

BLACKROCK MUNIYIELD MICHIGAN QUALITY FUND, INC.

Form N-CSRS

April 01, 2016

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 811-07080

Name of Fund: BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock MuniYield
Michigan Quality Fund, Inc., 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: 07/31/2016

Date of reporting period: 01/31/2016

Item 1 Report to Stockholders

SEMI-ANNUAL REPORT (UNAUDITED)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

BlackRock MuniYield Investment Quality Fund (MFT)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

Not FDIC Insured May Lose Value No Bank Guarantee

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The Markets in Review

Dear Shareholder,

Diverging monetary policies and shifting economic outlooks across regions have been the overarching themes driving financial markets over the past couple of years. With U.S. growth outpacing the global economic recovery while inflationary pressures remained low, investors spent most of 2015 anticipating a short-term rate hike from the Federal Reserve (Fed), which ultimately came to fruition in December. In contrast, the European Central Bank and the Bank of Japan moved to a more accommodative stance over the year. In this environment, the U.S. dollar strengthened considerably, causing profit challenges for U.S. exporters and high levels of volatility in emerging market currencies and commodities.

Market volatility broadly increased in the latter part of 2015 and continued into 2016 given a collapse in oil prices and decelerating growth in China, while global growth and inflation failed to pick up. Oil prices were driven lower due to excess supply while the world's largest oil producers had yet to negotiate a deal that would stabilize oil prices. In China, slower economic growth combined with a depreciating yuan and declining confidence in the country's policymakers stoked worries about the potential impact to the broader global economy. After a long period in which global central bank policies had significant influence on investor sentiment and hence the direction of financial markets, in recent months, the underperformance of markets in Europe and Japan where central banks had taken aggressive measures to stimulate growth and stabilize their currencies highlighted the possibility that central banks could be losing their effectiveness.

In this environment, higher quality assets such as municipal bonds, U.S. Treasuries and investment grade corporate bonds outperformed risk assets including equities and high yield bonds. Large cap U.S. equities fared better than international developed and emerging markets.

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

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of January 31, 2016

	6-month	12-month
U.S. large cap equities (S&P 500® Index)	(6.77)%	(0.67)%
U.S. small cap equities (Russell 2000® Index)	(15.80)	(9.92)
International equities (MSCI Europe, Australasia, Far East Index)	(14.58)	(8.43)
Emerging market equities (MSCI Emerging Markets Index)	(16.96)	(20.91)
3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury	0.05	0.05

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Bill Index)		
U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index)	3.36	(0.41)
U.S. investment-grade bonds (Barclays U.S. Aggregate Bond Index)	1.33	(0.16)
Tax-exempt municipal bonds (S&P Municipal Bond Index)	3.67	2.66
U.S. high yield bonds (Barclays U.S. Corporate High Yield 2% Issuer Capped Index)	(7.75)	(6.58)

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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Municipal Market Overview

For the Reporting Period Ended January 31, 2016

Municipal Market Conditions

Municipal bonds generated positive performance for the period, due to a favorable supply-and-demand environment. Interest rates were volatile in 2015 (bond prices rise as rates fall) leading up to a long-awaited rate hike from the U.S. Federal Reserve (the Fed) that ultimately came in December. However, ongoing reassurance from the Fed that rates would be increased gradually and would likely remain low overall resulted in strong demand for fixed income investments, with municipal bonds being one of the strongest-performing sectors. Investors favored the relative stability of municipal bonds amid bouts of volatility resulting from uneven U.S. economic data, falling oil prices, global growth concerns, geopolitical risks, and widening central bank divergence i.e., policy easing outside the United States while the Fed was posturing to commence policy tightening. During the 12 months ended January 31, 2016, municipal bond funds garnered net inflows of approximately \$16 billion (based on data from the Investment Company Institute).

For the same 12-month period, total new issuance remained relatively strong from a historical perspective at \$392 billion (considerably higher than the \$349 billion issued in the prior 12-month period). A noteworthy portion of new supply during this period was attributable to refinancing activity (roughly 60%) as issuers took advantage of low interest rates and a flatter yield curve to reduce their borrowing costs.

S&P Municipal Bond Index	
Total Returns as of January 31, 2016	
6 months:	3.67%
12 months:	2.66%

A Closer Look at Yields

From January 31, 2015 to January 31, 2016, yields on AAA-rated 30-year municipal bonds increased by 25 basis points (bps) from 2.50% to 2.75%, while 10-year rates fell by 1 bp from 1.72% to 1.71% and 5-year rates increased 6 bps from 0.94% to 1.00% (as measured by Thomson Municipal Market Data). The slope of the municipal yield curve remained unchanged over the 12-month period with the spread between 2- and 30-year

maturities holding steady at 209 bps as the spread between 2- and 10-year maturities flattened by 26 bps and the spread between 10- and 30-year maturities steepened by 26 bps.

During the same time period, U.S. Treasury rates increased by 50 bps on 30-year bonds, 25 bps on 10-year bonds and 14 bps on 5-year bonds. Accordingly, tax-exempt municipal bonds outperformed Treasuries, most notably in the intermediate and long-end of the curve as a result of manageable supply and robust demand. In absolute terms, the positive performance of municipal bonds was driven largely by a supply/demand imbalance within the municipal market as investors sought income and incremental yield in an environment where opportunities had become scarce. More broadly, municipal bonds benefited from the greater appeal of tax-exempt investing in light of the higher tax rates implemented in 2014. The asset class is known for its lower relative volatility and preservation of principal with an emphasis on income as tax rates rise.

Financial Conditions of Municipal Issuers

The majority of municipal credits remain strong, despite well-publicized distress among a few issuers. Four of the five states with the largest amount of debt outstanding California, New York, Texas and Florida have exhibited markedly improved credit fundamentals during the slow national recovery. However, several states with the largest unfunded pension liabilities have seen their bond prices decline noticeably and remain vulnerable to additional price deterioration. On the local level, Chicago's credit quality downgrade is an outlier relative to other cities due to its larger pension liability and inadequate funding remedies. BlackRock maintains the view that municipal bond defaults will remain minimal and in the periphery while the overall market is fundamentally sound. We continue to advocate careful credit research and believe that a thoughtful approach to structure and security selection remains imperative amid uncertainty in a modestly improving economic environment.

The opinions expressed are those of BlackRock as of January 31, 2016, and are subject to change at any time due to changes in market or economic conditions. The comments should not be construed as a recommendation of any individual holdings or market sectors. Investing involves risk including loss of principal. Bond values fluctuate in price so the value of your investment can go down depending on market conditions. Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. There may be less information on the financial condition of municipal issuers than for public corporations. The market for

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municipal bonds may be less liquid than for taxable bonds. Some investors may be subject to Alternative Minimum Tax (AMT). Capital gains distributions, if any, are taxable.

The Standard & Poor's Municipal Bond Index, a broad, market value-weighted index, seeks to measure the performance of the US municipal bond market. All bonds in the index are exempt from US federal income taxes or subject to the alternative minimum tax. Past performance is no guarantee of future results. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an index.

The Benefits and Risks of Leveraging

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

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

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

However, in order to benefit Common Shareholders, the return on assets purchased with leverage proceeds must exceed the ongoing costs associated with the leverage. If interest and other costs of leverage exceed the Funds' return on assets purchased with leverage proceeds, income to shareholders is lower than if the Funds had not used leverage. Furthermore, the value of the Funds' portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the value of the Funds' obligations under their respective leverage arrangements generally does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds' NAVs positively or negatively. Changes in the future direction of interest rates are very difficult to

predict accurately, and there is no assurance that a Fund's intended leveraging strategy will be successful.

Leverage also generally causes greater changes in the Funds' NAVs, market prices and dividend rates than comparable portfolios without leverage. In a declining market, leverage is likely to cause a greater decline in the NAV and market price of a Fund's Common Shares than if the Funds were not leveraged. In addition, the Funds may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause the Funds to incur losses. The use of leverage may limit a Fund's ability to invest in certain types of securities or use certain types of hedging strategies. The Funds 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. Moreover, to the extent the calculation of the Funds' investment advisory fees includes assets purchased with the proceeds of leverage, the investment advisory fees payable to the Funds' investment advisor will be higher than if the Funds did not use leverage.

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

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

If a Fund segregates or designates on its books and records cash or liquid assets having a value not less than the value of a Fund's obligations under the TOB Trust (including accrued interest), a TOB Trust is not considered a senior security and is not subject to the foregoing limitations and requirements under the 1940 Act.

Derivative Financial Instruments

The Funds may invest in various derivative financial instruments. Derivative financial instruments are used to obtain exposure to a security, index and/or market without owning or taking physical custody of securities or to manage market, equity, credit, interest rate, foreign currency exchange rate, commodity and/or other risks. Derivative financial instruments may give rise to a form of economic leverage. Derivative financial instruments also involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the

derivative financial instrument. The Funds' ability to use a derivative financial instrument successfully depends on the investment advisor's ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial instruments may result in losses greater than if they had not been used, may limit the amount of appreciation a Fund can realize on an investment and/or may result in lower distributions paid to shareholders. The Funds' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Fund Summary as of January 31, 2016

BlackRock MuniHoldings California Quality Fund, Inc.

Fund Overview

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

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

Fund Information

Symbol on New York Stock Exchange (NYSE)	MUC
Initial Offering Date	February 27, 1998
Yield on Closing Market Price as of January 31, 2016 (\$15.05) ¹	5.38%
Tax Equivalent Yield ²	10.96%
Current Monthly Distribution per Common Share ³	\$0.0675
Current Annualized Distribution per Common Share ³	\$0.8100
Economic Leverage as of January 31, 2016 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 marginal federal and state tax rate of 50.93%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

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

⁴ Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOB Trusts, 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 5.

Performance

Returns for the six months ended January 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MUC ^{1,2}	8.33%	5.07%
Lipper California Municipal Debt Funds ³	10.81%	5.97%

¹ All returns reflect reinvestment of dividends and/or distributions.

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² 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.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds performed well during the six-month period, as the combination of falling U.S. Treasury yields and improving municipal finances created healthy buying interest in the asset class. (Prices rise as yields fall). Municipals also benefited from a general flight to quality caused by the elevated volatility in the higher-risk segments of the financial markets.

California municipal bonds outperformed the national tax-exempt market, reflecting the improvement in state finances that resulted from the combination of austerity measures and steady revenues from a diversified economy. In addition, the market benefited from the robust demand for tax-exempt investments in a state with a high income tax.

The Fund's positions in longer-term bonds made a strong contribution to performance at a time in which yields fell. Its investments in AA-rated credits in the school district, transportation and health care sectors also aided performance. AA-rated bonds generally experienced rising valuations as a result of California's improving credit profile. On a sector basis, investments in health care and utilities made the largest contributions to performance.

Using TOB Trusts, the Fund continued to employ leverage in order to increase income at a time in which the municipal yield curve was steep and short-term interest rates remained low. Leverage amplifies the effect of interest rate movements, which was a positive for Fund performance during the past six months given that yields declined.

The Fund utilized ten-year U.S. Treasury futures contracts to manage exposure to a rise in interest rates, which had a slightly negative impact on performance given that the Treasury market finished with positive returns.

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

BlackRock MuniHoldings California Quality Fund, Inc.

Market Price and Net Asset Value Per Share Summary

	1/31/16	7/31/15	Change	High	Low
Market Price	\$ 15.05	\$ 14.28	5.39%	\$ 15.09	\$ 14.02
Net Asset Value	\$ 16.13	\$ 15.78	2.22%	\$ 16.18	\$ 15.60

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

Overview of the Fund's Total Investments*

Sector Allocation	1/31/16	7/31/15
County/City/Special District/School District	40%	40%
Utilities	20	24
Health	14	12
Transportation	13	12
State	6	6
Education	5	6
Corporate	2	

For Fund compliance purposes, the Fund's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Credit Quality Allocation¹

	1/31/16	7/31/15
AAA/Aaa	17%	15%
AA/Aa	70	75
A	12	10
N/R	1	

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either Standard & Poor's (S&P) or Moody's Investors Service (Moody's) if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

Call/Maturity Schedule²

Calendar Year Ended December 31,

2016	7%
2017	10
2018	12
2019	15
2020	5

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

* Excludes short-term securities.

SEMI-ANNUAL REPORT

JANUARY 31, 2016

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Fund Summary as of January 31, 2016

BlackRock MuniHoldings New Jersey Quality Fund, Inc.

Fund Overview

BlackRock MuniHoldings New Jersey Quality Fund, Inc. s (MUJ) (the Fund) investment objective is to provide shareholders with current income exempt from federal income tax and New Jersey personal 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) and New Jersey personal income taxes. Under normal market conditions, the Fund invests at least 80% of its assets in municipal obligations with remaining maturities of one year or more at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

On December 5, 2014, the Boards of the Fund and BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI) approved the reorganization of MJI with and into the Fund, with the Fund continuing as the surviving fund after the reorganization. At a special shareholder meeting on March 12, 2015, the requisite shareholders of the Fund and MJI approved the reorganization, which was effective on April 13, 2015.

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

Fund Information

Symbol on NYSE	MUJ
Initial Offering Date	March 11, 1998
Yield on Closing Market Price as of January 31, 2016 (\$14.49) ¹	6.13%
Tax Equivalent Yield ²	11.90%
Current Monthly Distribution per Common Share ³	\$0.074
Current Annualized Distribution per Common Share ³	\$0.888
Economic Leverage as of January 31, 2016 ⁴	37%

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 marginal federal and state tax rate of 48.48%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The monthly distribution per Common Share, declared on March 1, 2016, was decreased to \$0.071 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 VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, 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 5.

Performance

Returns for the six months ended January 31, 2016 were as follows:

Returns Based On
Market Price NAV

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MUJ ^{1,2}	10.42%	6.56%
Lipper New Jersey Municipal Debt Funds ³	5.99%	6.08%

¹ All returns reflect reinvestment of dividends and/or distributions.

² 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.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds performed well during the six-month period, as the combination of falling U.S. Treasury yields and improving municipal finances created healthy buying interest in the asset class. (Prices rise as yields fall). Municipals also benefited from a general flight to quality caused by the elevated volatility in the higher-risk segments of the financial markets.

New Jersey municipal bonds outperformed the national tax-exempt market during the period. The slump in the state's bond market during the first half of 2015 led to a significant widening of yield spreads (the extra yield received when compared to U.S. government securities). Higher yields attracted buying interest in the state during the past six months, which helped boost prices at a time of dwindling supply.

The largest positive contribution to performance came from the Fund's duration exposure, as municipal yields fell significantly during the reporting period. (Duration is a measure of interest-rate sensitivity). Income in the form of coupon payments made up a meaningful portion of the Fund's total return. Performance also benefited from the Fund's investments in the health care sector.

Using TOB Trusts, the Fund continued to employ leverage in order to increase income at a time in which the municipal yield curve was steep and short-term interest rates remained low. Leverage amplifies the effect of interest rate movements, which was a positive for Fund performance during the past six months given that yields declined.

The Fund's use of U.S. Treasury futures contracts to manage interest rate risk had a slightly negative impact on performance at a time in which yields fell.

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.

Market Price and Net Asset Value Per Share Summary

	1/31/16	7/31/15	Change	High	Low
Market Price	\$ 14.49	\$ 13.55	6.94%	\$ 14.63	\$ 13.17
Net Asset Value	\$ 16.12	\$ 15.62	3.20%	\$ 16.14	\$ 15.35

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

Overview of the Fund's Total Investments*

Sector Allocation	1/31/16	7/31/15
Transportation	23%	22%
Education	22	22
State	20	21
County/City/Special District/School District	15	15
Health	11	11
Housing	4	4
Utilities	3	3
Corporate	2	2

For Fund compliance purposes, the Fund's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Call/Maturity Schedule³

Calendar Year Ended December 31,

2016	6%
2017	7
2018	9
2019	4
2020	9

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

* Excludes short-term securities.

Credit Quality Allocation¹

	1/31/16	7/31/15
AAA/Aaa	2	8%
AA/Aa	55%	50
A	37	35
BBB/Baa	8	7

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

² Represents less than 1% of the Fund's total investments.

Fund Summary as of January 31, 2016

BlackRock MuniYield Investment Quality Fund

Fund Overview

BlackRock MuniYield Investment Quality Fund s (MFT) (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 obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax). Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality 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.

Fund Information

Symbol on NYSE	MFT
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of January 31, 2016 (\$14.41) ¹	5.91%
Tax Equivalent Yield ²	10.44%
Current Monthly Distribution per Common Share ³	\$0.071
Current Annualized Distribution per Common Share ³	\$0.852
Economic Leverage as of January 31, 2016 ⁴	37%

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

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

⁴ Represents VMTP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOB Trusts, 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 5.

Performance

Returns for the six months ended January 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MFT ^{1,2}	11.13%	5.53%
Lipper General & Insured Municipal Debt Funds (Leveraged) ³	9.89%	5.99%

¹ All returns reflect reinvestment of dividends and/or distributions.

² 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.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds performed well during the six-month period, as the combination of falling U.S. Treasury yields and improving municipal finances created healthy buying interest in the asset class. (Prices rise as yields fall). Municipals also benefited from a general flight to quality caused by the elevated volatility in the higher-risk segments of the financial markets.

The Fund's overweight position in A-rated bonds, which outperformed higher-rated issues amid investors' continued search for yield, made a positive contribution to performance. Holdings in longer-dated, A-rated bonds in the transportation and health care sectors made particularly strong contributions. The Fund's positions in long-term bonds, which outpaced their short-term counterparts, aided performance. Income generated in the form of coupon payments also made a meaningful contribution to the Fund's total return.

Using TOB Trusts, the Fund continued to employ leverage in order to increase income. Leverage amplifies the effect of interest rate movements, which was a positive for Fund performance during the past six months given that yields declined.

The Fund's positions in shorter-dated holdings, such as pre-refunded issues and bonds with very short call dates, detracted from performance. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

**BlackRock MuniYield Investment Quality
Fund**

Market Price and Net Asset Value Per Share Summary

	1/31/16	7/31/15	Change	High	Low
Market Price	\$14.41	\$ 13.37	7.78%	\$ 14.41	\$ 13.08
Net Asset Value	\$15.31	\$ 14.95	2.41%	\$ 15.35	\$ 14.77

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

Overview of the Fund's Total Investments*

Sector Allocation	1/31/16	7/31/15
Transportation	40%	37%
Utilities	19	19
County/City/Special District/School District	15	18
Health	10	11
State	9	9
Education	3	2
Housing	2	2
Tobacco	1	
Corporate	1	2

For Fund compliance purposes, the Fund's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Credit Quality Allocation¹	1/31/16	7/31/15
AAA/Aaa	6%	7%
AA/Aa	60	61
A	29	26
BBB/Baa	5	6

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

Call/Maturity Schedule²

Calendar Year Ended December 31,

2016	1%
2017	1
2018	11
2019	26
2020	5

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

* Excludes short-term securities.

SEMI-ANNUAL REPORT

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Fund Summary as of January 31, 2016

BlackRock MuniYield Michigan Quality Fund, Inc.

Fund Overview

BlackRock MuniYield Michigan Quality Fund, Inc. s (MIY) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal and Michigan 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 obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and Michigan income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality at the time of investment. The Fund may invest directly in such securities or synthetically through the use of derivatives.

On April 30, 2015, the Boards of the Fund and BlackRock MuniYield Michigan Quality Fund II, Inc. (MYM) approved the reorganization of MYM with and into the Fund, with the Fund continuing as the surviving fund after the reorganization. At a special shareholder meeting on August 6, 2015, the requisite shareholders of the Fund and MYM approved the reorganization, which was effective on September 14, 2015.

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

Fund Information

Symbol on NYSE	MIY
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of January 31, 2016 (\$14.20) ¹	5.83%
Tax Equivalent Yield ²	10.76%
Current Monthly Distribution per Common Share ³	\$0.069
Current Annualized Distribution per Common Share ³	\$0.828
Economic Leverage as of January 31, 2016 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 marginal federal and state tax rate of 45.81%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

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

⁴ Represents VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, 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 5.

Performance

Returns for the six months ended January 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MIY ^{1,2}	10.81%	5.83%

Lipper Other States Municipal Debt Funds³

7.55% 5.60%

¹ All returns reflect reinvestment of dividends and/or distributions.

² 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.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds performed well during the six-month period, as the combination of falling U.S. Treasury yields and improving municipal finances created healthy buying interest in the asset class. (Prices rise as yields fall). Municipals also benefited from a general flight to quality caused by the elevated volatility in the higher-risk segments of the financial markets. Michigan municipal bonds slightly outperformed the national tax-exempt market. Michigan's market has been under stress in recent years due to the difficulties in Detroit. However, the state's tax-exempt market strengthened during the past six months, reflecting lower new issuance and signs of improved fiscal stability.

The largest positive contribution to performance came from the Fund's duration exposure, as municipal yields fell significantly during the reporting period. (Duration is a measure of interest-rate sensitivity). Income in the form of coupon payments made up a meaningful portion of the Fund's total return. Performance also benefited from the Fund's investments in the education sector.

Using TOB Trusts, the Fund continued to employ leverage in order to increase income at a time in which the municipal yield curve was steep and short-term interest rates remained low. Leverage amplifies the effect of interest rate movements, which was a positive for Fund performance during the past six months given that yields declined.

The Fund's use of U.S. Treasury futures contracts to manage interest rate risk had a slightly negative impact on performance at a time in which yields fell.

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.

BlackRock MuniYield Michigan Quality Fund, Inc.

Market Price and Net Asset Value Per Share Summary

	1/31/16	7/31/15	Change	High	Low
Market Price	\$14.20	\$ 13.22	7.41%	\$ 14.22	\$ 12.95
Net Asset Value	\$15.89	\$ 15.48	2.65%	\$ 15.93	\$ 15.26

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

Overview of the Fund's Total Investments*

Sector Allocation	1/31/16	7/31/15
Health	26%	21%
Education	24	22
County/City/Special District/School District	16	16
State	10	14
Utilities	10	10
Transportation	7	9
Housing	4	5
Corporate	3	3

For Fund compliance purposes, the Fund's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Credit Quality Allocation ¹	1/31/16	7/31/15
AAA/Aaa	3%	1%
AA/Aa	68	73
A	26	23
BBB/Baa	2	2
N/R	1	1

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

Call/Maturity Schedule²

Calendar Year Ended December 31,

2016	5%
2017	7
2018	12
2019	6
2020	5

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

* Excludes short-term securities.

Fund Summary as of January 31, 2016

BlackRock MuniYield Pennsylvania Quality Fund

Fund Overview

BlackRock MuniYield Pennsylvania Quality Fund's (MPA) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal and Pennsylvania 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 obligations exempt from federal income taxes (except that the interest may be subject to the federal alternative minimum tax) and Pennsylvania income taxes. Under normal market conditions, the Fund invests primarily in long-term municipal obligations that are investment grade quality 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.

Fund Information

Symbol on NYSE	MPA
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of January 31, 2016 (\$15.02) ¹	5.71%
Tax Equivalent Yield ²	10.41%
Current Monthly Distribution per Common Share ³	\$0.0715
Current Annualized Distribution per Common Share ³	\$0.8580
Economic Leverage as of January 31, 2016 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 marginal federal and state tax rate of 45.14%, which includes the 3.8% Medicare tax. Actual tax rates will vary based on income, exemptions and deductions. Lower taxes will result in lower tax equivalent yields.

³ The monthly distribution per Common Share, declared on March 1, 2016, was decreased to \$0.0683 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 VRDP Shares and TOB Trusts as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOB Trusts, 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 5.

Performance

Returns for the six months ended January 31, 2016 were as follows:

	Returns Based On	
	Market Price	NAV
MPA ^{1,2}	14.66%	6.00%
Lipper Pennsylvania Municipal Debt Funds ³	11.39%	5.41%

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¹ All returns reflect reinvestment of dividends and/or distributions.

² 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.

³ Average return.

The following discussion relates to the Fund's absolute performance based on NAV:

Municipal bonds performed well during the six-month period, as the combination of falling U.S. Treasury yields and improving municipal finances created healthy buying interest in the asset class. (Prices rise as yields fall). Municipals also benefited from a general flight to quality caused by the elevated volatility in the higher-risk segments of the financial markets. Pennsylvania municipal bonds underperformed the national tax-exempt market, reflecting the ongoing political impasse regarding the state's budget for the 2015-2016 fiscal year.

The Fund's positions in longer-term bonds made a strong contribution to performance at a time in which yields fell. On a sector basis, the most significant contribution came from the Fund's positions in health care and transportation issues. The Fund's exposure to zero-coupon bonds, which outperformed current-coupon bonds, also benefited returns.

Using TOB Trusts, the Fund continued to employ leverage in order to increase income at a time in which the municipal yield curve was steep and short-term interest rates remained low. Leverage amplifies the effect of interest rate movements, which was a positive for Fund performance during the past six months given that yields declined.

The Fund's use of U.S. Treasury futures contracts to manage interest rate risk had a slightly negative impact on performance at a time in which yields fell.

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.

BlackRock MuniYield Pennsylvania Quality Fund

Market Price and Net Asset Value Per Share Summary

	1/31/16	7/31/15	Change	High	Low
Market Price	\$15.02	\$ 13.50	11.26%	\$ 15.61	\$ 13.33
Net Asset Value	\$16.22	\$ 15.77	2.85%	\$ 16.28	\$ 15.58

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

Overview of the Fund's Total Investments*

Sector Allocation	1/31/16	7/31/15
Health	22%	20%
County/City/Special District/School District	21	19
Education	17	15
State	12	14
Transportation	9	12
Corporate	8	8
Housing	6	5
Utilities	5	7

For Fund compliance purposes, the Fund's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Credit Quality Allocation ¹	1/31/16	7/31/15
AAA/Aaa	1%	1%
AA/Aa	64	65
A	22	23
BBB/Baa	9	9
BB	1	
N/R ²	3	2

¹ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

² The investment advisor evaluates the credit quality of unrated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment advisor has deemed certain of these unrated securities as investment grade quality. As of January 31, 2016 and July 31, 2015, the market value of unrated securities deemed by the investment advisor to be investment grade each represents 1%, respectively, of the Fund's total investments.

Call/Maturity Schedule³

Calendar Year Ended December 31,

2016	5%
2017	5
2018	11
2019	12
2020	7

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

* Excludes short-term securities.

Schedule of Investments January 31, 2016 (Unaudited)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
California 105.6%		
Corporate 3.4%		
California Pollution Control Financing Authority, Refunding RB, Waste Management, Inc., AMT:		
Series A-1, 3.38%, 7/01/25	\$ 5,000	\$ 5,340,900
Series B-1, 3.00%, 11/01/25	14,000	14,510,020
City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34	2,435	2,816,443
		22,667,363
County/City/Special District/School District 32.5%		
Centinela Valley Union High School District, GO, Election of 2010, Series A, 5.75%, 8/01/41	9,120	11,060,098
County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35	3,500	4,002,810
County of Orange California Sanitation District, COP, Series A, 5.00%, 2/01/35	2,500	2,783,125
County of Riverside California Public Financing Authority, RB, Capital Facility Project, 5.25%, 11/01/45	10,000	11,825,300
County of San Joaquin California Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36	2,665	3,248,235
County of Ventura California Community College District, GO, Election of 2002, Series C, 5.50%, 8/01/18 (a)	4,000	4,471,040
Culver City Redevelopment Finance Authority California, Refunding, Tax Allocation Bonds, Series A (AGM), 5.60%, 11/01/25	3,750	3,765,975
Fremont Union High School District, GO, Refunding, 4.00%, 8/01/40	2,500	2,674,825
Garden Grove Unified School District, GO, Election of 2010, Series C, 5.25%, 8/01/40	5,500	6,451,170
Gavilan Joint Community College District, GO, Election of 2004, Series D: 5.50%, 8/01/31	2,170	2,566,871
5.75%, 8/01/35	8,400	10,021,200
Grossmont California Healthcare District, GO, Election of 2006, Series B, 6.13%, 7/15/21 (a)	2,000	2,536,780
Imperial Irrigation District, Series A, Electric System Revenue: 5.13%, 11/01/18 (a)	6,530	7,292,965
5.13%, 11/01/38	1,470	1,628,216
Kern Community College District, GO, Safety Repair & Improvements, Series C: 5.25%, 11/01/32	5,715	6,901,605
5.75%, 11/01/34	12,085	15,051,626
Los Alamitos Unified School District, GO, Refunding, School Facilities Improvement, Series E, 5.25%, 8/01/39	3,700	4,350,867
Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35	11,000	12,662,210
	Par (000)	Value
Municipal Bonds		
California (continued)		
County/City/Special District/School District (continued)		
Merced Union High School District, GO, CAB, Refunding (AGM) (b): 0.00%, 8/01/40	\$ 3,800	\$ 1,205,512
0.00%, 8/01/42	4,125	1,164,529
Mount San Jacinto Community College District, GO, Series A, 5.00%, 8/01/35	3,565	4,274,827
Oxnard Union High School District, GO, Refunding, Election of 2004, Series A (AGM), 5.00%, 8/01/35	10,000	11,347,600
Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33	5,000	5,501,550
Rio Elementary School District, GO, Series A, 5.25%, 8/01/40	5,865	6,954,658
Riverside Community College District Foundation, GO, Election of 2004 (a): Series C (AGM), 5.00%, 8/01/17	8,750	9,341,588
Series C (NPFGC), 5.00%, 8/01/17	8,910	9,512,405
San Bernardino Community College District, GO, Election of 2002, Series C (AGM), 5.00%, 8/01/16 (a)	10,750	11,003,163
San Diego Regional Building Authority, RB, County Operations Center & Annex, Series A, 5.50%, 2/01/29	905	1,022,741
San Diego Unified School District, GO, CAB, Series C (b): Election of 2008, 0.00%, 7/01/42	3,605	1,256,198
Election of 2008, 0.00%, 7/01/43	1,310	437,448
Election of 2008, 0.00%, 7/01/45	1,575	486,911
0.00%, 7/01/47	1,000	284,910

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San Jose California Financing Authority, LRB, Convention Center Expansion & Renovation

Project, Series A:

5.75%, 5/01/36	2,560	2,595,072
5.75%, 5/01/42	4,500	5,350,140
San Jose California Financing Authority, Refunding LRB, Civic Center Project, Series A, 5.00%, 6/01/39	5,800	6,686,704
San Marcos Redevelopment Agency Successor Agency, Refunding, Tax Allocation Bonds, Series A:		
5.00%, 10/01/32	1,700	2,037,229
5.00%, 10/01/33	1,125	1,344,983
Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/38	5,635	6,464,359
West Contra Costa California Unified School District, GO: Election of 2010, Series A (AGM), 5.25%, 8/01/41	5,390	6,389,252
Election of 2010, Series B, 5.50%, 8/01/39	3,195	3,823,073
Election of 2012, Series A, 5.50%, 8/01/39	2,500	2,991,450

214,771,220

Portfolio Abbreviations

AGC	Assured Guarantee Corp.	EDA	Economic Development Authority	IDB	Industrial Development Board
AGM	Assured Guaranty Municipal Corp.	EDC	Economic Development Corp.	ISD	Independent School District
AMBAC	American Municipal Bond Assurance Corp.	ERB	Education Revenue Bonds	LRB	Lease Revenue Bonds
AMT	Alternative Minimum Tax (subject to)	GAB	Grant Anticipation Bonds	M/F	Multi-Family
ARB	Airport Revenue Bonds	GARB	General Airport Revenue Bonds	NPFGC	National Public Finance Guarantee Corp.
BAM	Build America Mutual Assurance Co.	GO	General Obligation Bonds	Q-SBLF	Qualified School Bond Loan Fund
BARB	Building Aid Revenue Bonds	HDA	Housing Development Authority	RB	Revenue Bonds
BHAC	Berkshire Hathaway Assurance Corp.	HFA	Housing Finance Agency	S/F	Single-Family
CAB	Capital Appreciation Bonds	IDA	Industrial Development Authority	Syncora	Syncora Guarantee
COP	Certificates of Participation				

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

	Par (000)	Value
Municipal Bonds		
California (continued)		
Education 1.9%		
California Municipal Finance Authority, RB, Emerson College, 6.00%, 1/01/42	\$ 2,750	\$ 3,293,455
University of California, RB, Series D (AGM), 5.00%, 5/15/16 (a)	2,500	2,560,425
University of California, Refunding RB, Series AO, 5.00%, 5/15/40	5,430	6,391,708
		12,245,588
Health 15.6%		
ABAG Finance Authority for Nonprofit Corps., Refunding RB, Sharp Healthcare, Series B, 6.25%, 8/01/39	6,305	7,347,532
California Health Facilities Financing Authority, RB:		
Children's Hospital, Series A, 5.25%, 11/01/41	8,000	9,112,400
Kaiser Permanente, Series A, 5.25%, 4/01/39	7,275	7,319,014
Providence Health Services, Series B, 5.50%, 10/01/39	4,130	4,719,599
Sutter Health, Series A, 5.00%, 11/15/41 (c)	2,275	2,656,085
Sutter Health, Series A, 5.25%, 11/15/46	7,500	7,755,825
Sutter Health, Series B, 6.00%, 8/15/42	9,655	11,646,344
California Health Facilities Financing Authority, Refunding RB, Series A:		
Dignity Health, 6.00%, 7/01/34	3,700	4,270,762
Providence Health and Services, 5.00%, 10/01/38	10,970	12,743,081
St. Joseph Health System, 5.00%, 7/01/37	10,000	11,588,400
California Statewide Communities Development Authority, RB, Kaiser Permanente, Series B, 5.25%, 3/01/45	12,505	12,552,894
California Statewide Communities Development Authority, Refunding RB:		
Kaiser Permanente, Series C, 5.25%, 8/01/31	2,500	2,552,675
Trinity Health Credit Group Composite Issue, 5.00%, 12/01/41	6,235	7,004,648
Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/38	1,625	1,971,466
		103,240,725
State 9.7%		
State of California, GO:		
Various Purposes, 6.00%, 3/01/33	5,000	5,990,200
Various Purposes, 6.00%, 4/01/38	27,765	32,050,805
Refunding, Veterans Bond, 4.00%, 12/01/40	4,000	4,266,760
State of California Public Works Board, LRB:		
Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34	3,670	4,327,150
Various Capital Projects, Series I, 5.50%, 11/01/33	2,015	2,496,384
State of California Public Works Board, RB, California State Prisons, Series C, 5.75%, 10/01/31	1,205	1,491,320
University of California, RB, Limited Project, Series D (NPFGC), 5.00%, 5/15/16 (a)	13,000	13,314,210
		63,936,829
Transportation 20.9%		
City & County of San Francisco California Airports Commission, ARB, Series E, 6.00%, 5/01/39	9,650	11,164,857
City & County of San Francisco California Airports Commission, Refunding ARB, AMT:		
2nd Series 34E (AGM), 5.75%, 5/01/22	4,950	5,495,836
2nd Series 34E (AGM), 5.75%, 5/01/24	5,000	5,551,350
2nd Series A, 5.00%, 5/01/29	6,435	7,455,334
	Par (000)	Value
Municipal Bonds		
California (continued)		
Transportation (continued)		
City of Los Angeles California Department of Airports, ARB:		
AMT, Senior Series A, 5.00%, 5/15/40	\$ 3,830	\$ 4,383,626
AMT, Series D, 5.00%, 5/15/35	2,000	2,329,320
AMT, Series D, 5.00%, 5/15/36	1,500	1,741,695
Los Angeles International Airport, Senior Series D, 5.25%, 5/15/29	2,590	3,038,588
City of Los Angeles California Department of Airports, Refunding ARB, Los Angeles International Airport, Series A:		
Senior, 5.00%, 5/15/40	5,000	5,672,550
5.25%, 5/15/39	5,845	6,577,729

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City of San Jose California, ARB, AMT, Series A (AMBAC), 5.00%, 3/01/37	8,000	8,323,280
City of San Jose California, Refunding ARB, Series A-1, AMT: 5.25%, 3/01/23	3,785	4,433,787
6.25%, 3/01/34	1,400	1,685,376
County of Orange California, ARB, Series B, 5.75%, 7/01/34	6,345	6,788,706
County of Sacramento California, ARB: Senior Series A (AGC), 5.50%, 7/01/41	8,200	9,034,104
Senior Series B, 5.75%, 7/01/39	2,650	2,933,311
Senior Series B, AMT (AGM), 5.75%, 7/01/28	13,275	14,665,689
Senior Series B, AMT (AGM), 5.25%, 7/01/33	18,000	19,548,000
Senior Series B, AMT (AGM), 5.25%, 7/01/39	4,995	5,396,049
County of San Bernardino California Transportation Authority, RB, Series A, 5.25%, 3/01/40	4,545	5,407,459
Port of Los Angeles California Harbor Department, RB, Series B, 5.25%, 8/01/34	5,530	6,273,177
Port of Los Angeles California Harbor Department, Refunding RB, Series A, AMT, 5.00%, 8/01/44	500	564,570
		138,464,393
Utilities 21.6%		
Anaheim Public Financing Authority, RB, Electric System Distribution Facilities, Series A, 5.38%, 10/01/36	2,200	2,589,400
City of Los Angeles California Department of Water & Power, RB: Series A, 5.38%, 7/01/38	9,375	10,492,687
Sub-Series A-2 (AGM), 5.00%, 7/01/35	5,000	5,100,200
City of Los Angeles California Department of Water & Power, Refunding RB, Series A, 5.25%, 7/01/39	16,000	18,482,720
City of Los Angeles California Wastewater System, Refunding RB, Sub-Series A, 5.00%, 6/01/28	2,000	2,328,580
City of San Francisco California Public Utilities Commission Water Revenue, RB: Series A, 5.00%, 11/01/39	5,245	6,156,529
Series B, 5.00%, 11/01/30	10,000	11,405,000
County of Sacramento California Sanitation Districts Financing Authority, RB (NPFGC), 5.00%, 12/01/36	1,010	1,025,665
Dublin-San Ramon Services District Water Revenue, Refunding RB, 6.00%, 8/01/41	4,000	4,776,920
East Bay California Municipal Utility District Wastewater System Revenue, Refunding RB, Sub-Series A (AMBAC), 5.00%, 6/01/17 (a)	17,015	18,046,790
East Bay California Municipal Utility District Water System Revenue, Refunding RB (a): Series A (NPFGC), 5.00%, 6/01/17	6,670	7,072,468
Sub-Series A (AGM), 5.00%, 6/01/17	10,000	10,603,400
Eastern Municipal Water District, COP, Series H, 5.00%, 7/01/33	2,505	2,738,190

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

	Par (000)	Value
Municipal Bonds		
California (continued)		
Utilities (continued)		
El Dorado Irrigation District / El Dorado County Water Agency, Refunding RB, Series A (AGM), 5.25%, 3/01/39	\$ 10,000	\$ 11,841,600
San Diego Public Facilities Financing Authority Sewer, Refunding RB, Senior Series A: 5.25%, 5/15/34	1,060	1,204,277
5.25%, 5/15/39	10,000	11,361,100
San Diego Public Facilities Financing Authority Water, Refunding RB, Series B, 5.50%, 8/01/39	8,000	9,161,200
San Juan Water District, Refunding RB, San Juan & Citrus Heights, 5.25%, 2/01/33	7,325	8,684,373
		143,071,099
Total Municipal Bonds 105.6%		698,397,217
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
California 57.4%		
County/City/Special District/School District 33.0%		
California Health Facilities Financing Authority, RB, Sutter Health, Series A, 5.00%, 8/15/52	14,520	16,302,620
City of Los Angeles Department of Airports, Series D, AMT, 5.00%, 5/15/41	13,331	15,235,457
County of Alameda California Joint Powers Authority, Refunding LRB (AGM), 5.00%, 12/01/34	13,180	14,115,648
County of San Luis Obispo Community College District, GO, Refunding, Election of 2014, Series A, 4.00%, 8/01/40	6,585	6,975,027
Desert Community College District California, GO, Series C (AGM), 5.00%, 8/01/17 (a)	16,530	17,645,114
Foothill-De Anza Community College District, GO, Series C, 5.00%, 8/01/40	40,000	46,390,400
Los Angeles Community College District California, GO (a):		
Election of 2001, Series A (NPFGC), 5.00%, 8/01/17	6,647	7,095,869
Election of 2001, Series E-1, 5.00%, 8/01/18	11,770	13,010,323
Election of 2003, Series F-1, 5.00%, 8/01/18	10,000	11,053,800
Los Angeles Community College District California, GO, Refunding, Election of 2008, Series A, 6.00%, 8/01/19 (a)	9,596	11,300,218
Palomar California Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/44	15,140	17,778,599
Poway Unified School District, GO, Election of 2002, Improvement District 02, Series 1-B (AGM), 5.00%, 8/01/16 (a)	10,000	10,239,400
Southwestern Community College District, GO, Election of 2008, Series D, 5.00%, 8/01/44	10,820	12,646,957
West Valley-Mission Community College District, GO, Election of 2012, Series B, 4.00%, 8/01/40	17,000	18,222,300
		218,011,732
Education 5.7%		
University of California, RB:		
Series AM, 5.25%, 5/15/44	10,210	12,066,178
Series O, 5.75%, 5/15/19 (a)	11,190	12,974,842
University of California, Refunding RB:		
Series A, 5.00%, 11/01/43	6,001	7,064,607
Series AF, 5.00%, 5/15/39	5,000	5,821,350
		37,926,977
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
California (continued)		
Health 6.7%		
California Health Facilities Financing Authority, Refunding RB, Sutter Health, Series A, 5.00%, 8/15/43	\$ 19,425	\$ 22,488,690
California Statewide Communities Development Authority, RB, Kaiser Permanente, Series A, 5.00%, 4/01/42	19,070	21,605,548
		44,094,238
Transportation 0.9%		
	5,500	6,295,025

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City of Los Angeles California Department of Airports, RB, Senior Revenue, Series A, AMT, 5.00%, 5/15/40		
Utilities 11.1%		
City of Los Angeles California Wastewater System, RB, Green Bonds, Series A, 5.00%, 6/01/44	13,790	16,205,457
County of San Mateo Community College District, GO, Series A, 5.00%, 9/01/45	17,615	20,821,245
County of San Diego Water Authority Financing Corp., COP, Refunding, Series A (AGM):		
5.00%, 5/01/18 (a)	2,778	3,056,742
5.00%, 5/01/33	13,962	15,161,065
East Bay California Municipal Utility District Water System Revenue, RB, Series C, 5.00%, 6/01/44	11,000	12,805,980
Rancho Water District Financing Authority, Refunding RB, Series A (AGM), 5.00%, 8/01/34	5,008	5,489,507
		73,539,996
Total Municipal Bonds Transferred to Tender Option Bond Trusts 57.4%		379,867,968
Total Long-Term Investments		
(Cost \$999,909,107) 163.0%		1,078,265,185
Short-Term Securities	Shares	
BIF California Municipal Money Fund, 0.00% (e)(f)	1,830,586	1,830,586
Total Short-Term Securities		
(Cost \$1,830,586) 0.3%		1,830,586
Total Investments (Cost \$1,001,739,693) 163.3%		1,080,095,771
Other Assets Less Liabilities 0.8%		5,019,262
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (25.7)%		(169,723,150)
VMTP Shares, at Liquidation Value (38.4)%		(254,000,000)
Net Assets Applicable to Common Shares 100.0%		\$ 661,391,883

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Zero-coupon bond.
- (c) When-issued security.
- (d) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (e) During the six months ended January 31, 2016, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at July 31, 2015	Net Activity	Shares Held at January 31, 2016	Income
BIF California Municipal Money Fund	505,447	1,325,139	1,830,586	\$ 7

- (f) Current yield as of period end.

For Fund compliance purposes, the Fund's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Derivative Financial Instruments Outstanding as of Period End

Financial Futures Contracts

Contracts	Issue	Expiration	Notional Value	Unrealized Depreciation
Short				
(70)	5-Year U.S. Treasury Note	March 2016	\$ 8,447,032	\$ (121,436)
(82)	10-Year U.S. Treasury Note	March 2016	\$ 10,625,406	(225,212)
(36)	Long U.S. Treasury Bond	March 2016	\$ 5,797,125	(212,733)
(10)	Ultra U.S. Treasury Bond	March 2016	\$ 1,661,875	(64,189)
Total				\$ (623,570)

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

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	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Liabilities Derivative Financial Instruments						
Financial futures contracts				\$ 623,570		\$ 623,570

¹ Includes cumulative appreciation (depreciation) on financial futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

For the six months ended January 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) From:							
Financial futures contracts					\$ (36,079)		\$ (36,079)
Net Change in Unrealized Appreciation (Depreciation) on:							
Financial futures contracts					\$ (569,678)		\$ (569,678)

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Financial futures contracts:	
Average notional value of contracts	short \$ 21,335,262

For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long Term Investments ¹		\$ 1,078,265,185		\$ 1,078,265,185
Short-Term Securities	\$ 1,830,586			1,830,586
Total	\$ 1,830,586	\$ 1,078,265,185		\$ 1,080,095,771

¹ See above Schedule of Investments for values in each sector.

	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments²				
Liabilities:				
Interest rate contracts	\$ (623,570)			\$ (623,570)

² Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation (depreciation) on the instrument.

The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for financial futures contracts	\$ 366,500			\$ 366,500
Liabilities:				
Bank overdraft		\$ (42,983)		(42,983)
TOB Trust Certificates		(169,698,729)		(169,698,729)
VMTP Shares		(254,000,000)		(254,000,000)
Total	\$ 366,500	\$ (423,741,712)		\$ (423,375,212)

During the six months ended January 31, 2016, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments January 31, 2016 (Unaudited)

BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
New Jersey 135.8%		
Corporate 2.7%		
New Jersey EDA, Refunding RB:		
New Jersey American Water Co., Inc. Project, Series A, AMT, 5.70%, 10/01/39	\$ 7,500	\$ 8,520,525
New Jersey American Water Co., Inc. Project, Series B, AMT, 5.60%, 11/01/34	3,150	3,556,193
United Water of New Jersey, Inc., Series B (AMBAC), 4.50%, 11/01/25	1,000	1,071,630
		13,148,348
County/City/Special District/School District 20.0%		
Borough of Edgewater New Jersey Board of Education, GO, Refunding (AGM):		
4.25%, 3/01/34	1,535	1,654,883
4.25%, 3/01/35	1,600	1,723,664
4.30%, 3/01/36	1,670	1,802,047
Borough of Hopatcong New Jersey, GO, Refunding, Sewer (AMBAC), 4.50%, 8/01/33	3,440	3,475,054
Casino Reinvestment Development Authority, Refunding RB:		
5.25%, 11/01/39	11,130	11,588,779
5.25%, 11/01/44	3,755	3,882,482
City of Perth Amboy New Jersey, GO, CAB, Refunding (AGM):		
5.00%, 7/01/17 (a)	4,540	4,822,434
5.00%, 7/01/32	2,210	2,289,516
5.00%, 7/01/33	670	693,725
5.00%, 7/01/35	595	615,307
5.00%, 7/01/37	705	726,665
County of Essex New Jersey Improvement Authority, Refunding RB (NPFGC):		
AMT, 4.75%, 11/01/32	1,000	1,031,920
Project Consolidation, 5.50%, 10/01/27	250	331,780
Project Consolidation, 5.50%, 10/01/28	4,840	6,473,984
County of Hudson New Jersey, COP, Refunding (NPFGC), 6.25%, 12/01/16	1,000	1,042,230
County of Hudson New Jersey Improvement Authority, RB:		
CAB, Series A-1 (NPFGC), 0.00%, 12/15/32 (b)	1,000	582,280
County Secured, County Services Building Project (AGM), 5.00%, 4/01/17 (a)	1,000	1,051,740
Harrison Parking Facility Project, Series C (AGC), 5.25%, 1/01/39	3,000	3,320,430
Harrison Parking Facility Project, Series C (AGC), 5.38%, 1/01/44	5,000	5,509,550
County of Middlesex New Jersey Improvement Authority, RB, Senior Citizens Housing Project, AMT (AMBAC), 5.50%, 9/01/30	500	501,910
County of Monmouth New Jersey Improvement Authority, Refunding RB, Governmental Loan (AMBAC):		
5.00%, 12/01/17	5	5,015
5.35%, 12/01/17	5	5,021
5.00%, 12/01/18	5	5,015
5.38%, 12/01/18	5	5,021
5.00%, 12/01/19	5	5,014
County of Union New Jersey, GO, Refunding:		
4.00%, 3/01/21 (a)	225	256,851
4.00%, 3/01/29	3,575	3,866,434
4.00%, 3/01/30	3,580	3,861,710
4.00%, 3/01/31	4,045	4,347,202
County of Union New Jersey Utilities Authority, Refunding RB, Series A:		
Resources Recovery Facility, Covanta Union, Inc., AMT, 5.25%, 12/01/31	650	723,352
	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
County/City/Special District/School District (continued)		
County of Union New Jersey Utilities Authority, Refunding RB, Series A (continued):		
Solid Waste System, County Deficiency Agreement, 5.00%, 6/15/41	\$ 7,570	\$ 8,472,041
Morristown New Jersey Parking Authority, RB (NPFGC):		
5.00%, 8/01/30	1,830	1,935,097

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5.00%, 8/01/33	3,000	3,167,010
New Jersey Sports & Exposition Authority, Refunding RB (NPFGC) (c):		
5.50%, 3/01/21	7,430	9,039,635
5.50%, 3/01/22	4,200	5,258,946
Newark New Jersey Housing Authority, Refunding RB, Newark Redevelopment Project (NPFGC),		
4.38%, 1/01/37	1,720	1,735,222
Township of Irvington New Jersey, GO, Refunding Series A (AGM), 5.00%, 7/15/33	1,355	1,555,079
		97,364,045
Education 32.8%		
County of Gloucester New Jersey Improvement Authority, RB, Rowan University:		
5.00%, 7/01/44	1,985	2,208,690
General Capital Improvement Projects, Series A, 5.00%, 7/01/31	1,950	2,278,458
General Capital Improvement Projects, Series A, 5.00%, 7/01/32	1,775	2,059,710
General Capital Improvement Projects, Series A, 5.00%, 7/01/33	2,250	2,600,910
General Capital Improvement Projects, Series A, 5.00%, 7/01/34	1,200	1,382,916
New Jersey EDA, LRB, Rutgers The State University of New Jersey, College Avenue Redevelopment Project, 5.00%, 6/15/33	3,065	3,598,555
New Jersey EDA, RB, Provident Group Rowan Properties LLC, Series A:		
5.00%, 1/01/35	2,000	2,186,440
5.00%, 1/01/48	2,000	2,141,020
New Jersey Educational Facilities Authority, RB:		
Higher Educational Capital Improvement Fund, Series A, 5.00%, 9/01/33	6,370	6,843,355
Montclair State University, Series A (AMBAC), 5.00%, 7/01/16 (a)	2,880	2,936,333
Richard Stockton College, Series F (NPFGC), 5.00%, 7/01/31	2,625	2,669,310
New Jersey Educational Facilities Authority, Refunding RB:		
College of New Jersey, Series D (AGM), 5.00%, 7/01/18 (a)	3,285	3,615,307
College of New Jersey, Series D (AGM), 5.00%, 7/01/35	10,260	11,140,411
Montclair State University, Series A, 5.00%, 7/01/39	15,555	17,619,615
Montclair State University, Series A, 5.00%, 7/01/44	3,540	3,976,517
Montclair State University, Series J (NPFGC), 4.25%, 7/01/30	6,540	6,613,575
New Jersey Institute of Technology, Series H, 5.00%, 7/01/31	4,000	4,509,040
Ramapo College, Series I (AMBAC), 4.25%, 7/01/31	2,500	2,546,300
Rowan University, Series B (AGC), 5.00%, 7/01/26	2,575	2,809,866
Seton Hall University, Series D, 5.00%, 7/01/38	500	561,485
Seton Hall University, Series D, 5.00%, 7/01/43	600	666,648

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)

	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
Education (continued)		
New Jersey Educational Facilities Authority, Refunding RB (continued):		
Stevens Institute of Technology, Series A, 5.00%, 7/01/27	\$ 2,800	\$ 2,923,844
Stevens Institute of Technology, Series A, 5.00%, 7/01/34	2,400	2,510,976
William Paterson University, Series C (AGC), 5.00%, 7/01/28	250	270,738
William Paterson University, Series C (AGC), 4.75%, 7/01/34	5,115	5,503,228
New Jersey Higher Education Student Assistance Authority, RB, Senior Student Loan, Series 1A, AMT:		
4.00%, 12/01/28	1,500	1,568,460
4.50%, 12/01/28	4,080	4,413,050
4.00%, 12/01/29	1,000	1,046,410
4.00%, 12/01/29	5,715	5,933,256
4.50%, 12/01/29	5,110	5,535,612
4.63%, 12/01/30	4,980	5,392,195
4.00%, 12/01/31	1,625	1,677,699
4.25%, 12/01/32	2,050	2,130,606
4.13%, 12/01/35	1,000	1,029,030
4.50%, 12/01/36	1,805	1,901,152
New Jersey Higher Education Student Assistance Authority, Refunding RB, Series 1, AMT:		
5.38%, 12/01/24	1,365	1,548,524
5.50%, 12/01/26	1,635	1,843,266
New Jersey Institute of Technology, RB, Series A:		
5.00%, 7/01/42	6,945	7,759,371
5.00%, 7/01/45	7,500	8,421,750
Rutgers The State University of New Jersey, Refunding RB, Series L:		
5.00%, 5/01/30	1,565	1,858,484
5.00%, 5/01/43	10,000	11,406,900
		159,639,012
Health 16.4%		
County of Camden New Jersey Improvement Authority, Refunding RB, Cooper Healthcare System, Series A, 5.00%, 2/15/33		
	2,000	2,249,000
New Jersey Health Care Facilities Financing Authority, RB:		
Meridian Health System Obligated Group, Series I (AGC), 5.00%, 7/01/38	1,405	1,507,958
Meridian Health System Obligated Group, Series II (AGC), 5.00%, 7/01/38	6,950	7,493,629
Meridian Health System Obligated Group, Series V (AGC), 5.00%, 7/01/38	4,685	5,051,461
Robert Wood Johnson University Hospital, Series A, 5.50%, 7/01/43	7,105	8,320,097
Virtua Health, Series A (AGC), 5.50%, 7/01/38	4,035	4,549,785
New Jersey Health Care Facilities Financing Authority, Refunding RB:		
AHS Hospital Corp., 5.50%, 7/01/31	4,055	4,816,326
AHS Hospital Corp., 6.00%, 7/01/41	4,180	5,016,000
Catholic Health East Issue, 5.00%, 11/15/33	1,925	2,185,818
Hackensack University Medical Center (AGC), 5.13%, 1/01/27	1,500	1,603,515
Hackensack University Medical Center (AGM), 4.63%, 1/01/30	7,795	8,376,819
Meridian Health System Obligated Group, 5.00%, 7/01/25	1,000	1,181,950
Meridian Health System Obligated Group, 5.00%, 7/01/26	3,720	4,369,847
Princeton Healthcare System, 5.00%, 7/01/34	1,330	1,538,158
	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
Health (continued)		
New Jersey Health Care Facilities Financing Authority, Refunding RB (continued):		
Princeton Healthcare System, 5.00%, 7/01/39	\$ 1,825	\$ 2,088,019
St. Barnabas Health Care System, Series A, 5.00%, 7/01/24	3,640	4,188,366
St. Barnabas Health Care System, Series A, 5.63%, 7/01/32	4,450	5,244,859
St. Barnabas Health Care System, Series A, 5.63%, 7/01/37	4,860	5,654,999
Virtua Health, 5.00%, 7/01/28	3,000	3,530,040

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Virtua Health, 5.00%, 7/01/29 715 836,572

79,803,218

Housing 6.8%

New Jersey Housing & Mortgage Finance Agency, RB:

Capital Fund Program, Series A (AGM), 5.00%, 5/01/27 6,770 7,164,759

M/F Housing, Series A, 4.55%, 11/01/43 5,000 5,210,350

M/F Housing, Series A, AMT (NPFGC), 4.85%, 11/01/39 1,335 1,340,220

S/F Housing, Series AA, 6.50%, 10/01/38 445 460,882

S/F Housing, Series B, 4.50%, 10/01/30 9,455 10,165,070

New Jersey Housing & Mortgage Finance Agency, Refunding RB, AMT:

M/F Housing, Series 2, 4.60%, 11/01/38 3,470 3,665,604

M/F Housing, Series 2, 4.75%, 11/01/46 4,220 4,418,213

S/F Housing, Series T, 4.70%, 10/01/37 745 754,201

33,179,299

State 26.0%

Garden State Preservation Trust, RB, CAB, Series B (AGM) (b):

0.00%, 11/01/23 15,725 13,437,956

0.00%, 11/01/25 10,000 8,031,200

Garden State Preservation Trust, Refunding RB, Series C (AGM):

5.25%, 11/01/20 5,000 5,843,950

5.25%, 11/01/21 7,705 9,184,360

New Jersey EDA, RB:

CAB, Motor Vehicle Surcharge, Series A (NPFGC), 0.00%, 7/01/21 (b) 2,325 2,063,809

Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/24 1,785 2,118,438

Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/25 5,000 5,964,950

Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/26 7,500 8,985,825

Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33 18,105 18,317,010

School Facilities Construction (AGC), 6.00%, 12/15/18 (a) 3,960 4,541,605

School Facilities Construction (AGC), 6.00%, 12/15/34 40 45,322

School Facilities Construction, Series KK, 5.00%, 3/01/38 325 342,303

School Facilities Construction, Series U, 5.00%, 9/01/17 (a) 2,810 3,003,806

School Facilities Construction, Series U (AMBAC), 5.00%, 9/01/17 (a) 1,070 1,143,798

School Facilities Construction, Series Y, 5.00%, 9/01/18 (a) 3,000 3,322,980

Series WW, 5.25%, 6/15/33 380 417,134

Series WW, 5.00%, 6/15/34 5,500 5,890,775

Series WW, 5.00%, 6/15/36 3,115 3,318,814

Series WW, 5.25%, 6/15/40 8,375 9,063,927

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)

	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
State (continued)		
New Jersey EDA, Refunding RB:		
Cigarette Tax, 5.00%, 6/15/24	\$ 5,000	\$ 5,479,600
Cigarette Tax, 5.00%, 6/15/26	1,250	1,355,088
Cigarette Tax, 5.00%, 6/15/28	2,430	2,614,923
Cigarette Tax, 5.00%, 6/15/29	3,195	3,425,519
School Facilities Construction, Series N-1 (NPFGC), 5.50%, 9/01/27	1,000	1,210,760
School Facilities Construction, Series NN, 5.00%, 3/01/29	5,000	5,416,000
State of New Jersey, COP, Equipment Lease Purchase, Series A, 5.25%, 6/15/27	1,580	1,694,487
		126,234,339
Transportation 26.0%		
Delaware River Port Authority, RB:		
5.00%, 1/01/29	2,000	2,371,500
5.00%, 1/01/37	8,830	10,154,147
Series D, 5.05%, 1/01/35	1,430	1,596,581
Series D (AGM), 5.00%, 1/01/40	5,200	5,800,184
New Jersey EDA, RB, Private Activity Bond, The Goethals Bridge Replacement Project, AMT:		
5.13%, 1/01/34	2,290	2,563,953
5.38%, 1/01/43	7,730	8,617,481
New Jersey State Turnpike Authority, RB:		
Growth & Income Securities, Series B (AMBAC), 5.15%, 1/01/17 (a)	10,620	11,072,730
Series E, 5.00%, 1/01/45	8,000	9,096,480
New Jersey State Turnpike Authority, Refunding RB:		
Series A (AGM), 5.25%, 1/01/29	4,000	5,172,280
Series A (AGM), 5.25%, 1/01/30	4,000	5,209,600
Series A (BHAC), 5.25%, 1/01/29	500	656,855
New Jersey Transportation Trust Fund Authority, RB:		
CAB, Transportation System, Series A, 0.00%, 12/15/35 (b)	6,000	2,256,840
CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/36 (b)	7,210	2,761,502
CAB, Transportation System, Series C (AGM), 0.00%, 12/15/32 (b)	8,800	4,320,272
CAB, Transportation System, Series C (AMBAC), 0.00%, 12/15/35 (b)	4,160	1,681,264
Transportation Program, Series AA, 5.00%, 6/15/33	3,000	3,188,100
Transportation Program, Series AA, 5.25%, 6/15/33	5,690	6,200,962
Transportation Program, Series AA, 5.25%, 6/15/34	1,305	1,432,524
Transportation Program, Series AA, 5.00%, 6/15/38	2,340	2,484,542
Transportation System, Series A, 6.00%, 6/15/35	6,365	7,225,675
Transportation System, Series A (AGC), 5.63%, 12/15/28	2,780	3,143,068
Transportation System, Series A (NPFGC), 5.75%, 6/15/24	1,205	1,474,462
Transportation System, Series B, 5.25%, 6/15/36	2,500	2,674,700
Transportation System, Series D, 5.00%, 6/15/32	3,300	3,564,891
Port Authority of New York & New Jersey, ARB:		
Consolidated, 93rd Series, 6.13%, 6/01/94	1,000	1,238,170
Special Project, JFK International Air Terminal LLC Project, Series 6, AMT (NPFGC), 5.75%, 12/01/25	3,000	3,080,400
Special Project, JFK International Air Terminal LLC Project, Series 8, 6.00%, 12/01/42	4,000	4,663,560
	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
Transportation (continued)		
Port Authority of New York & New Jersey, Refunding ARB, AMT:		
178th Series, 5.00%, 12/01/33	\$ 4,005	\$ 4,630,301
Consolidated, 152nd Series, 5.75%, 11/01/30	7,175	7,887,406
		126,220,430
Utilities 5.1%		
County of Essex New Jersey Utilities Authority, Refunding RB (AGC), 4.13%, 4/01/22	2,000	2,164,800

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North Hudson New Jersey Sewerage Authority, Refunding RB, Series A (NPFGC), 5.13%, 8/01/20 (c)	6,045	7,137,392
Rahway Valley Sewerage Authority, RB, CAB, Series A (NPFGC) (b):		
0.00%, 9/01/26	4,100	3,051,097
0.00%, 9/01/28	6,600	4,531,098
0.00%, 9/01/29	9,650	6,361,569
0.00%, 9/01/33	2,350	1,330,617
		24,576,573
Total Municipal Bonds in New Jersey		660,165,264
Puerto Rico 1.3%		
Health 1.3%		
Puerto Rico Industrial Tourist Educational Medical & Environmental Control Facilities Financing Authority, RB, Hospital De La Concepcion, Series A:		
6.50%, 11/15/20	1,750	1,786,802
6.13%, 11/15/30	4,220	4,388,800
Total Municipal Bonds in Puerto Rico		6,175,602
Total Municipal Bonds 137.1%		666,340,866

Municipal Bonds Transferred to

Tender Option Bond Trusts (d)

New Jersey 20.2%

County/City/Special District/School District 4.0%

County of Union New Jersey Utilities Authority, Refunding LRB, Resource Recovery Facility,
Covanta Union, Inc., Series A, AMT, 5.25%, 12/01/31

17,300 19,252,305

Education 1.1%

Rutgers The State University of New Jersey, RB, Series F, 5.00%, 5/01/39

4,993 5,564,230

State 4.7%

Garden State Preservation Trust, RB, Election of 2005, Series A (AGM), 5.75%, 11/01/28

12,460 15,570,515

New Jersey EDA, Refunding RB, School Facilities Construction, 5.00%, 3/01/29 (e)

6,698 7,255,447

22,825,962

Transportation 10.4%

New Jersey State Turnpike Authority, RB, Series A, 5.00%, 1/01/38 (e)

9,300 10,541,550

New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B,
5.25%, 6/15/36 (e)

2,661 2,846,534

Port Authority of New York & New Jersey, ARB, Consolidated, 163rd Series, AMT,
5.00%, 7/15/39

15,545 17,674,799

Port Authority of New York & New Jersey, RB, Consolidated, 169th Series, AMT,
5.00%, 10/15/41

10,000 11,014,500

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)

	Par (000)	Value
Municipal Bonds Transferred to Tender Option Bond Trusts (d)		
New Jersey (continued)		
Transportation (continued)		
Port Authority of New York & New Jersey, Refunding RB, Consolidated, 152nd Series, AMT, 5.25%, 11/01/35	\$ 7,827	\$ 8,477,580
		50,554,963
Total Municipal Bonds Transferred to Tender Option Bond Trusts 20.2%		98,197,460
Total Long-Term Investments		
(Cost \$699,148,065) 157.3%		764,538,326
Short-Term Securities	Shares	Value
BIF New Jersey Municipal Money Fund, 0.01% (f)(g)	7,070,011	\$ 7,070,011
Total Short-Term Securities		
(Cost \$7,070,011) 1.5%		7,070,011
Total Investments (Cost \$706,218,076) 158.8%		771,608,337
Other Assets Less Liabilities 0.9%		4,193,066
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (10.9)%		(52,753,205)
VRDP Shares, at Liquidation Value (48.8)%		(237,100,000)
Net Assets Applicable to Common Shares 100.0%		\$ 485,948,198

Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Zero-coupon bond.
- (c) Security is collateralized by municipal bonds or U.S. Treasury obligations.
- (d) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (e) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire between June 15, 2019 to September 1, 2020, is \$13,907,845. See Note 4 of the Notes to Financial Statements for details.
- (f) During the six months ended January 31, 2016, investments in issuers considered to be an affiliate of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate

Net

Income

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	Shares Held at July 31, 2015	Activity	Shares Held at January 31, 2016	
BIF New Jersey Municipal Money Fund	11,186,598	(4,116,587)	7,070,011	\$ 511

(g) Current yield as of period end.

For Fund compliance purposes, the Fund's sector classifications refer to any one or more of the sector sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment advisor. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

Derivative Financial Instruments Outstanding as of Period End
Financial Futures Contracts

Contracts Short	Issue	Expiration	Notional Value	Unrealized Depreciation
(60)	5-Year U.S. Treasury Note	March 2016	\$ 7,240,313	\$ (105,590)
(97)	10-Year U.S. Treasury Note	March 2016	\$ 12,569,078	(271,200)
(36)	Long U.S. Treasury Bond	March 2016	\$ 5,797,125	(210,615)
(3)	Ultra U.S. Treasury Bond	March 2016	\$ 498,563	(24,520)
Total				\$ (611,925)

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Statements of Assets and Liabilities were as follows:

Liabilities	Derivative Financial Instruments	Foreign				Other Contracts	Total
		Credit Contracts	Equity Contracts	Currency Exchange Contracts	Interest Rate Contracts		
Financial futures contracts	Net unrealized depreciation ¹				\$ 611,925		\$ 611,925

¹ Includes cumulative appreciation (depreciation) on financial futures contracts, if any, as reported in the Schedule of Investments. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)

For the six months ended January 31, 2016, the effect of derivative financial instruments in the Statements of Operations was as follows:

	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Currency Exchange Contracts	Interest Rate Contracts	Other Contracts	Total
Net Realized Gain (Loss) From:							
Financial futures contracts					\$ (158,668)		\$ (158,668)
Net Change in Unrealized Appreciation (Depreciation) on:							
Financial futures contracts					\$ (455,245)		\$ (455,245)

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Financial futures contracts:	
Average notional value of contracts short	\$ 20,763,934
For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.	

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of investments and derivative financial instruments. For information about the Fund's policy regarding valuation of investments and derivative financial instruments, refer to the Notes to Financial Statements.

The following tables summarize the Fund's investments and derivative financial instruments categorized in the disclosure hierarchy:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 764,538,326		\$ 764,538,326
Short-Term Securities	\$ 7,070,011			7,070,011
Total	\$ 7,070,011	\$ 764,538,326		\$ 771,608,337

¹ See above Schedule of Investments for values in each sector.

	Level 1	Level 2	Level 3	Total
Derivative Financial Instruments ²				
Liabilities:				
Interest rate contracts	\$ (611,925)			\$ (611,925)
² Derivative financial instruments are financial futures contracts, which are valued at the unrealized appreciation (depreciation) on the instrument. The Fund may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of period end, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:				
	Level 1	Level 2	Level 3	Total
Assets:				
Cash pledged for financial futures contracts	\$ 344,000			\$ 344,000
Liabilities:				
TOB Trust Certificates		\$ (52,743,580)		(52,743,580)
VRDP Shares		(237,100,000)		(237,100,000)

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Total	\$ 344,000	\$ (289,843,580)	\$ (289,499,580)
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During the six months ended January 31, 2016, there were no transfers between levels.

See Notes to Financial Statements.

Schedule of Investments January 31, 2016 (Unaudited)

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Alabama 4.3%		
City of Birmingham Alabama Special Care Facilities Financing Authority, RB, Children s Hospital (AGC) (a):		
6.00%, 6/01/19	\$ 2,985	\$ 3,479,734
6.13%, 6/01/19	1,500	1,754,760
City of Selma Alabama IDB, RB, Gulf Opportunity Zone, International Paper Co. Project, Series A, 5.38%, 12/01/35	350	389,840
		5,624,334
California 21.4%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38		
	1,960	2,187,497
California Health Facilities Financing Authority, RB, Sutter Health:		
Series A, 5.00%, 11/15/46 (b)	105	122,043
Series B, 6.00%, 8/15/42	1,150	1,387,188
City & County of San Francisco California Airports Commission, Refunding ARB, AMT, Series A:		
2nd, 5.50%, 5/01/28	720	877,255
2nd, 5.25%, 5/01/33	560	651,896
5.00%, 5/01/44	745	835,264
City of San Jose California, Refunding ARB, Series A-1, AMT:		
5.50%, 3/01/30	1,600	1,868,384
6.25%, 3/01/34	1,250	1,504,800
County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 7/01/41	1,400	1,542,408
Kern Community College District, GO, Safety, Repair & Improvement, Series C, 5.50%, 11/01/33	970	1,188,522
Los Angeles California Community College District, GO, Election of 2001, Series A (NPFGC), 5.00%, 8/01/17 (a)	1,780	1,900,079
Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/34	1,000	1,184,040
Regents of the University of California Medical Center, Refunding RB, Series J, 5.25%, 5/15/38	2,235	2,659,203
Riverside County Public Financing Authority, RB, Capital Facilities Project, 5.25%, 11/01/40	2,000	2,378,060
San Diego Public Facilities Financing Authority Water Revenue, Refunding RB, Series B (AGC), 5.38%, 8/01/34	1,020	1,159,924
State of California, GO, Various Purposes (AGC), 5.50%, 11/01/39	3,450	3,982,093
State of California Public Works Board, LRB, Various Capital Projects, Series I, 5.50%, 11/01/31	1,000	1,241,320
State of California Public Works Board, RB, Department of Corrections & Rehabilitation, Series F, 5.25%, 9/01/33	490	589,744
Township of Washington California Health Care District, GO, Election of 2004, Series B, 5.50%, 8/01/40	370	446,701
		27,706,421
Colorado 2.0%		
City & County of Denver Colorado Airport System, ARB, Series A, AMT:		
5.50%, 11/15/28	500	596,580
5.50%, 11/15/30	225	266,769
5.50%, 11/15/31	270	318,854
Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/26	1,300	1,456,286
		2,638,489
Florida 13.1%		
City of Jacksonville Florida, Refunding RB, Series A, 5.25%, 10/01/33		
	270	325,088
City of Miami Beach Florida Parking Revenue, RB, 5.00%, 9/01/45	1,000	1,142,270
	Par	
	(000)	Value
Municipal Bonds		
Florida (continued)		
County of Broward Florida Airport System Revenue, ARB, Series A, AMT, 5.00%, 10/01/45	\$ 575	\$ 645,225
	1,170	1,387,585

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County of Hillsborough Florida Aviation Authority, Refunding ARB, Tampa International Airport, Series A, AMT, 5.50%, 10/01/29		
County of Lee Florida, Refunding ARB, Series A, AMT, 5.38%, 10/01/32	1,000	1,131,380
County of Lee Florida Housing Finance Authority, RB, S/F Housing, Multi-County Program, Series A-2, AMT (Ginnie Mae), 6.00%, 9/01/40	145	145,297
County of Manatee Florida Housing Finance Authority, RB, S/F Housing, Series A, AMT (Ginnie Mae, Fannie Mae & Freddie Mac), 5.90%, 9/01/40	90	91,545
County of Miami-Dade Florida, RB, Seaport: Series A, 6.00%, 10/01/38	1,840	2,252,436
Series A, 5.50%, 10/01/42	2,125	2,483,402
Series B, AMT, 6.00%, 10/01/26	590	737,181
Series B, AMT, 6.00%, 10/01/27	775	968,487
Series B, AMT, 6.25%, 10/01/38	310	385,789
Series B, AMT, 6.00%, 10/01/42	410	489,376
County of Miami-Dade Florida, Refunding RB: Seaport, Series D, AMT, 6.00%, 10/01/26	735	918,353
Water & Sewer System, Series B, 5.25%, 10/01/29	500	598,905
County of Miami-Dade Florida Aviation, Refunding ARB, Series A, AMT, 5.00%, 10/01/31	2,165	2,451,040
Reedy Creek Florida Improvement District, GO, Series A, 5.25%, 6/01/32	710	842,770
		16,996,129
Hawaii 1.8%		
State of Hawaii, Department of Transportation, COP, AMT: 5.25%, 8/01/25	250	299,272
5.25%, 8/01/26	810	967,545
State of Hawaii, Department of Transportation, RB, Series A, AMT, 5.00%, 7/01/45	1,000	1,119,480
		2,386,297
Illinois 19.3%		
City of Chicago Illinois, GARB, O Hare International Airport, 3rd Lien: Series A, 5.75%, 1/01/39	770	899,191
Series C, 6.50%, 1/01/41	3,680	4,441,024
City of Chicago Illinois Midway International Airport, Refunding GARB, 2nd Lien, Series A, 5.00%, 1/01/41	1,010	1,105,223
City of Chicago Illinois Transit Authority, RB: Federal Transit Administration, Section 5309, Series A (AGC), 6.00%, 12/01/18 (a)	1,400	1,601,292
Sales Tax Receipts, 5.25%, 12/01/36	1,000	1,102,190
City of Chicago Illinois Transit Authority, Refunding RB, Federal Transit Administration, Section 5309 (AGM), 5.00%, 6/01/28	3,000	3,240,060
City of Chicago Illinois Wastewater Transmission, RB, 2nd Lien, 5.00%, 1/01/42	1,375	1,465,475
County of Cook Illinois Community College District No. 508, GO, City College of Chicago: 5.50%, 12/01/38	1,500	1,740,840
5.25%, 12/01/43	2,700	3,043,035
Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41	1,555	1,845,754
Railsplitter Tobacco Settlement Authority, RB: 5.50%, 6/01/23	940	1,112,377
6.00%, 6/01/28	270	324,953

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

	Par	
	(000)	Value
Municipal Bonds		
Illinois (continued)		
State of Illinois, GO:		
5.25%, 2/01/32	\$ 1,000	\$ 1,090,630
5.50%, 7/01/33	1,500	1,683,105
5.50%, 7/01/38	280	310,335
		25,005,484
Indiana 4.1%		
Indiana Finance Authority, RB, Private Activity Bond, Ohio River Bridges, Series A, AMT, 5.00%, 7/01/40	375	406,125
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC), 5.50%, 1/01/38	4,310	4,865,818
		5,271,943
Louisiana 2.1%		
City of New Orleans Louisiana Aviation Board, Refunding GARB, Restructuring (AGC):		
Series A-1, 6.00%, 1/01/23	375	425,490
Series A-2, 6.00%, 1/01/23	160	180,753
Lake Charles Harbor & Terminal District, RB, Series B, AMT (AGM), 5.50%, 1/01/29	1,000	1,173,550
Tobacco Settlement Financing Corp., Refunding RB, Asset-Backed, Series A, 5.50%, 5/15/29	805	886,603
		2,666,396
Massachusetts 1.5%		
Massachusetts HFA, Refunding RB, Series C, AMT, 5.35%, 12/01/42	1,910	1,996,695
Michigan 2.7%		
City of Detroit Michigan Water Supply System, RB, 2nd Lien, Series B (AGM), 6.25%, 7/01/36	1,800	2,036,466
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, Series V, 8.25%, 9/01/18 (a)	1,265	1,504,895
		3,541,361
Minnesota 2.6%		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC):		
6.50%, 11/15/18 (a)	460	530,854
6.50%, 11/15/38	2,540	2,880,334
		3,411,188
Mississippi 1.5%		
Mississippi Development Bank, RB, Jackson Water & Sewer System Project (AGM), 6.88%, 12/01/40	1,190	1,597,825
Mississippi State University Educational Building Corp., Refunding RB, Mississippi State University Improvement Project, 5.25%, 8/01/38	260	306,124
		1,903,949
Nevada 4.2%		
County of Clark Nevada, ARB, Las Vegas-McCarran International Airport, Series A (AGM), 5.25%, 7/01/39	2,375	2,668,574
County of Clark Nevada, GO, Limited Tax, 5.00%, 6/01/38	1,000	1,083,080
County of Clark Nevada Water Reclamation District, GO, Series A, 5.25%, 7/01/34	1,500	1,697,700
		5,449,354
New Jersey 5.8%		
New Jersey EDA, RB:		
School Facilities Construction (AGC), 6.00%, 12/15/18 (a)	980	1,123,932
School Facilities Construction (AGC), 6.00%, 12/15/34	20	22,661
	Par	
Municipal Bonds	(000)	Value

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New Jersey (continued)		
New Jersey EDA, RB (continued):		
The Goethals Bridge Replacement Project, Private Activity Bond, AMT, 5.38%, 1/01/43	\$ 1,000	\$ 1,114,810
The Goethals Bridge Replacement Project, Private Activity Bond, AMT (AGM), 5.00%, 1/01/31	530	595,254
New Jersey Health Care Facilities Financing Authority, RB, Virtua Health, Series A (AGC), 5.50%, 7/01/38	1,400	1,578,612
New Jersey Transportation Trust Fund Authority, RB, Transportation System:		
Series A, 5.50%, 6/15/41	1,195	1,292,978
Series AA, 5.50%, 6/15/39	1,600	1,763,760
		7,492,007
New York 5.3%		
City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, Series FF-2, 5.50%, 6/15/40		
	1,545	1,763,061
City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/29		
	2,000	2,265,540
Port Authority of New York & New Jersey, Refunding ARB, Consolidated, 166th Series, 5.25%, 7/15/36		
	2,500	2,881,750
		6,910,351
Ohio 1.4%		
State of Ohio Turnpike Commission, RB, Junior Lien, Infrastructure Projects, Series A-1, 5.25%, 2/15/31		
	1,500	1,797,030
Pennsylvania 3.4%		
Pennsylvania Turnpike Commission, RB:		
Series B, 5.00%, 12/01/40	1,000	1,145,410
Series B, 5.00%, 12/01/45	1,000	1,137,290
Sub-Series A, 6.00%, 12/01/16 (a)	2,000	2,093,820
		4,376,520
South Carolina 7.8%		
County of Charleston South Carolina, RB, Special Source, 5.25%, 12/01/38		
	1,470	1,749,182
County of Charleston South Carolina Airport District, ARB, Series A, AMT:		
5.50%, 7/01/26	1,810	2,169,665
6.00%, 7/01/38	1,155	1,365,453
5.50%, 7/01/41	1,000	1,143,050
South Carolina Ports Authority, RB, AMT, 5.25%, 7/01/50	750	841,433
South Carolina State Public Service Authority, Refunding RB, Obligations, Series C, 5.00%, 12/01/46	2,535	2,852,610
		10,121,393
Tennessee 0.3%		
Metropolitan Nashville Airport Authority, ARB, Series B, AMT, 5.00%, 7/01/40		
	370	418,970
Texas 19.7%		
Austin Community College District Public Facility Corp., RB, Educational Facilities Project, Round Rock Campus, 5.25%, 8/01/18 (a)		
	2,250	2,497,860
City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 3/01/37		
	930	1,079,451
City of Frisco Texas ISD, GO, School Building (AGC), 5.50%, 8/15/41		
	1,210	1,389,479
City of Houston Texas Utility System, Refunding RB, Combined 1st Lien, Series A (AGC):		
6.00%, 11/15/35	2,700	3,151,116
6.00%, 11/15/36	2,055	2,398,350
5.38%, 11/15/38	1,000	1,123,180

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

	Par	
	(000)	Value
Municipal Bonds		
Texas (continued)		
County of Tarrant Texas Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC):		
6.50%, 1/01/19 (a)	\$ 265	\$ 306,703
6.50%, 7/01/37	835	944,686
Dallas-Fort Worth International Airport, ARB, Joint Improvement, Series H, AMT, 5.00%, 11/01/37	980	1,081,763
Dallas-Fort Worth International Airport, Refunding ARB, Joint Revenue, Series E, AMT, 5.50%, 11/01/27	2,500	3,053,575
Lower Colorado River Texas Authority, Refunding RB, 5.50%, 5/15/33	730	870,875
North Texas Tollway Authority, RB, Special Projects, Series A, 5.50%, 9/01/41	2,750	3,256,495
North Texas Tollway Authority, Refunding RB:		
1st Tier (AGM), 6.00%, 1/01/43	1,000	1,185,060
1st Tier, Series K-1 (AGC), 5.75%, 1/01/38	1,400	1,568,196
Series B, 5.00%, 1/01/40	1,000	1,135,530
Red River Education Financing Corp., RB, Texas Christian University Project, 5.25%, 3/15/38	420	488,120
		25,530,439
Virginia 1.2%		
City of Lexington Virginia IDA, RB, Washington & Lee University, 5.00%, 1/01/43	380	433,557
Virginia Public School Authority, RB, Fluvanna County School Financing, 6.50%, 12/01/18 (a)	1,000	1,159,660
		1,593,217
Washington 1.6%		
City of Seattle Washington Municipal Light & Power, Refunding RB, Series A, 5.25%, 2/01/36	1,000	1,164,300
State of Washington, GO, Various Purposes, Series B, 5.25%, 2/01/36	725	849,802
		2,014,102
Total Municipal Bonds 127.1%		164,852,069
Municipal Bonds Transferred to Tender Option Bond Trusts (c)		
Connecticut 1.1%		
Connecticut State Health & Educational Facility Authority, Refunding RB, Trinity Health Credit Group, 5.00%, 12/01/45	1,216	1,402,137
District of Columbia 0.7%		
District of Columbia Water & Sewer Authority, Refunding RB, Senior Lien, Series A, 6.00%, 10/01/18 (a)(d)	760	863,404
Florida 2.1%		
County of Hillsborough Florida Aviation Authority, ARB, Tampa International Airport, Series A, AMT (AGC), 5.50%, 10/01/38	2,499	2,743,027
Kentucky 0.9%		
Kentucky State Property & Building Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/27	1,002	1,123,928
Nevada 7.3%		
County of Clark Nevada Water Reclamation District, GO:		
Limited Tax, 6.00%, 7/01/18 (a)	2,010	2,261,773
Series B, 5.50%, 7/01/29	1,994	2,281,949
	Par	
Municipal Bonds Transferred to Tender Option Bond Trusts (c)		
Nevada (continued)		
Las Vegas Valley Water District, GO, Refunding, Series C, 5.00%, 6/01/28	\$ 4,200	\$ 4,937,478
		9,481,200
New Jersey 2.1%		
	1,610	1,715,698

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New Jersey Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC, 5.25%, 10/01/29		
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (d)	1,000	1,070,126
		2,785,824
New York 12.6%		
City of New York New York Municipal Water Finance Authority, Refunding RB, Water & Sewer System, 2nd General Resolution:		
Series BB, 5.25%, 6/15/44	2,999	3,560,670
Series FF-2, 5.50%, 6/15/40	1,095	1,249,376
City of New York New York Transitional Finance Authority, BARB, Fiscal 2009, Series S-3, 5.25%, 1/15/39	1,000	1,112,067
Hudson Yards Infrastructure Corp., RB, Fiscal 2012, Series A, 5.75%, 2/15/47 (d)	1,000	1,164,157
New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Consolidated Bonds, 5.25%, 12/15/43	3,000	3,487,386
New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (d)	1,770	2,070,227
New York State Dormitory Authority, ERB, Personal Income Tax, Series B, 5.25%, 3/15/38	3,250	3,656,445
		16,300,328
Texas 2.2%		
City of San Antonio Texas Public Service Board, Refunding RB, Series A, 5.25%, 2/01/31 (d)	2,609	2,914,490
Utah 0.8%		
City of Riverton Utah, RB, IHC Health Services, Inc., 5.00%, 8/15/41	1,005	1,100,139
Total Municipal Bonds Transferred to Tender Option Bond Trusts 29.8%		38,714,477
Total Long-Term Investments		
(Cost \$181,730,586) 156.9%		203,566,546
Short-Term Securities	Shares	
BlackRock Liquidity Funds, MuniCash, 0.02% (e)(f)	1,071,269	1,071,269
Total Short-Term Securities		1,071,269
(Cost \$1,071,269) 0.8%		
Total Investments (Cost \$182,801,855) 157.7%		204,637,815
Other Assets Less Liabilities 1.4%		1,806,890
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (15.6)%		(20,188,242)
VMTP Shares, at Liquidation Value (43.5)%		(56,500,000)
Net Assets Applicable to Common Shares 100.0%		\$ 129,756,463

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

Notes to Schedule of Investments

- (a) U.S. Government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) When-issued security.
- (c) Represent bonds transferred to a TOB Trust in exchange of cash and residual certificates received by the Fund. These bonds serve as collateral in a secured borrowing. See Note 4 of the Notes to Financial Statements for details.
- (d) All or a portion of security is subject to a recourse agreement. The aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire between October 1, 2016 to November, 15, 2019, is \$4,627,654. See Note 4 of the Notes to Financial Statements for details.
- (e) During the six months ended January 31, 2016, investments in issuers considered to be affiliates of the Fund for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliate	Shares Held at July 31, 2015	Net Activity	Shares Held at January 31, 2016	Income
BlackRock Liquidity Funds, MuniCash		1,071,269	1,071,269	\$ 131
FFI Institutional Tax-Exempt Fund	2,437,027	(2,437,027)		\$ 13

- (f) Current yield as of period end.

Derivative Financial Instruments Outstanding as of Period End
Financial Futures Contracts

Contracts Short	Issue	Expiration	Notional Value	Unrealized Depreciation
(25)	5-Year U.S. Treasury Note	March 2016	\$ 3,016,797	\$ (47,564)
(28)	10-Year U.S. Treasury Note	March 2016	\$ 3,628,188	(83,052)
(9)	Long U.S. Treasury Bond	March 2016	\$ 1,449,281	(57,292)
(2)	Ultra U.S. Treasury Bond	March 2016	\$ 332,375	(14,503)
Total				