to combat deflation and unemployment and promote economic growth.

The high levels of volatility experienced in global equity markets throughout 2009 continued into 2010 as mixed economic data and lingering credit issues caused stocks to trade in both directions, but by the end of the first quarter, most markets had managed to post gains. The second quarter, in contrast, brought higher levels of volatility and a flight to quality as investor sentiment was dominated by fears of a double-dip recession. Global equity markets saw negative quarterly returns and for many markets, the first significant downturn since the bull market began in March 2009. In the third quarter, economic data turned less negative and strong corporate earnings reports became increasingly consistent. These factors, along with attractive valuations and expectations for additional quantitative easing, drove equity markets higher, with most markets recapturing their second quarter losses. Stocks continued their rally into the beginning of the fourth quarter, closing out the 12-month period in positive territory. International equities posted gains on both a six- and 12-month basis. In the United States, both large and small cap equities posted robust gains for the 12-month period, while on a six-month basis, large cap stocks remained relatively flat and small caps turned slightly negative.

In fixed income markets, yields fluctuated but declined significantly over the past 12 months amid heightened uncertainty. Weak economic data, lingering credit problems and, near the end of the period, the expectation of additional quantitative easing drove interest rates lower and bond prices higher. Treasuries rallied over the period, modestly outperforming the credit spread sectors of the market. Corporate credit spreads benefited from the low interest rate environment and high yield fixed income became increasingly attractive due to declining default rates and better-than-expected results on European bank stress tests. Tax-exempt municipal bonds performed well over the 12-month period, driven primarily by technical factors including favorable supply-and-demand dynamics.

Cash investments, as represented by the 3-month Treasury bill, returned only a fraction over 0% for the 12-month period as short-term interest rates remained low. Yields on money market securities remain near all-time lows.

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

Total Returns as of October 31, 2010	6-month	12-month
US large cap equities (S&P 500 Index)	0.74%	16.52%
US small cap equities (Russell 2000 Index)	(1.24)	26.58
International equities (MSCI Europe, Australasia, Far East Index)	5.74	8.36
3-month Treasury bill (BofA Merrill Lynch 3-Month Treasury Bill Index)	0.08	0.12
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	10.63	10.03
US investment grade bonds (Barclays Capital US Aggregate Bond Index)	5.33	8.01
Tax-exempt municipal bonds (Barclays Capital Municipal Bond Index)	3.95	7.78
US high yield bonds (Barclays Capital US Corporate High Yield 2% Issuer Capped Index)	6.73	19.10

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

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

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

THIS PAGE NOT PART OF YOUR FUND REPORT

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Fund Summary as of October 31, 2010

BlackRock Apex Municipal Fund, Inc.

Fund Overview

BlackRock Apex Municipal Fund, Inc. s (APX) (the Fund) investment objective is to provide high current income exempt from federal income taxes by investing primarily in a portfolio of medium- to lower-grade or unrated municipal obligations, the interest on which is exempt from federal income taxes in the opinion of bond counsel to the issuer. The Fund seeks to achieve its investment objective by investing, under normal market conditions, at least 80% of its assets in municipal bonds exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). The Fund invests at least 75% of its assets in municipal bonds that are rated in the medium to lower categories by nationally recognized rating services (Baa or lower by Moody s Investors Service, Inc. or BBB or lower by Standard & Poor s Corporation) or non-rated securities which are of comparable quality. The Fund may invest directly in such securities or synthetically through the use of derivatives.

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

Performance

For the six months ended October 31, 2010, the Fund returned 7.99% based on market price and 6.36% based on net asset value (NAV). For the same period, the closed-end Lipper High Yield Municipal Debt Funds category posted an average return of 7.20% based on market price and 6.92% based on NAV. All returns reflect reinvestment of dividends. The Fund 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 Fund s low concentrations in tax-backed (state, county, city and school district) and development district (special district) issues detracted from performance as these sectors continued to strengthen during the period. The Fund s portfolio duration remained relatively lower than its Lipper category average, which has proven detrimental in the declining interest rate environment. In addition, a majority of peers within the Lipper category employ a higher degree of leverage, which can enhance both returns and distribution yields. Contributing positively to performance was sector allocation, particularly with respect to concentrations in health, transportation, and corporate-related debt, all of which performed well during the period. Also beneficial was the Fund s positioning in the intermediate range of the yield curve, which outperformed the longer end of the curve for the period.

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

Fund Information

Symbol on New York Stock Exchange (NYSE)	APX
Initial Offering Date	July 25, 1989
Yield on Closing Market Price as of October 31, 2010 (\$9.31) ¹	5.67%
Tax Equivalent Yield ²	8.72%
Current Monthly Distribution per Common Share ³	\$0.044
Current Annualized Distribution per Common Share ³	\$0.528
Leverage as of October 31, 2010 ⁴	4%

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

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- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution is not constant and is subject to change.
- ⁴ Represents tender option bond trusts (TOBs) as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 12.

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

	10/31/10	4/30/10	Change	High	Low
Market Price	\$9.31	\$8.87	4.96%	\$9.61	\$8.75
Net Asset Value	\$9.50	\$9.19	3.37%	\$9.54	\$9.16

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

Sector Allocations

	10/31/10	4/30/10
Health	29%	29%
Corporate	21	20
County/City/Special District/School District	16	16
Transportation	12	11
Education	7	7
Utilities	6	4
Tobacco	3	5
Housing	3	4
State	3	4

Credit Quality Allocations⁵

	10/31/10	4/30/10
AAA/Aaa	3%	7%
AA/Aa	6	2
A	10	11
BBB/Baa	27	26
BB/Ba	8	8
B	6	7
CCC/Caa	5	4
Not Rated ⁶	35	35

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

⁶

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The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$14,880,896 representing 8% and \$14,523,630 representing 8%, respectively, of the Fund's long-term investments.

Fund Summary as of October 31, 2010

BlackRock MuniAssets Fund, Inc.

Fund Overview

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

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

Performance

For the six months ended October 31, 2010, the Fund returned 5.72% based on market price and 6.54% based on NAV. For the same period, the closed-end Lipper High Yield Municipal Debt Funds category posted an average return of 7.20% based on market price and 6.92% based on NAV. All returns reflect reinvestment of dividends. The Fund moved from a premium to NAV to a discount by period end, which accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV. The Fund s low concentrations in tax-backed (state, county, city and school district) and development district (special district) issues detracted from performance as these sectors continued to strengthen during the period. The Fund s portfolio duration remained relatively lower than its Lipper category average, which has proven detrimental in the declining interest rate environment. In addition, a majority of peers within the Lipper category employ a higher degree of leverage, which can enhance both returns and distribution yields. Contributing positively to performance was sector allocation, particularly with respect to concentrations in health, transportation, and corporate-related debt, all of which performed well during the period. Also beneficial was the Fund s positioning in the intermediate range of the yield curve, which outperformed the longer end of the curve for the period.

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Fund Information

Symbol on NYSE	MUA
Initial Offering Date	June 25, 1993
Yield on Closing Market Price as of October 31, 2010 (\$12.99) ¹	5.77%
Tax Equivalent Yield ²	8.88%
Current Monthly Distribution per Common Share ³	\$0.0625
Current Annualized Distribution per Common Share ³	\$0.7500
Leverage as of October 31, 2010 ⁴	4%

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

- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution is not constant and is subject to change.
- ⁴ Represents TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

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

	10/31/10	4/30/10	Change	High	Low
Market Price	\$12.99	\$12.65	2.69%	\$13.21	\$12.26
Net Asset Value	\$13.07	\$12.63	3.48%	\$13.12	\$12.57

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

Sector Allocations

	10/31/10	4/30/10
Health	26%	29%
Corporate	25	24
County/City/Special District/School District	13	13
Transportation	12	11
Utilities	7	4
Education	6	6
Tobacco	4	5
Housing	4	4
State	3	4

Credit Quality Allocations⁵

	10/31/10	4/30/10
AAA/Aaa	3%	6%
AA/Aa	6	3
A	11	14
BBB/Baa	29	26
BB/Ba	8	8
B	7	7
CCC/Caa	5	4
Not Rated ⁶	31	32

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- ⁵ Using the higher of S&P's or Moody's ratings.
- ⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$13,096,178 representing 5% and \$15,867,930, representing 6%, respectively, of the Fund's long-term investments.

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Fund Summary as of October 31, 2010

BlackRock MuniEnhanced Fund, Inc.

Fund Overview

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

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

Performance

For the six months ended October 31, 2010, the Fund returned 7.41% based on market price and 6.81% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 7.94% based on market price and 5.84% based on NAV. All returns reflect reinvestment of dividends. The Fund 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 Fund benefited from its modestly long duration relative to the Lipper category average as bond prices rallied in the declining interest rate environment. The tax-exempt municipal market in general benefited from the Build America Bond Program, which alleviated supply pressure in the tax-exempt space, especially on the long end of the yield curve. The Fund s holdings of insured bonds with lower quality underlying credits contributed positively to performance as did exposure to traditionally higher yielding sectors, including transportation, health and corporate-related debt, as credit quality spreads generally tightened during the period. Conversely, the Fund s holdings of zero-coupon bonds detracted from performance as these securities generally underperformed coupon bonds due to widening spreads in the sector. In addition, the Fund s low exposure to education hindered performance as the sector performed well during the period.

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Fund Information

Symbol on NYSE	MEN
Initial Offering Date	March 2, 1989
Yield on Closing Market Price as of October 31, 2010 (\$11.26) ¹	6.07%
Tax Equivalent Yield ²	9.34%
Current Monthly Distribution per Common Share ³	\$0.057
Current Annualized Distribution per Common Share ³	\$0.684
Leverage as of October 31, 2010 ⁴	38%

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%.

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- ³ The distribution is not constant and is subject to change.
- ⁴ Represents Auction Market Preferred Shares (Preferred Shares) and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

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

	10/31/10	4/30/10	Change	High	Low
Market Price	\$11.26	\$10.81	4.16%	\$11.70	\$10.38
Net Asset Value	\$11.29	\$10.90	3.58%	\$11.47	\$10.85

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

Sector Allocations

	10/31/10	4/30/10
County/City/Special District/School District	29%	28%
Transportation	22	24
State	18	19
Utilities	14	14
Health	6	7
Education	5	3
Corporate	3	2
Housing	3	3

Credit Quality Allocations⁵

	10/31/10	4/30/10
AAA/Aaa	12%	46%
AA/Aa	59	23
A	25	26
BBB/Baa	4	5

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

Fund Summary as of October 31, 2010

BlackRock MuniHoldings Fund, Inc.

Fund Overview

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

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

Performance

For the six months ended October 31, 2010, the Fund returned 9.74% based on market price and 7.36% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 7.68% based on market price and 6.42% 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 Fund s outperformance relative to its Lipper category was driven by sector allocation, particularly with respect to concentrations in health and corporate-related debt, both of which continued to perform well during the period. The Fund s focus on lower quality credits had a positive impact due to the ongoing contraction of credit quality spreads. In addition, the Fund s modestly long portfolio duration (sensitivity to interest rates) relative to the Lipper category average proved beneficial in the declining interest rate environment. Conversely, a concentration of holdings in longer dated issues detracted from performance as the intermediate range of the yield curve outperformed the longer end of the curve.

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

Fund Information

Symbol on NYSE	MHD
Initial Offering Date	May 2, 1997
Yield on Closing Market Price as of October 31, 2010 (\$16.68) ¹	6.40%
Tax Equivalent Yield ²	9.85%
Current Monthly Distribution per Common Share ³	\$0.089
Current Annualized Distribution per Common Share ³	\$1.068
Leverage as of October 31, 2010 ⁴	36%

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

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

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- ³ A change in the distribution rate was declared on December 6, 2010. The Monthly Distribution per Common Share was increased to \$0.0905. 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 is subject to further change in the future.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

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

	10/31/10	4/30/10	Change	High	Low
Market Price	\$16.68	\$15.70	6.24%	\$17.05	\$14.85
Net Asset Value	\$16.37	\$15.75	3.94%	\$16.55	\$15.61

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

Sector Allocations

	10/31/10	4/30/10
Health	23%	23%
Corporate	14	14
State	12	12
Transportation	12	11
Utilities	12	11
County/City/Special District/School District	10	11
Education	8	9
Housing	7	7
Tobacco	2	2

Credit Quality Allocations⁵

	10/31/10	4/30/10
AAA/Aaa	12%	19%
AA/Aa	39	32
A	22	23
BBB/Baa	12	11
BB/Ba	2	2
B	2	2
CCC/Caa	2	2
Not Rated ⁶	9	9

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

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- ⁶ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$2,891,783 representing 1% and \$2,973,600 representing 1%, respectively, of the Fund's long-term investments.

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Fund Summary as of October 31, 2010

BlackRock MuniHoldings Fund II, Inc.

Fund Overview

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

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

Performance

For the six months ended October 31, 2010, the Fund returned 7.64% based on market price and 7.30% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 7.68% based on market price and 6.42% based on NAV. All returns reflect reinvestment of dividends. The Fund 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 Fund s outperformance relative to its Lipper category was driven by sector allocation, particularly with respect to concentrations in health and corporate-related debt, both of which continued to perform well during the period. The Fund s focus on lower quality credits had a positive impact due to the ongoing contraction of credit quality spreads. In addition, the Fund s modestly long portfolio duration (sensitivity to interest rates) relative to the Lipper category average proved beneficial in the declining interest rate environment. Conversely, a concentration of holdings in longer dated issues detracted from performance as the intermediate range of the yield curve outperformed the longer end of the curve.

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

Fund Information

Symbol on NYSE	MUH
Initial Offering Date	February 27, 1998
Yield on Closing Market Price as of October 31, 2010 (\$15.30) ¹	6.31%
Tax Equivalent Yield ²	9.71%
Current Monthly Distribution per Common Share ³	\$0.0805
Current Annualized Distribution per Common Share ³	\$0.9660
Leverage as of October 31, 2010 ⁴	34%

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 is not constant and is subject to change.

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- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

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

	10/31/10	4/30/10	Change	High	Low
Market Price	\$15.30	\$14.68	4.22%	\$16.48	\$13.99
Net Asset Value	\$15.22	\$14.65	3.89%	\$15.39	\$14.53

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

Sector Allocations

	10/31/10	4/30/10
Health	22%	21%
City/County/Special District/School District	15	15
Corporate	15	15
State	12	12
Transportation	11	10
Education	9	10
Utilities	9	8
Housing	5	7
Tobacco	2	2

Credit Quality Allocations⁵

	10/31/10	4/30/10
AAA/Aaa	12	18%
AA/Aa	42	37
A	20	20
BBB/Baa	12	12
BB/Ba	2	2
B	1	1
CCC/Caa	2	2
Not Rated ⁶	9	8

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

- ⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$5,831,267 representing 2% and \$4,406,945 representing 2%, respectively, of the Fund's long-term investments.

Fund Summary as of October 31, 2010

BlackRock MuniHoldings Quality Fund, Inc.

Fund Overview

Effective November 9, 2010, BlackRock MuniHoldings Insured Fund, Inc. changed its name to BlackRock MuniHoldings Quality Fund, Inc.

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

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

Performance

For the six months ended October 31, 2010, the Fund returned 8.62% based on market price and 6.32% based on NAV. For the same period, the closed-end Lipper Insured Municipal Debt Funds (Leveraged) category posted an average return of 7.94% based on market price and 5.84% based on NAV. All returns reflect reinvestment of dividends. The Fund 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 Fund s exposure to health, housing and transportation contributed positively to performance as credit quality spreads generally tightened, causing these sectors to outperform other municipal market sectors, particularly among bonds with longer maturities. The tax-exempt municipal market in general benefited from the Build America Bond Program, which alleviated supply pressure in the tax-exempt space, especially on the long end of the yield curve. As such, the Fund s slightly long duration stance enhanced performance for the period. Detracting from performance was the Fund s exposure to bonds with short call features, which did not fully benefit from the price appreciation that occurred among bonds with longer call dates and non-callable bonds.

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

Fund Information

Symbol on NYSE	MUS
Initial Offering Date	May 1, 1998
Yield on Closing Market Price as of October 31, 2010 (\$14.09) ¹	6.30%
Tax Equivalent Yield ²	9.69%
Current Monthly Distribution per Common Share ³	\$0.074
Current Annualized Distribution per Common Share ³	\$0.888
Leverage as of October 31, 2010 ⁴	40%

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

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- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution is not constant and is subject to change.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

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

	10/31/10	4/30/10	Change	High	Low
Market Price	\$14.09	\$13.40	5.15%	\$14.73	\$13.10
Net Asset Value	\$13.73	\$13.34	2.92%	\$13.94	\$13.24

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

Sector Allocations

	10/31/10	4/30/10
City/County/Special District/School District	29%	33%
Utilities	22	22
Transportation	21	16
State	11	13
Health	9	9
Housing	5	5
Corporate	3	2

Credit Quality Allocations⁵

	10/31/10	4/30/10
AAA/Aaa	10%	58%
AA/Aa	57	16
A	21	24
BBB/Baa	1	1
Not Rated ⁶	11	1

- ⁵ Using the higher of S&P's or Moody's ratings.
- ⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$2,426,336 representing 1% and \$2,342,435 representing 1%, respectively, of the Fund's long-term investments.

Fund Summary as of October 31, 2010

BlackRock Muni Intermediate Duration Fund, Inc.

Fund Overview

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

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

Performance

For the six months ended October 31, 2010, the Fund returned 11.45% based on market price and 7.11% based on NAV. For the same period, the closed-end Lipper Intermediate Municipal Debt Funds category posted an average return of 8.07% based on market price and 6.02% based on NAV. All returns reflect reinvestment of dividends. The Fund 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. While the Fund maintained its neutral duration (sensitivity to interest rates) relative to the Lipper category average during most of the period, we increased its exposure to interest rate-sensitive bonds, including new issues, which delivered strong performance as bond prices rallied in the declining interest rate environment. Increased exposure to high yield and economically sensitive corporate-related municipal debt also contributed positively, as did exposure to traditionally higher yielding sectors, including health and housing, all of which performed well as credit quality spreads tightened during the period. Conversely, the Fund s short maturity and low duration holdings hindered relative performance due to their limited upward price movement in the declining interest rate environment. In addition, the Fund s exposure to traditionally higher quality sectors, including utilities and essential services, detracted from performance as these sectors experienced weak demand while investors sought yield.

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Fund Information

Symbol on NYSE	MUI
Initial Offering Date	August 1, 2003
Yield on Closing Market Price as of October 31, 2010 (\$15.32) ¹	5.60%
Tax Equivalent Yield ²	8.62%
Current Monthly Distribution per Common Share ³	\$0.0715
Current Annualized Distribution per Common Share ³	\$0.8580
Leverage as of October 31, 2010 ⁴	38%

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

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- ² Tax equivalent yield assumes the maximum federal tax rate of 35%.
- ³ The distribution is not constant and is subject to change.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

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

	10/31/10	4/30/10	Change	High	Low
Market Price	\$15.32	\$14.13	8.42%	\$16.17	\$13.41
Net Asset Value	\$15.37	\$14.75	4.20%	\$15.59	\$14.70

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

Sector Allocations

	10/31/10	4/30/10
State	24%	23%
City/County/Special District/School District	21	21
Health	15	12
Corporate	11	12
Transportation	8	8
Education	7	6
Utilities	6	8
Tobacco	4	6
Housing	4	4

Credit Quality Allocations⁵

	10/31/10	4/30/10
AAA/Aaa	14%	28%
AA/Aa	41	25
A	23	23
BBB/Baa	10	11
BB/Ba	1	1
B	1	2
CCC/Caa	2	3
Not Rated ⁶	8	7

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

⁶

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The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$21,435,534 representing 2% and \$11,900,188 representing 1%, respectively, of the Fund's long-term investments.

Fund Summary as of October 31, 2010

BlackRock MuniVest Fund II, Inc.

Fund Overview

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

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

Performance

For the six months ended October 31, 2010, the Fund returned 6.64% based on market price and 7.40% based on NAV. For the same period, the closed-end Lipper General Municipal Debt Funds (Leveraged) category posted an average return of 7.68% based on market price and 6.42% based on NAV. All returns reflect reinvestment of dividends. The Fund 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 Fund s outperformance relative to its Lipper category was driven by sector allocation, particularly with respect to concentrations in health, transportation, and corporate-related debt, all of which continued to perform well during the period. The Fund s focus on lower quality credits had a positive impact due to the ongoing contraction of credit quality spreads. In addition, the Fund s modestly long portfolio duration (sensitivity to interest rates) relative to the Lipper category average proved beneficial in the declining interest rate environment. Conversely, a concentration of holdings in longer dated issues detracted from performance as the intermediate range of the yield curve outperformed the longer end of the curve.

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

Fund Information

Symbol on NYSE	MVT
Initial Offering Date	March 29, 1993
Yield on Closing Market Price as of October 31, 2010 (\$15.38) ¹	6.91%
Tax Equivalent Yield ²	10.63%
Current Monthly Distribution per Common Share ³	\$0.0885
Current Annualized Distribution per Common Share ³	\$1.0620
Leverage as of October 31, 2010 ⁴	40%

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

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

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- ³ The distribution is not constant and is subject to change.
- ⁴ Represents Preferred Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to Preferred Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques used by the Fund, please see The Benefits and Risks of Leveraging on page 12.

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

	10/31/10	4/30/10	Change	High	Low
Market Price	\$15.38	\$14.94	2.95%	\$15.84	\$14.02
Net Asset Value	\$14.94	\$14.41	3.68%	\$15.12	\$14.29

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

Sector Allocations

	10/31/10	4/30/10
Health	25%	22%
State	15	14
Corporate	15	18
Transportation	12	12
County/City/Special District/School District	11	10
Utilities	11	10
Education	6	6
Housing	4	5
Tobacco	1	3

Credit Quality Allocations⁵

	10/31/10	4/30/10
AAA/Aaa	11%	18%
AA/Aa	46	39
A	18	18
BBB/Baa	11	11
BB/Ba	1	
B	3	3
CCC/Caa		1
Not Rated ⁶	10	10

- ⁵ Using the higher of S&P's or Moody's ratings.
- ⁶ The investment advisor has deemed certain of these securities to be of investment grade quality. As of October 31, 2010 and April 30, 2010, the market value of these securities was \$6,274,996 representing 1% and \$5,505,082 representing 1%, respectively, of the Fund's long-term investments.

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The Benefits and Risks of Leveraging

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

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

To illustrate these concepts, assume a Fund'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 Fund 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 Fund with assets received from the Preferred Shares issuance earn the income based on long-term interest rates. In this case, the dividends paid to Preferred Shareholders are significantly lower than the income earned on the Fund's long-term investments, and therefore the Common Shareholders are the beneficiaries of the incremental net income.

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

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

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

The use of leverage may enhance opportunities for increased income to the Funds 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 Funds' NAV, market price and dividend rate than a comparable portfolio without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Funds' 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 Fund'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 Fund may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Fund to incur losses. The use of leverage may limit each Fund's ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by ratings agencies that rate Preferred Shares issued by the Funds. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares.

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

	Percent of Leverage
APX	4%
MUA	4%
MEN	38%
MHD	36%
MUH	34%
MUS	40%
MUI	38%
MVT	40%

Derivative Financial Instruments

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

Schedule of Investments October 31, 2010 (Unaudited)

BlackRock Apex Municipal Fund, Inc. (APX)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 0.2%		
County of Jefferson Alabama, RB, Series A, 5.25%, 1/01/17	\$ 365	\$ 345,615
Alaska 1.0%		
Alaska Industrial Development & Export Authority, RB, Williams Lynxs, Alaska Cargoport, AMT, 8.00%, 5/01/23	2,000	1,969,820
Arizona 3.9%		
Maricopa County IDA Arizona, RB, Series A:		
Arizona Charter Schools Project, 6.63%, 7/01/20	900	703,512
Sun King Apartments Project, 6.00%, 11/01/10	5	5,000
Phoenix IDA Arizona, Refunding RB, America West Airlines Inc. Project, AMT, 6.30%, 4/01/23	2,950	2,591,103
Pima County IDA, RB:		
Arizona Charter Schools Project, Series E, 7.25%, 7/01/31	935	951,073
Tucson Electric Power Co., Series A, 5.25%, 10/01/40	1,635	1,627,593
Pima County IDA, Refunding IDRB, Tucson Electric Power, 5.75%, 9/01/29	460	475,355
University Medical Center Corp. Arizona, RB, 6.25%, 7/01/29	540	586,985
Yavapai County IDA Arizona, RB, Yavapai Regional Medical Center, Series A, 6.00%, 8/01/33	500	506,260
		7,446,881
California 3.4%		
California Statewide Communities Development Authority, Refunding RB:		
American Baptist Homes of the West, 6.25%, 10/01/39	885	898,231
Senior Living, Southern California, 7.00%, 11/15/29	400	437,224
Senior Living, Southern California, 7.25%, 11/15/41	1,440	1,584,230
City of Fontana California, Special Tax Bonds, Refunding, Community Facilities District No. 22-Sierra, Series H, 6.00%, 9/01/34	1,000	1,000,240
State of California, GO, Various Purpose, 6.00%, 3/01/33	2,120	2,435,117
		6,355,042

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Municipal Bonds	Par (000)	Value
Colorado 3.0%		
E-470 Public Highway Authority, Refunding RB, CAB, 7.08%, 9/01/35 (a)	\$ 1,505	\$ 274,452
Elk Valley Public Improvement Corp., RB, Public Improvement Fee, Series A, 7.30%, 9/01/22	2,800	2,803,976
Plaza Metropolitan District No. 1 Colorado, Tax Allocation Bonds, Tax Increment:		
Public Improvement Fee, 8.00%, 12/01/25	2,000	2,089,540
Subordinate Public Improvement Fee, 8.13%, 12/01/25	500	464,940
		5,632,908
Connecticut 2.3%		
Harbor Point Infrastructure Improvement District, Tax Allocation Bonds, Harbor Point Project, Series A, 7.88%, 4/01/39	1,610	1,730,347
Mohegan Tribe of Indians of Connecticut, RB, Public Improvement, Priority Distribution:		
6.25%, 1/01/31	1,785	1,478,391
5.25%, 1/01/33 (b)	1,500	1,082,055
		4,290,793
Delaware 0.9%		
Delaware State EDA, RB, Exempt Facilities, Indian River Power, 5.38%, 10/01/45	1,720	1,713,189
District of Columbia 2.2%		
District of Columbia, RB, Methodist Home District of Columbia, Series A:		
7.38%, 1/01/30	680	695,144
7.50%, 1/01/39	1,110	1,135,663
District of Columbia Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, 6.50%, 5/15/33	730	721,466
Metropolitan Washington Airports Authority, RB, CAB, 2nd Senior Lien, Series B (AGC), 6.76%, 10/01/39 (a)	9,770	1,680,342
		4,232,615

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.

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CAB	Capital Appreciation Bonds
COP	Certificates of Participation
EDA	Economic Development Authority
EDC	Economic Development Corp.
ERB	Education Revenue Bonds
FGIC	Financial Guaranty Insurance Co.
FHA	Federal Housing Administration
GARB	General Airport Revenue Bond
GO	General Obligation Bonds
HDA	Housing Development Authority
HFA	Housing Finance Agency
HRB	Housing Revenue Bonds
HUD	US Department of Housing and Urban Development
IDA	Industrial Development Authority
IDB	Industrial Development Board
IDRB	Industrial Development Revenue Bonds
ISD	Independent School District
LRB	Lease Revenue Bonds
M/F	Multi-Family
MRB	Mortgage Revenue Bonds
NPFGC	National Public Finance Guarantee Corp.
PSF-GTD	Permanent School Fund Guaranteed
RB	Revenue Bonds
S/F	Single Family
TE	Tax-Exempt
TIF	Tax Increment Financing

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Apex Municipal Fund, Inc. (APX)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Florida 8.7%		
County of Miami-Dade Florida, Refunding RB, Miami International Airport, Series A-1, 5.38%, 10/01/41	\$ 360	\$ 371,581
Hillsborough County IDA, RB, AMT, National Gypsum Co.: Series A, 7.13%, 4/01/30	2,500	2,437,050
Series B, 7.13%, 4/01/30	1,560	1,520,719
Jacksonville Economic Development Commission, RB, Gerdau Ameristeel US Inc., AMT, 5.30%, 5/01/37	900	791,649
Jacksonville Economic Development Commission, Refunding RB, Florida Proton Therapy Institute, Series A, 6.00%, 9/01/17	750	787,620
Lee County IDA Florida, RB, Series A, Lee Charter Foundation, 5.38%, 6/15/37	1,810	1,559,731
Midtown Miami Community Development District, Special Assessment Bonds, Series A: 6.00%, 5/01/24	1,370	1,357,506
6.25%, 5/01/37	1,350	1,327,685
Santa Rosa Bay Bridge Authority, RB, 6.25%, 7/01/28	2,140	993,409
Sarasota County Health Facilities Authority, Refunding RB, Village on the Isle Project: 5.50%, 1/01/27	370	354,305
5.50%, 1/01/32	550	517,853
Sumter Landing Community Development District Florida, RB, Sub-Series B, 5.70%, 10/01/38	1,585	1,318,577
Tampa Palms Open Space & Transportation Community Development District, RB, Capital Improvement, Richmond Place Project, 7.50%, 5/01/18	1,905	1,905,838
Tolomato Community Development District, Special Assessment Bonds, Special Assessment, 6.65%, 5/01/40	1,850	1,360,323
		<hr/> 16,603,846
Georgia 4.0%		
City of Atlanta Georgia, Tax Allocation Bonds, Princeton Lakes Project, 5.50%, 1/01/31	395	361,682
Clayton County Development Authority, RB, Delta Air Lines Inc. Project, Series A, 8.75%, 6/01/29	1,375	1,589,885
County of Clayton Georgia, Tax Allocation Bonds, Ellenwood Project, 7.50%, 7/01/33	1,335	1,319,047
DeKalb County Hospital Authority Georgia, RB, DeKalb Medical Center Inc. Project, 6.13%, 9/01/40	1,805	1,866,117
Gainesville & Hall County Development Authority, Refunding RB, Acts Retirement Life Community, Series A-2, 6.63%, 11/15/39	645	681,552
Rockdale County Development Authority, RB, Visy Paper Project, Series A, AMT, 6.13%, 1/01/34	1,680	1,688,215

		7,506,498
Guam 1.5%		
Guam Government Waterworks Authority, Refunding RB, Water, 6.00%, 7/01/25	515	527,885
Territory of Guam, GO, Series A: 6.00%, 11/15/19	250	267,255
6.75%, 11/15/29	440	487,362
7.00%, 11/15/39	455	509,786
Territory of Guam, RB, Section 30, Series A, 5.63%, 12/01/29	1,000	1,046,640
		2,838,928
Illinois 6.4%		
City of Chicago Illinois, Refunding RB, American Airlines Inc. Project, 5.50%, 12/01/30	2,860	2,395,393
Illinois Finance Authority, RB: Navistar International, Recovery Zone, 6.50%, 10/15/40	650	674,381
Roosevelt University Project, 6.50%, 4/01/44	1,700	1,818,507
Rush University Medical Center Obligation Group, Series A, 7.25%, 11/01/30	2,000	2,309,580
	Par (000)	Value
Municipal Bonds		
Illinois (concluded)		
Illinois Finance Authority, Refunding RB: CAB, Clare Water Tower, Series B, 0.04%, 5/15/50 (a)	\$ 615	\$ 7,755
Clare Water Tower, Series A-7, 6.13%, 5/15/41	1,435	947,875
Friendship Village of Schaumburg, 7.25%, 2/15/45	1,630	1,686,496
Primary Health Care Centers Program, 6.60%, 7/01/24	490	446,155
Metropolitan Pier & Exposition Authority, Refunding RB, CAB, McCormick Place Expansion Project, Series B (AGM), 6.25%, 6/15/46 (a)	4,015	452,812
Village of Lincolnshire Illinois, Special Tax Bonds, Sedgebrook Project, 6.25%, 3/01/34	755	683,849
Village of Wheeling Illinois, Tax Allocation Bonds, North Milwaukee/Lake-Cook TIF Project, 6.00%, 1/01/25	750	708,900
		12,131,703
Indiana 0.8%		
Indiana Finance Authority, Refunding RB, Improvement, U.S. Steel Corp., 6.00%, 12/01/26	620	659,934
Vigo County Hospital Authority Indiana, RB, Union Hospital Inc. (b): 5.70%, 9/01/37	440	411,911
5.75%, 9/01/42	545	510,338
		1,582,183
Kentucky 0.4%		
Kentucky Economic Development Finance Authority, Refunding RB, Owensboro Medical Health System, Series A, 6.38%, 6/01/40	645	683,623

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Louisiana 1.1%

Louisiana Local Government Environmental Facilities & Community Development Authority, RB, Westlake Chemical Corp. Projects, 6.75%, 11/01/32	2,000	2,121,920
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Maryland 2.7%

Maryland EDC, RB, Transportation Facilities Project, Series A, 5.75%, 6/01/35	420	437,569
Maryland EDC, Refunding RB, CNX Marine Terminals, Inc., 5.75%, 9/01/25	1,675	1,710,175
Maryland Health & Higher Educational Facilities Authority, RB, Washington Christian Academy, 5.50%, 7/01/38	410	176,288
Maryland Health & Higher Educational Facilities Authority, Refunding RB, Doctor s Community Hospital, 5.75%, 7/01/38	1,265	1,245,936
Maryland State Energy Financing Administration, RB, Cogeneration, AES Warrior Run, AMT, 7.40%, 9/01/19	1,500	1,500,795
		<u>5,070,763</u>

Massachusetts 1.3%

Massachusetts Development Finance Agency, RB, First Mortgage, Overlook Communities, Series A, 6.25%, 7/01/34	1,845	1,638,379
Massachusetts Development Finance Agency, Refunding RB, Eastern Nazarene College, 5.63%, 4/01/19	40	39,773
Massachusetts Health & Educational Facilities Authority, RB, Jordan Hospital, Series E, 6.75%, 10/01/33	850	852,278
		<u>2,530,430</u>

Michigan 2.8%

Advanced Technology Academy, RB, 6.00%, 11/01/37	625	604,744
County of Wayne Michigan, GO, Building Improvement, Series A, 6.75%, 11/01/39	375	401,509
Monroe County Hospital Finance Authority, Refunding RB, Mercy Memorial Hospital Corp. Obligation, 5.50%, 6/01/35	1,260	1,111,887
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39	2,575	3,095,304
		<u>5,213,444</u>

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Apex Municipal Fund, Inc. (APX)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Missouri 0.5%		
Kirkwood IDA Missouri, RB, Aberdeen Heights, Series A, 8.25%, 5/15/39	\$ 945	\$ 999,895
Multi-State 0.3%		
MuniMae TE Bond Subsidiary LLC, 7.50%, 6/30/49 (b)(c)(d)	653	600,682
Nevada 0.2%		
County of Clark Nevada, Special Assessment Bonds, Special Improvement District No. 142, Local Improvement, 6.38%, 8/01/23	370	360,983
New Hampshire 0.4%		
New Hampshire Health & Education Facilities Authority, RB, Catholic Medical Center, 5.00%, 7/01/36	835	738,190
New Jersey 5.9%		
New Jersey EDA, RB, Continental Airlines Inc. Project, AMT: 6.63%, 9/15/12	3,050	3,091,205
6.25%, 9/15/29	1,000	979,960
New Jersey EDA, Refunding RB, Newark Airport Marriott Hotel, 7.00%, 10/01/14	1,500	1,505,580
New Jersey Educational Facilities Authority, Refunding RB, University of Medicine & Dentistry, Series B: 7.13%, 12/01/23	670	792,168
7.50%, 12/01/32	1,065	1,236,081
New Jersey Health Care Facilities Financing Authority, RB, Pascack Valley Hospital Association, 6.63%, 7/01/36 (e)(f)	1,870	19
New Jersey Health Care Facilities Financing Authority, Refunding RB, St. Joseph's Healthcare System, 6.63%, 7/01/38	1,680	1,761,497
New Jersey Transportation Trust Fund Authority, RB, CAB, Transportation System, Series C (AMBAC), 5.05%, 12/15/35 (a)	2,760	645,923
Tobacco Settlement Financing Corp. New Jersey, Refunding RB, Series 1A, 4.50%, 6/01/23	1,190	1,113,697
		11,126,130
New York 6.4%		
Brooklyn Arena Local Development Corp., RB, Barclays Center Project, 6.38%, 7/15/43	685	743,985
Chautauqua County Industrial Development Agency, RB, NRG Dunkirk Power Project, 5.88%, 4/01/42	1,710	1,788,421

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Dutchess County Industrial Development Agency New York, RB, St. Francis Hospital, Series B, 7.50%, 3/01/29	1,000	1,004,890
Metropolitan Transportation Authority, RB, Series 2008C, 6.50%, 11/15/28	2,000	2,362,100
New York City Industrial Development Agency, RB: American Airlines Inc., JFK International Airport, AMT, 8.00%, 8/01/28	720	772,466
British Airways Plc Project, AMT, 7.63%, 12/01/32	1,730	1,772,385
Series C, 6.80%, 6/01/28	350	367,549
Special Needs Facilities Pooled Program, Series C-1, 6.50%, 7/01/24	830	804,660
New York Liberty Development Corp., Refunding RB, Second Priority, Bank of America Tower at One Bryant Park Project, 6.38%, 7/15/49	520	557,144
New York State Dormitory Authority, RB, North Shore-Long Island Jewish Health System, Series A, 5.50%, 5/01/37	1,000	1,044,860
Yonkers Industrial Development Agency New York, RB, Sarah Lawrence College Project, Series A, 6.00%, 6/01/41	850	904,451
		<hr/> 12,122,911

Municipal Bonds	Par (000)	Value
North Carolina 2.4%		
North Carolina Capital Facilities Finance Agency, RB, Duke Energy Carolinas, Series B, 4.38%, 10/01/31	\$ 680	\$ 666,726
North Carolina Capital Facilities Finance Agency, Refunding RB, Duke Energy Carolinas, Series B, 4.63%, 11/01/40	680	661,708
North Carolina Medical Care Commission, Refunding RB, First Mortgage, Deerfield, Series A, 6.13%, 11/01/38	3,230	3,277,869
		<hr/> 4,606,303

Ohio 1.4%		
Buckeye Tobacco Settlement Financing Authority, RB, Asset-Backed, Senior Series A-2: 5.13%, 6/01/24	1,110	966,322
6.50%, 6/01/47	2,000	1,672,320
		<hr/> 2,638,642

Pennsylvania 6.6%		
Allegheny County Hospital Development Authority, Refunding RB, Health System, West Penn, Series A, 5.38%, 11/15/40	1,885	1,451,073
Bucks County IDA, RB, Ann's Choice Inc. Facility, Series A, 6.13%, 1/01/25	1,160	1,170,997
Cumberland County Municipal Authority, RB, Diakon Lutheran, 6.38%, 1/01/39	2,510	2,652,769
Lancaster County Hospital Authority, RB, Brethren Village Project, Series A: 6.25%, 7/01/26	475	481,659
6.50%, 7/01/40	675	671,402
Montgomery County IDA Pennsylvania, MRB, Whitmarsh Continuing Care, 6.25%, 2/01/35	1,700	1,537,344

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Philadelphia Authority for Industrial Development, RB, AMT:		
Commercial Development, 7.75%, 12/01/17	3,000	3,003,840
Subordinate, Air Cargo, Series A, 7.50%, 1/01/25	1,600	1,581,776
		<hr/>
		12,550,860

Puerto Rico 0.8%

Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.50%, 8/01/44		
	1,000	1,151,140
Puerto Rico Sales Tax Financing Corp., Refunding RB, CAB, First Sub-Series C, 6.52%, 8/01/38 (a)	1,815	324,486
		<hr/>
		1,475,626

Rhode Island 0.8%

Central Falls Detention Facility Corp., Refunding RB, 7.25%, 7/15/35	1,750	1,525,230
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South Carolina 0.4%

Connector 2000 Association Inc., RB, CAB, Senior Series B, 11.47%, 1/01/14 (a)(e)(f)		
	1,075	141,308
South Carolina Jobs, EDA, Refunding RB, Palmetto Health, 5.50%, 8/01/26	670	687,916
		<hr/>
		829,224

Tennessee 0.1%

Shelby County Health Educational & Housing Facilities Board, RB, Village at Germantown, 6.25%, 12/01/34	245	216,132
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Texas 10.9%

Bexar County Health Facilities Development Corp., RB, Army Retirement Residence Project, 6.20%, 7/01/45		
	2,055	2,115,006
Brazos River Authority, Refunding RB, Texas Utility Co., Series, AMT, 7.70%, 4/01/33	2,530	936,100
Central Texas Regional Mobility Authority, RB: CAB, 7.48%, 1/01/28 (a)	1,000	348,130
CAB, 7.78%, 1/01/33 (a)	2,150	507,336
CAB, 7.79%, 1/01/34 (a)	4,000	849,400
Senior Lien, 5.75%, 1/01/25	450	475,569

See Notes to Financial Statements.

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OCTOBER 31, 2010

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Schedule of Investments (continued)

BlackRock Apex Municipal Fund, Inc. (APX)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Texas (concluded)		
City of Houston Texas, RB, Special Facilities, Continental Airlines, Series E, AMT, 6.75%, 7/01/21	\$ 1,865	\$ 1,872,628
Danbury Higher Education Authority Inc., RB, A.W. Brown Fellowship Charter, Series A (ACA), 5.13%, 8/15/36	1,000	1,168,240
Harris County Health Facilities Development Corp., Refunding RB, Memorial Hermann Healthcare System, Series B, 7.25%, 12/01/35	1,110	1,274,424
Matagorda County Navigation District No. 1 Texas, Refunding RB, Central Power & Light Co. Project, Series A, 6.30%, 11/01/29	850	939,259
North Texas Tollway Authority, RB, Toll, 2nd Tier, Series F, 6.13%, 1/01/31	1,650	1,780,267
Tarrant County Cultural Education Facilities Finance Corp., RB, Series A:		
CC Young Memorial Home, 8.00%, 2/15/38	710	749,859
Senior Living Center Project, 8.25%, 11/15/44	1,710	1,729,374
Texas Private Activity Bond Surface Transportation Corp., RB, Senior Lien:		
LBJ Infrastructure Group LLC, LBJ Freeway Managed Lanes Project, 7.00%, 6/30/40	1,815	1,972,869
NTE Mobility Partners LLC, North Tarrant Express Managed Lanes Project, 6.88%, 12/31/39	1,605	1,741,650
Texas State Public Finance Authority, Refunding ERB, KIPP Inc., Series A (ACA), 5.00%, 2/15/28	2,250	2,173,995
		20,634,106
U.S. Virgin Islands 1.1%		
United States Virgin Islands, Refunding RB, Senior Secured, Hovensa Coker Project, AMT, 6.50%, 7/01/21	2,100	2,136,435
Utah 1.2%		
County of Carbon Utah, Refunding RB, Laidlaw Environmental, Series A, AMT, 7.45%, 7/01/17	2,240	2,245,331
Vermont 0.3%		
Vermont Economic Development Authority, Refunding MRB, Wake Robin Corp. Project, Series A (ACA), 6.30%, 3/01/33	650	632,482
Virginia 2.2%		
Dulles Town Center Community Development Authority, Special Assessment Bonds, Dulles Town Center Project, 6.25%, 3/01/26	2,330	2,284,775
Tobacco Settlement Financing Corp. Virginia, Refunding RB, Senior Series B1, 5.00%, 6/01/47	2,790	1,958,747

		4,243,522
Wisconsin 2.2%		
Wisconsin Health & Educational Facilities Authority, RB:		
New Castle Place Project, Series A, 7.00%, 12/01/31	1,320	1,322,416
Wheaton Franciscan Healthcare, 5.25%, 8/15/34	2,540	2,385,619
Wisconsin Health & Educational Facilities Authority, Refunding RB, St. John's Communities Inc., Series A:		
7.25%, 9/15/29	175	181,055
7.63%, 9/15/39	350	368,777
		4,257,867
Wyoming 1.3%		
County of Sweetwater Wyoming, Refunding RB, FMC Corp. Project, AMT, 5.60%, 12/01/35		
	2,500	2,522,950
Total Municipal Bonds 92.0%		174,733,702
Municipal Bonds Transferred to Tender Option Bond Trusts (g)		
	Par (000)	Value
District of Columbia 1.6%		
District of Columbia Water & Sewer Authority, RB, Series A, 6.00%, 10/01/35	\$ 2,730	\$ 3,107,869
Florida 3.3%		
County of Miami-Dade Florida, RB, Miami International Airport, Series A, AMT (AGC), 5.25%, 10/01/33	6,130	6,232,984
Virginia 3.1%		
Virginia HDA, RB, Sub-Series H-1 (NPFGC), 5.38%, 7/01/36	5,710	5,816,548
Total Municipal Bonds Transferred to Tender Option Bond Trusts 8.0%		15,157,401
Total Long-Term Investments (Cost \$186,374,178) 100.0%		189,891,103
Short-Term Securities		
	Shares	
FFI Institutional Tax-Exempt Fund, 0.14% (h)(i)	998,663	998,663
Total Short-Term Securities (Cost \$998,663) 0.5%		998,663
Total Investments (Cost \$187,372,841*) 100.5%		190,889,766
Other Assets Less Liabilities 3.3%		6,330,193
Liability for Trust Certificates, Including Interest Expense and Fees Payable (3.8)%		(7,289,948)

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Net Assets 100.0%

\$ 189,930,011

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

Aggregate cost	\$ 179,453,252
Gross unrealized appreciation	\$ 12,728,160
Gross unrealized depreciation	(8,577,092)
Net unrealized appreciation	\$ 4,151,068

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) 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.
- (d) Variable rate security. Rate shown is as of report date.
- (e) Issuer filed for bankruptcy and/or is in default of interest payments.
- (f) Non-income producing security.
- (g) Securities represent bonds transferred to a tender option bond trust in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.
- (h) Investments in companies considered to be an affiliate of the Fund during the period, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at April 30, 2010	Net Activity	Shares Held at October 31, 2010	Income
FFI Institutional Tax-Exempt Fund	648,958	349,705	998,663	\$993

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

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock Apex Municipal Fund, Inc. (APX)

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

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

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

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

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

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

Valuation Inputs	Level 1	Level 2	Level 3	Total
Assets:				
Investments in Securities:				
Long-Term Investments ¹		\$ 189,891,103		\$ 189,891,103
Short-Term Securities	\$ 998,663			998,663
Total	\$ 998,663	\$ 189,891,103		\$ 190,889,766

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

See Notes to Financial Statements.

Schedule of Investments October 31, 2010 (Unaudited)

BlackRock MuniAssets Fund, Inc. (MUA)
(Percentages shown are based on Net Assets)

Municipal Bonds	Par (000)	Value
Alabama 0.2%		
County of Jefferson Alabama, RB, Series A, 5.25%, 1/01/17	\$ 530	\$ 501,852
Alaska 0.1%		
Alaska Industrial Development & Export Authority, RB, Williams Lynxs, Alaska Cargoport, AMT, 7.80%, 5/01/14	395	393,416
Arizona 6.7%		
Coconino County Pollution Control Corp. Arizona, Refunding RB, Tucson Electric Power-Navajo, Series A, AMT, 7.13%, 10/01/32	3,000	3,004,530
Maricopa County IDA Arizona, RB, Arizona Charter Schools Project, Series A, 6.63%, 7/01/20	1,520	1,188,154
Phoenix IDA Arizona, Refunding RB, America West Airlines Inc. Project, AMT, 6.30%, 4/01/23	4,800	4,216,032
Pima County IDA, RB: Arizona Charter Schools Project, Series E, 7.25%, 7/01/31	1,365	1,388,464
Tucson Electric Power Co., Series A, 5.25%, 10/01/40	2,380	2,369,218
Pima County IDA, Refunding IDRB, Tucson Electric Power, 5.75%, 9/01/29	670	692,365
Pima County IDA, Refunding RB: Arizona Charter Schools Project, Series O, 5.25%, 7/01/31	450	400,522
Charter Schools II, Series A, 6.75%, 7/01/31	670	672,466
Salt Verde Financial Corp., RB, Senior: 5.00%, 12/01/32	1,840	1,777,845
5.00%, 12/01/37	1,350	1,269,891
Show Low Improvement District, Special Assessment Bonds, District No. 5, 6.38%, 1/01/15	745	746,043
University Medical Center Corp., Arizona, RB: 6.25%, 7/01/29	280	304,363
6.50%, 7/01/39	500	543,775
		18,573,668
California 3.3%		
California Statewide Communities Development Authority, Refunding RB: American Baptist Homes of the West, 6.25%, 10/01/39	1,290	1,309,285
Senior Living, Southern California, 7.00%, 11/15/29	600	655,836
Senior Living, Southern California, 7.25%, 11/15/41	2,060	2,266,330
City of Fontana California, Special Tax Bonds, Refunding, Community Facilities District No. 22-Sierra, Series H,	1,320	1,320,317

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6.00%, 9/01/34		
State of California, GO, Various Purpose, 6.00%, 3/01/33	3,075	3,532,068
		<hr/>
		9,083,836

Colorado 2.9%

Colorado Health Facilities Authority, Refunding RB, Total Longterm Care National Obligated Group Project, Series A, 6.00%, 11/15/30	610	618,241
E-470 Public Highway Authority, Refunding RB, CAB, 7.08%, 9/01/35 (a)	2,190	399,368
Elk Valley Public Improvement Corp., RB, Public Improvement Fee:		
Series A, 7.10%, 9/01/14	1,220	1,245,144
Series A, 7.30%, 9/01/22	2,095	2,097,975
Series B, 7.45%, 9/01/31	200	193,474
Plaza Metropolitan District No. 1 Colorado, Tax Allocation Bonds, Tax Increment:		
Public Improvement Fee, 8.00%, 12/01/25	2,850	2,977,595
Subordinate Public Improvement Fee, 8.13%, 12/01/25	525	488,187
		<hr/>
		8,019,984

Municipal Bonds	Par (000)	Value
Connecticut 2.9%		
Connecticut State Development Authority, RB, AFCO Cargo BDL LLC Project, AMT, 8.00%, 4/01/30	\$ 3,490	\$ 3,391,129
Harbor Point Infrastructure Improvement District, Tax Allocation Bonds, Harbor Point Project, Series A, 7.88%, 4/01/39	2,340	2,514,915
Mohegan Tribe of Indians of Connecticut, RB, Public Improvement, Priority Distribution, 6.25%, 1/01/31	2,610	2,161,680