

BLACKROCK MUNIYIELD MICHIGAN QUALITY FUND, INC.

Form N-CSR

October 02, 2013

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT

INVESTMENT COMPANIES

Investment Company Act file number 811-07080

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: 07/31/2013

Date of reporting period: 07/31/2013

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Item 1 Report to Stockholders

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JULY 31, 2013

ANNUAL REPORT

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BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

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Not FDIC Insured May Lose Value No Bank Guarantee

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Dear Shareholder

One year ago, risk assets (such as equities) were on the rise as weakening global economic data spurred increasing optimism that the world's largest central banks would intervene to stimulate growth. This much-anticipated monetary policy easing ultimately came in September when the European Central Bank (ECB) and the US Federal Reserve announced their plans for increasing global liquidity. Although financial markets worldwide were buoyed by these aggressive policy actions, risk assets weakened later in the fall of 2012. Global trade slowed as many European countries fell into recession and growth continued to decelerate in China. In the United States, investors became increasingly concerned about the fiscal cliff of tax increases and spending cuts that had been scheduled to take effect at the beginning of 2013. High levels of global market volatility persisted through year-end due to fears that bipartisan gridlock would preclude a timely resolution, putting the US economy at high risk for recession. As 2013 began, the worst of the fiscal cliff was averted with a last-minute tax deal.

Investors shook off the nerve-racking finale to 2012 and the New Year started with a powerful relief rally. Money that had been pulled to the sidelines amid year-end tax-rate uncertainty poured back into the markets in January. Key indicators signaling modest but broad-based improvements in the world's major economies helped propel the rally. Underlying this aura of comfort was the absence of negative headlines from Europe. Global equities surged, while rising US Treasury yields pressured high quality fixed income assets. (Bond prices move in the opposite direction of yields.)

However, February brought a slowdown in global economic momentum and the pace of the rally moderated. In the months that followed, US equities outperformed international markets, as the US economic recovery showed greater stability compared to most other regions. Slow, but positive, growth in the United States was sufficient to support corporate earnings, while uncomfortably high unemployment reinforced investors' expectations that the US Federal Reserve would keep interest rates low. International markets experienced higher levels of volatility as political instability in Italy and a severe banking crisis in Cyprus reminded investors that the eurozone was still vulnerable to a number of macro risks, while a poor outlook for European economies also dampened sentiment. Emerging markets significantly lagged the rest of the world as growth in these economies (particularly China and Brazil) fell short of expectations.

After peaking in late May, financial markets broadly sold off due to concerns about the US Federal Reserve reducing monetary stimulus. Volatility picked up considerably as investors abruptly retreated from risk assets and a sharp and dramatic rise in US Treasury yields resulted in tumbling prices for higher-quality fixed income investments. The downswing bottomed out in late June as a more dovish tone from the US central bank served to quell the volatility in interest rates, while improving economic data and a positive outlook for corporate earnings helped the markets regain strength in July, with major US equity indices regularly hitting new record highs.

Despite the swings in the markets in the second quarter, most risk asset classes generated positive returns for the 6- and 12-month periods ended July 31, 2013. US equities were particularly strong. International equities also performed well, although political and economic uncertainty in Europe resulted in less impressive gains for the last six months. Emerging markets suffered the impact of slowing growth and concerns about a shrinking global money supply. Extreme levels of interest rate volatility in the final months of the period resulted in poor performance for fixed income markets, especially US Treasury bonds and other higher quality sectors such as tax-exempt municipals and investment grade corporate bonds. The high yield sector performed relatively better as demand continued to be supported by investors' ongoing search for income in the low-rate environment. Short-term interest rates remained near zero, keeping yields on money market securities near historical lows.

Market conditions remain volatile, and investors still face a number of uncertainties in the current environment. At BlackRock, we believe investors need to think globally and extend their scope across a broader array of asset classes and be prepared to move freely as market conditions change over time. We encourage you to talk with your financial advisor and visit www.blackrock.com for further insight about investing in today's world.

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

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Despite the swings in the markets in the second quarter, most risk asset classes generated positive returns for the 6- and 12-month periods ended July 31, 2013.

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of July 31, 2013

	6-month	12-month
US large cap equities (S&P 500® Index)	13.73%	25.00%
US small cap equities (Russell 2000® Index)	16.66	34.76
International equities (MSCI Europe, Australasia, Far East Index)	4.11	23.48
Emerging market equities (MSCI Emerging Markets Index)	(9.87)	1.95
3-month Treasury bill (BofA Merrill Lynch 3-Month US Treasury Bill Index)	0.05	0.11
US Treasury securities (BofA Merrill Lynch 10-Year US Treasury Index)	(3.71)	(6.50)
US investment grade bonds (Barclays US Aggregate Bond Index)	(1.62)	(1.91)
Tax-exempt municipal bonds (S&P Municipal Bond Index)	(4.11)	(1.99)
US high yield bonds (Barclays US Corporate High Yield 2% Issuer Capped Index)	1.97	9.49

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

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Municipal Market Overview

For the Reporting Period Ended July 31, 2013

Municipal Market Conditions

During the majority of the period, municipal bond supply was met with strong demand as investors were starved for yield in the low-rate, low-return environment. Investors poured into municipal bond mutual funds, favoring long-duration and high-yield funds as they tend to provide higher levels of income.

However, municipal bond funds saw robust outflows in the last three months of the period, leaving net flows essentially flat for the 12-month period as a whole (based on data from the Investment Company Institute). Market conditions turned less favorable in May when signals from the US Federal Reserve suggesting a retrenchment of its bond-buying stimulus program led to rising interest rates and waning demand. (Bond prices fall as rates rise.) High levels of interest rate volatility resulted in a sharp curtailment of tax-exempt issuance in May, June and July. However, from a historical perspective, total new issuance for the 12 months ended July 31, 2013 remained relatively strong at \$358 billion (down modestly from the \$369 billion issued in the prior 12-month period). A significant portion of new supply during this period (roughly 60%) was attributable to refinancing activity as issuers took advantage of lower interest rates to reduce their borrowing costs. Total new supply was also supported by recent activity in the taxable market, where taxable-municipal issuance was up 58% year-over-year.

S&P Municipal Bond Index	
Total Returns as of July 31, 2013	
6 months:	(4.11)%
12 months:	(1.99)%

A Closer Look at Yields

From July 31, 2012 to July 31, 2013, municipal yields increased by 136 basis points (bps) from 2.84% to 4.20% on AAA-rated 30-year municipal bonds, while increasing 101 bps from 1.66% to 2.67% on 10-year bonds and rising another 62 bps from 0.65% to 1.27% on 5-year issues (as measured by Thomson Municipal Market Data). Overall, the municipal yield curve remained relatively steep over the 12-month period as the spread between 2- and 30-year maturities widened by 122 bps and the spread between 2- and 10-year maturities widened by 87 bps.

During the same time period, US Treasury rates rose by 109 bps on 30-year and 111 bps on 10-year bonds, while moving up 80 bps in 5-years. Accordingly, tax-exempt municipal bonds moderately outperformed Treasuries in the short and intermediate portion of the yield curve. This outperformance was driven largely by a supply/demand imbalance within the municipal market while evidence of a recovering domestic economy coupled with the removal of certain political and tax policy uncertainties pushed interest rates higher. Additionally, as higher US tax rates began to appear imminent late in 2012, municipal bonds benefited from the increased appeal of tax-exempt investing. The municipal market continues to be an attractive avenue for investors seeking yield in today's environment of low absolute rates as the asset class is known for its lower volatility and preservation of principal with an emphasis on income as tax rates rise.

Financial Conditions of Municipal Issuers Continue to Improve

Following an extended period of nation-wide austerity and de-leveraging as states sought to balance their budgets, 13 consecutive quarters of positive revenue growth coupled with the elimination of more than 750,000 jobs in recent years have put state and local governments in a better financial position. Many local municipalities, however, continue to face increased health care and pension costs passed down from the state level. BlackRock maintains the view that municipal bond defaults will be minimal and remain in the periphery, and that the overall market is fundamentally sound. We continue to recognize that careful credit research, appropriate structure and security selection remain imperative amid uncertainty in this fragile economic environment.

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

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The Benefits and Risks of Leveraging

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

To obtain leverage, the Funds issue Variable Rate Demand Preferred Shares (VRDP Shares) or Variable Rate Muni Term Preferred Shares (VMTP Shares) (VRDP Shares and VMTP Shares are collectively referred to as Preferred Shares). Preferred Shares pay dividends at prevailing short-term interest rates, and the Funds invest the proceeds in long-term municipal bonds. In general, the concept of leveraging is based on the premise that the financing cost of assets to be obtained from leverage, which will be based on short-term interest rates, will normally be lower than the income earned by each Fund on its longer-term portfolio investments. To the extent that the total assets of each Fund (including the assets obtained from leverage) are invested in higher-yielding portfolio investments, each Fund's shareholders will benefit from the incremental net income.

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

To illustrate these concepts, assume a Fund's Common Shares capitalization is \$100 million and it issues Preferred Shares for an additional \$50 million, creating a total value of \$150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are 3% and long-term interest rates are 6%, the yield curve has a strongly positive slope. In this case, the Fund pays dividends on the \$50 million of Preferred Shares based on the lower short-term interest rates. At the same time, the securities purchased by the Fund with assets received from Preferred Shares issuance earn income based on long-term interest rates. In this case, the dividends paid to holders of Preferred Shares (Preferred Shareholders) are significantly lower than the income earned on the Fund's long-term investments, and therefore the holders of Common Shares (Common Shareholders) are the beneficiaries of the incremental net income.

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

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 redemption value of the Funds' Preferred Shares does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence the Funds' NAVs positively or negatively in addition to the impact on Fund performance from leverage from Preferred Shares discussed above.

The Funds may also leverage their assets through the use of tender option bond trusts (TOBs), as described in Note 3 of the Notes to Financial Statements. TOB investments generally will provide the Funds with economic benefits in periods of declining short-term interest rates, but expose the Funds to risks during periods of rising short-term interest rates similar to those associated with Preferred Shares issued by the Funds, as described above. Additionally, fluctuations in the market value of municipal bonds deposited into the TOB trust may adversely affect each Fund's NAV per share.

The use of leverage may enhance opportunities for increased income to the Funds and Common Shareholders, but as described above, it also creates risks as short- or long-term interest rates fluctuate. Leverage also will generally cause greater changes in the Funds' NAVs, market prices and dividend rates than comparable portfolios without leverage. If the income derived from securities purchased with assets received from leverage exceeds the cost of leverage, the Funds' net income will be greater than if leverage had not been used. Conversely, if the income from the securities purchased is not sufficient to cover the cost of leverage, each Fund's net income will be less than if leverage had not been used, and therefore the amount available for distribution to Common Shareholders will be reduced. Each Fund may be required to sell portfolio securities at inopportune times or at distressed values in order to comply with regulatory requirements applicable to the use of leverage or as required by the terms of leverage instruments, which may cause a Fund to incur losses. The use of leverage may limit each Fund's ability to invest in certain types of securities or use certain types of hedging strategies, such as in the case of certain restrictions imposed by rating agencies that rate the Preferred Shares issued by the Funds. Each Fund will incur expenses in connection with the use of leverage, all of which are borne by Common Shareholders and may reduce income to the Common Shares.

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Under the Investment Company Act of 1940, as amended (the "1940 Act"), the Funds are permitted to issue senior securities in the form of equity securities (e.g., Preferred Shares) up to 50% of their total managed assets (each Fund's total assets less the sum of its accrued liabilities). In addition, each Fund with VRDP or VMTP Shares limits its economic leverage to 45% of its total managed assets. As of July 31, 2013, the Funds had economic leverage from Preferred Shares and/or TOBs as a percentage of their total managed assets as follows:

	Percent of Economic Leverage
MUC	42%
MUJ	41%
MFT	42%
MIY	41%
MJI	40%
MPA	42%

Derivative Financial Instruments

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

Table of Contents**Fund Summary** as of July 31, 2013**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.

Performance

For the 12-month period ended July 31, 2013, the Fund returned (13.71)% based on market price and (6.16)% based on NAV. For the same period, the closed-end Lipper California Municipal Debt Funds category posted an average return of (12.17)% based on market price and (4.63)% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund posted a negative return as bond prices broadly declined in the rising interest rate environment. The Fund s exposure to bonds with longer maturities, which tend to have higher durations (greater sensitivity to interest rate movements), particularly hurt performance during the period. Additionally, leverage on the Fund s assets achieved through the use of tender option bonds amplified the negative effect of rising rates on the Fund s holdings. As rates rose rather significantly in the latter part of the period, pushing bond prices down indiscriminately, California school districts and the utilities sector were especially exposed to price depreciation. To a degree, this represented an unwinding of the positive performance in these segments when rates fell in prior periods.

While the Fund s cash reserves were generally maintained at a minimal level, to the extent reserves were held, these holdings were low-yielding products that provided liquidity to the Fund although they offered no return potential. The Fund s use of derivatives to hedge against interest rate risk helped performance. Specifically, short positions in US Treasury financial futures enhanced results as rates increased during the period.

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

Fund Information

Symbol on New York Stock Exchange (NYSE)	MUC
Initial Offering Date	February 27, 1998
Yield on Closing Market Price as of July 31, 2013 (\$13.31) ¹	6.45%
Tax Equivalent Yield ²	13.14%
Current Monthly Distribution per Common Share ³	\$0.0715
Current Annualized Distribution per Common Share ³	\$0.8580
Economic Leverage as of July 31, 2013 ⁴	42%

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

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- ² Tax equivalent yield assumes the maximum 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 TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

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Table of Contents**BlackRock MuniHoldings California Quality Fund, Inc.****Market Price and Net Asset Value Per Share Summary**

	7/31/13	7/31/12	Change	High	Low
Market Price	\$ 13.31	\$ 16.36	(18.64)%	\$ 18.35	\$ 13.10
Net Asset Value	\$ 14.52	\$ 16.41	(11.52)%	\$ 16.97	\$ 14.34

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

	7/31/13	7/31/12
County/City/Special District/School District	36%	34%
Utilities	24	26
Education	13	13
Transportation	11	11
Health	10	9
State	6	7

Credit Quality Allocation¹

	7/31/13	7/31/12
AAA/Aaa	12%	8%
AA/Aa	75	75
A	13	16
Not Rated		1 ²

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

² The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of July 31, 2012, the market value of these securities was \$14,904,825, representing 1% of the Fund's long-term investments.

Call/Maturity Schedule³

Calendar Year Ended December 31,

2013	1%
2014	2
2015	9
2016	12
2017	12

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

Table of Contents**Fund Summary** as of July 31, 2013**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.

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

Performance

For the 12-month period ended July 31, 2013, the Fund returned (12.33)% based on market price and (7.19)% based on NAV. For the same period, the closed-end Lipper New Jersey Municipal Debt Funds category posted an average return of (16.01)% based on market price and (5.78)% based on NAV. All returns reflect reinvestment of dividends. The Fund s discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund s duration exposure (sensitivity to interest rate movements) detracted from performance as tax-exempt municipal rates increased significantly during the period. (Bond prices fall when yields rise.) Exposure to the long end of the yield curve hurt returns as rates increased more in the long end than in the short end of the curve. The Fund s credit exposure had a net negative impact on results as spreads generally widened during the period. Specifically, spreads widened on the Fund s holdings of Puerto Rico Sales Tax Revenue Bonds. (Interest rates on lower quality bonds increased more than on higher quality municipal bonds.) Leverage on the Fund s assets achieved through the use of tender option bonds amplified the negative effect of rising rates on the Fund s holdings.

Contributing positively to performance was the Fund s income generated from coupon payments on its fully invested portfolio of tax-exempt municipal bonds. The Fund s short position in US Treasury futures as a strategy for hedging interest rate risk enhanced results. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Fund Information

Symbol on NYSE	MUJ
Initial Offering Date	March 11, 1998
Yield on Closing Market Price as of July 31, 2013 (\$13.30) ¹	6.68%
Tax Equivalent Yield ²	12.97%
Current Monthly Distribution per Common Share ³	\$0.074
Current Annualized Distribution per Common Share ³	\$0.888
Economic Leverage as of July 31, 2013 ⁴	41%

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

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- ² Tax equivalent yield assumes the maximum 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 distribution rate is not constant and is subject to change.
- ⁴ Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Table of Contents**BlackRock MuniHoldings New Jersey Quality Fund, Inc.****Market Price and Net Asset Value Per Share Summary**

	7/31/13	7/31/12	Change	High	Low
Market Price	\$ 13.30	\$ 16.05	(17.13)%	\$ 17.35	\$ 13.20
Net Asset Value	\$ 14.51	\$ 16.54	(12.27)%	\$ 17.08	\$ 14.37

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

Sector Allocation	7/31/13	7/31/12
State	27%	28%
Transportation	21	21
Education	15	15
County/City/Special District/School District	13	11
Health	11	10
Housing	7	5
Utilities	5	7
Corporate	1	2
Tobacco		1
Credit Quality Allocation¹	7/31/13	7/31/12
AAA/Aaa	9%	10%
AA/Aa	46	49
A	38	29
BBB/Baa	7	11
Not Rated		1 ²

¹ Using the higher of S&P's or Moody's ratings.

² The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of July 31, 2012, the market value of these securities was \$4,204,720, representing 1% of the Fund's long-term investments.

Call/Maturity Schedule³

Calendar Year Ended December 31,

2013	2%
2014	5
2015	9
2016	4

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

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Table of Contents**Fund Summary** as of July 31, 2013**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.

Performance

For the 12-month period ended July 31, 2013, the Fund returned (16.52)% based on market price and (8.41)% based on NAV. For the same period, the closed-end Lipper General & Insured Municipal Debt Funds (Leveraged) category posted an average return of (14.54)% based on market price and (5.78)% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund's longer duration holdings (those with greater sensitivity to interest rate movements) hindered results as the yield curve began to steepen in 2013 (rates on longer-dated bonds rose more than rates on shorter-dated securities). This especially impacted the Fund's holdings in the water and sewer, utilities, transportation and education sectors. Leverage on the Fund's assets achieved through the use of tender option bonds amplified the negative effect of rising rates on the Fund's holdings. The Fund's holdings of Puerto Rico Sales Tax Revenue Bonds had a negative impact on performance as the continued decline of Puerto Rico's economy and concerns about credit rating agency downgrades resulted in falling prices across Puerto Rico securities.

Contributing positively to the Fund's performance was its use of derivatives to hedge against interest rate risk. Specifically, short positions in US Treasury financial futures enhanced results as interest rates increased during the period. Additionally, the Fund's holdings in pre-refunded bonds with terms of up to five years added to returns as investors seeking protection amid interest rate volatility moved down the yield curve. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Fund Information

Symbol on NYSE	MFT
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2013 (\$12.20) ¹	6.98%
Tax Equivalent Yield ²	12.33%
Current Monthly Distribution per Common Share ³	\$0.071
Current Annualized Distribution per Common Share ³	\$0.852
Economic Leverage as of July 31, 2013 ⁴	42%

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

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- ² Tax equivalent yield assumes the maximum 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 TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VMTP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock MuniYield Investment Quality Fund

Market Price and Net Asset Value Per Share Summary

	7/31/13	7/31/12	Change	High	Low
Market Price	\$ 12.20	\$ 15.47	(21.14)%	\$ 16.89	\$ 12.03
Net Asset Value	\$ 13.61	\$ 15.73	(13.48)%	\$ 16.59	\$ 13.44

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

Overview of the Fund's Long-Term Investments

Sector Allocation	7/31/13	7/31/12
Transportation	27%	18%
Utilities	23	24
County/City/Special District/School District	20	21
Health	11	12
State	10	15
Education	6	8
Tobacco	2	1
Housing	1	1
Credit Quality Allocation¹	7/31/13	7/31/12
AAA/Aaa	9%	15%
AA/Aa	64	66
A	27	17
BBB/Baa	2	1
Not Rated	2	1 ³

¹ Using the higher of S&P's or Moody's ratings.

² Representing less than 1% of the Fund's long-term investments.

³ The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of July 31, 2012, the market value of these securities was \$2,511,082, representing 1% of the Fund's long-term investments.

Call/Maturity Schedule⁴

Calendar Year Ended December 31, 2013

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2014	1%
2015	1
2016	2
2017	2

⁴ Scheduled maturity dates and/or bonds that are subject to potential calls by issuers over the next five years.

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Table of Contents**Fund Summary** as of July 31, 2013**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.

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

Performance

For the 12-month period ended July 31, 2013, the Fund returned (16.86)% based on market price and (7.09)% based on NAV. For the same period, the closed-end Lipper Michigan Municipal Debt Funds category posted an average return of (15.45)% based on market price and (7.40)% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund's duration exposure (sensitivity to interest rate movements) detracted from performance as tax-exempt municipal rates increased significantly during the period. (Bond prices fall when yields rise.) Exposure to the long end of the yield curve hurt returns as rates increased more in the long end than in the short end of the curve. The Fund's credit exposure had a net negative impact on results as spreads generally widened during the period. Specifically, spreads widened on the Fund's holdings of Puerto Rico Sales Tax Revenue Bonds. (Interest rates on lower quality bonds increased more than on higher quality municipal bonds.) Additionally, the Fund's fundamental exposure to Michigan-based municipal issuers detracted from performance as the city of Detroit's bankruptcy filing toward the end of the reporting period led to a widening of credit spreads on most Michigan municipal bonds. Leverage on the Fund's assets achieved through the use of tender option bonds amplified the negative effect of rising rates on the Fund's holdings.

Contributing positively to performance was the Fund's income generated from coupon payments on its fully invested portfolio of tax-exempt municipal bonds. The Fund's short position in US Treasury futures as a strategy for hedging interest rate risk enhanced results.

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

Fund Information

Symbol on NYSE	MIY
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2013 (\$12.57) ¹	7.30%
Tax Equivalent Yield ²	13.47%
Current Monthly Distribution per Common Share ³	\$0.0765
Current Annualized Distribution per Common Share ³	\$0.9180
Economic Leverage as of July 31, 2013 ⁴	41%

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 TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

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BlackRock MuniYield Michigan Quality Fund, Inc.

Market Price and Net Asset Value Per Share Summary

	7/31/13	7/31/12	Change	High	Low
Market Price	\$12.57	\$16.05	(21.68)%	\$17.02	\$12.32
Net Asset Value	\$14.16	\$16.18	(12.48)%	\$16.69	\$14.02

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

Overview of the Fund's Long-Term Investments

Sector Allocation	7/31/13	7/31/12
County/City/Special District/School District	25%	26%
Education	17	11
Health	14	17
State	13	15
Utilities	12	14
Transportation	10	8
Housing	6	5
Corporate	3	4
Credit Quality Allocation¹	7/31/13	7/31/12
AAA/Aaa	1%	2%
AA/Aa	70	69
A	29	25
BBB/Baa		3
Not Rated		1 ²

¹ Using the higher of S&P's or Moody's ratings.

² The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of July 31, 2012, the market value of these securities was \$1,117,114, representing 1% of the Fund's long-term investments.

Call/Maturity Schedule³

Calendar Year Ended December 31,	
2013	3%
2014	9
2015	7
2016	6
2017	7

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

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Table of Contents**Fund Summary** as of July 31, 2013**BlackRock MuniYield New Jersey Quality Fund, Inc.****Fund Overview**

BlackRock MuniYield New Jersey Quality Fund, Inc.'s (MJI) (the Fund) investment objective is to provide shareholders with as high a level of current income exempt from federal income taxes and New Jersey personal income tax 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 New Jersey personal 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.

Performance

For the 12-month period ended July 31, 2013, the Fund returned (13.81)% based on market price and (7.41)% based on NAV. For the same period, the closed-end Lipper New Jersey Municipal Debt Funds category posted an average return of (16.01)% based on market price and (5.78)% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund's duration exposure (sensitivity to interest rate movements) detracted from performance as tax-exempt municipal rates increased significantly during the period. (Bond prices fall when yields rise.) Exposure to the long end of the yield curve hurt returns as rates increased more in the long end than in the short end of the curve. The Fund's credit exposure had a net negative impact on results as spreads generally widened during the period. Specifically, spreads widened on the Fund's holdings of Puerto Rico Sales Tax Revenue Bonds. (Interest rates on lower quality bonds increased more than on higher quality municipal bonds.) Leverage on the Fund's assets achieved through the use of tender option bonds amplified the negative effect of rising rates on the Fund's holdings.

Contributing positively to performance was the Fund's income generated from coupon payments on its fully invested portfolio of tax-exempt municipal bonds. The Fund's short position in US Treasury futures as a strategy for hedging interest rate risk enhanced results. The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Fund Information

Symbol on NYSE	MJI
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2013 (\$13.27) ¹	6.69%
Tax Equivalent Yield ²	12.99%
Current Monthly Distribution per Common Share ³	\$0.074
Current Annualized Distribution per Common Share ³	\$0.888
Economic Leverage as of July 31, 2013 ⁴	40%

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

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- ² Tax equivalent yield assumes the maximum 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 distribution rate is not constant and is subject to change.
- ⁴ Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Table of Contents**BlackRock MuniYield New Jersey Quality Fund, Inc.****Market Price and Net Asset Value Per Share Summary**

	7/31/13	7/31/12	Change	High	Low
Market Price	\$13.27	\$16.31	(18.64)%	\$17.40	\$13.14
Net Asset Value	\$14.29	\$16.35	(12.60)%	\$16.92	\$14.13

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

Sector Allocation	7/31/13	7/31/12
State	24%	24%
Transportation	20	20
Education	17	19
County/City/Special District/School District	11	9
Health	10	9
Utilities	8	9
Housing	7	6
Corporate	3	3
Tobacco		1
Credit Quality Allocation¹	7/31/13	7/31/12
AAA/Aaa	6%	6%
AA/Aa	45	47
A	42	33
BBB/Baa	7	13
Not Rated		1 ²

¹ Using the higher of S&P's or Moody's ratings.

² The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of July 31, 2012, the market value of these securities was \$577,452, representing less than 1% of the Fund's long-term investments.

Call/Maturity Schedule³

Calendar Year Ended December 31,

2013	2%
2014	8
2015	4
2016	3
2017	11

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

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Table of Contents**Fund Summary** as of July 31, 2013**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.

Performance

For the 12-month period ended July 31, 2013, the Fund returned (13.42)% based on market price and (6.78)% based on NAV. For the same period, the closed-end Lipper Pennsylvania Municipal Debt Funds category posted an average return of (15.11)% based on market price and (6.34)% based on NAV. All returns reflect reinvestment of dividends. The Fund's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV. The following discussion relates to performance based on NAV.

The Fund's duration exposure (sensitivity to interest rate movements) detracted from performance as tax-exempt municipal rates increased significantly during the period. (Bond prices fall when yields rise.) Exposure to the long end of the yield curve hurt returns as rates increased more in the long end than in the short end of the curve. The Fund's credit exposure had a negative impact on results as spreads widened during the period, especially in Puerto Rico sales tax bonds (interest rates on lower quality bonds increased more than on higher quality municipal bonds). Leverage on the Fund's assets achieved through the use of tender option bonds amplified the negative effect of rising rates on the Fund's holdings.

Contributing positively to performance was the Fund's income generated from coupon payments on its fully invested portfolio of tax-exempt municipal bonds. Exposure to pre-refunded bonds with terms of less than five years also helped returns as investors fled longer-term investments in favor of shorter-duration instruments.

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

Fund Information

Symbol on NYSE	MPA
Initial Offering Date	October 30, 1992
Yield on Closing Market Price as of July 31, 2013 (\$13.07) ¹	6.79%
Tax Equivalent Yield ²	12.38%
Current Monthly Distribution per Common Share ³	\$0.074
Current Annualized Distribution per Common Share ³	\$0.888
Economic Leverage as of July 31, 2013 ⁴	42%

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

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- ² Tax equivalent yield assumes the maximum 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 distribution rate is not constant and is subject to change.
- ⁴ Represents VRDP Shares and TOBs as a percentage of total managed assets, which is the total assets of the Fund, including any assets attributable to VRDP Shares and TOBs, minus the sum of accrued liabilities. For a discussion of leveraging techniques utilized by the Fund, please see The Benefits and Risks of Leveraging on page 5.

Table of Contents**BlackRock MuniYield Pennsylvania Quality Fund****Market Price and Net Asset Value Per Share Summary**

	7/31/13	7/31/12	Change	High	Low
Market Price	\$ 13.07	\$ 15.98	(18.21)%	\$ 17.09	\$ 12.92
Net Asset Value	\$ 14.59	\$ 16.57	(11.95)%	\$ 17.16	\$ 14.43

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

Sector Allocation	7/31/13	7/31/12
County/City/Special District/School District	22%	21%
State	17	20
Health	16	15
Transportation	13	13
Education	11	12
Corporate	7	5
Housing	7	5
Utilities	7	9
Credit Quality Allocation¹	7/31/13	7/31/12
AAA/Aaa	1%	1%
AA/Aa	73	77
A	22	15
BBB/Baa	4	4
Not Rated ²		3

¹ Using the higher of S&P's or Moody's ratings.

² The investment advisor has deemed certain of these non-rated securities to be of investment grade quality. As of July 31, 2013 and July 31, 2012, the market value of these securities was \$525,235 and \$544,175, each representing less than 1%, respectively, of the Fund's long-term investments.

Call/Maturity Schedule³

Calendar Year Ended December 31,

2013	5%
2014	5
2015	10
2016	10
2017	7

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

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Schedule of Investments July 31, 2013

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
California 111.0%		
Corporate 0.5%		
City of Chula Vista California, Refunding RB, San Diego Gas & Electric, Series A, 5.88%, 2/15/34	\$ 2,435	\$ 2,703,191
County/City/Special District/School District 33.7%		
Centinela Valley Union High School District, GO, Election of 2010, Series A, 5.75%, 8/01/41	9,000	9,519,570
Chabot-Las Positas Community College District, GO, CAB, Series C (AMBAC) (a):		
5.97%, 8/01/36	14,700	3,799,362
5.99%, 8/01/37	11,980	2,905,869
Chaffey Joint Union High School District, GO, Election of 2012, Series A, 5.00%, 8/01/37	6,420	6,697,216
City of Garden Grove California, COP, Series A, Financing Project (AMBAC), 5.50%, 3/01/26	4,040	4,074,784
Coast Community College District, GO, Refunding, Election of 2012, Series A, 5.00%, 8/01/38	9,545	9,949,326
County of Kern California, COP, Capital Improvements Projects, Series A (AGC), 6.00%, 8/01/35	3,500	3,939,285
Culver City Redevelopment Finance Authority California, Tax Allocation Bonds, Refunding, Series A (AGM), 5.60%, 11/01/25	3,750	3,760,012
El Camino Community College District, GO, Election of 2002, Series C, 5.00%, 8/01/37	5,375	5,604,405
Foothill-De Anza Community College District, GO, Election of 2006, Series C, 5.00%, 8/01/40	27,840	28,596,970
Grossmont Healthcare District, GO, Election of 2006, Series B, 6.13%, 7/15/40	2,000	2,249,780
Los Angeles Community College District California, GO, Election of 2003, Series F-1, 5.00%, 8/01/33	2,500	2,593,250
Los Angeles Community Redevelopment Agency California, RB, Bunker Hill Project, Series A (AGM), 5.00%, 12/01/27	7,000	7,266,770
Mount Diablo Unified School District, GO, Refunding, Election of 2002, Series C, 5.00%, 8/01/29	5,000	5,253,000
Orange County Sanitation District, COP, Series A, 5.00%, 2/01/35	2,500	2,632,100
Oxnard Union High School District, GO, Refunding, Election of 2004, Series A (AGM), 5.00%, 8/01/35	10,000	10,219,100
Pajaro Valley Unified School District, GO, Refunding, Election of 2012, Series A, 5.00%, 8/01/38	5,740	5,857,785
Redlands Unified School District California, GO, Election of 2008 (AGM), 5.25%, 7/01/33	5,000	5,306,150
	Par	
	(000)	Value
Municipal Bonds		
California (continued)		
County/City/Special District/School District (concluded)		
Saddleback Valley Unified School District, GO, Refunding, 5.00%, 8/01/29	\$ 3,000	\$ 3,151,800
San Diego Regional Building Authority, RB, County Operations Center & Annex, Series A, 5.50%, 2/01/29	900	989,073
San Francisco Bay Area Rapid Transit District, Refunding RB, Series A, 5.00%, 7/01/36	1,200	1,259,808
San Jose Financing Authority, LRB Series A:		
Convention Center Expansion and Renovation Project, 5.75%, 5/01/36	2,560	2,749,517
Convention Center Expansion and Renovation Project, 5.75%, 5/01/42	4,500	4,773,600
Refunding Civic Center Project, 5.00%, 6/01/39	20,990	21,037,018
Santa Maria Joint Union High School District, GO, Election of 2004, 5.00%, 8/01/33	3,710	3,867,156
Snowline Joint Unified School District, COP, Refunding, Refining Project (AGC), 5.75%, 9/01/38	5,635	6,243,693
South Bay Union School District, GO, Refunding, Election of 2012, Series A, 5.00%, 8/01/37	1,000	1,007,050
Southwestern Community College District, GO, Election of 2008, Series C, 5.25%, 8/01/36	2,590	2,713,983
Ventura County Community College District, GO, Election of 2002, Series C, 5.50%, 8/01/33	5,000	5,547,200
Ventura County Public Financing Authority, Refunding LRB, Series A, 5.00%, 11/01/43	6,785	6,763,491
West Contra Costa Unified School District California, GO, Series A (AGM):		
Election of 2005, 5.00%, 8/01/35	10,000	10,215,100
Election of 2010, 5.25%, 8/01/41	5,390	5,520,761
Westminster Redevelopment Agency California, Tax Allocation Bonds, Subordinate, Commercial Redevelopment Project No. 1 (AGC), 6.25%, 11/01/39	4,300	4,716,670

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		200,780,654
Education 9.6%		
California Municipal Finance Authority, RB, Emerson College, 6.00%, 1/01/42	2,500	2,725,475
Gavilan Joint Community College District, GO, Election of 2004, Series D: 5.50%, 8/01/31	2,170	2,381,640
5.75%, 8/01/35	8,400	9,343,236
Riverside Community College District, GO, Election of 2004, Series C (AGM), 5.00%, 8/01/32	8,750	9,133,600
San Diego Community College District, GO, Election of 2006 (AGM), 5.00%, 8/01/30	8,000	8,643,840

Portfolio Abbreviations

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

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

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
California (continued)		
Education (concluded)		
San Jose Evergreen Community College District, GO, Election of 2010, Series A, 5.00%, 8/01/41	\$ 5,975	\$ 6,176,238
University of California, RB, Series L, 5.00%, 5/15/36	3,030	3,147,443
University of California, Refunding RB, Limited Project, Series G, 5.00%, 5/15/37	15,000	15,505,500
		57,056,972
Health 16.3%		
ABAG Finance Authority for Nonprofit Corps, Refunding RB, Sharp Healthcare: 6.25%, 8/01/39	5,000	5,516,400
Series A, 6.00%, 8/01/30	2,270	2,512,708
California Health Facilities Financing Authority, RB:		
Children's Hospital, Series A, 5.25%, 11/01/41	8,520	8,564,560
Kaiser Permanente, Series A, 5.25%, 4/01/39	7,210	7,243,238
Providence Health Services, Series B, 5.50%, 10/01/39	4,080	4,388,122
Sutter Health, Series A, 5.25%, 11/15/46	10,000	9,930,100
Sutter Health, Series B, 6.00%, 8/15/42	9,655	10,836,965
California Health Facilities Financing Authority, Refunding RB:		
Catholic Healthcare West, Series A, 6.00%, 7/01/34	3,700	4,191,434
Saint Joseph's Health System, Series A, 5.00%, 7/01/37	10,000	9,971,900
Stanford Hospital, Series A-3, 5.50%, 11/15/40	2,915	3,075,383
California Statewide Communities Development Authority, RB, Kaiser Permanente: Series A, 5.00%, 4/01/42	16,000	15,806,720
Series B, 5.25%, 3/01/45	12,505	12,507,376
California Statewide Communities Development Authority, Refunding RB, Trinity Health Credit Group Composite Issue, 5.00%, 12/01/41	2,730	2,697,185
		97,242,091
State 10.3%		
California State Public Works Board, RB:		
California State Prisons, Series C, 5.75%, 10/01/31	1,205	1,289,904
Department of Education, Riverside Campus Project, Series B, 6.50%, 4/01/34	3,670	4,247,621
State of California, GO, Various Purpose: 6.00%, 3/01/33	6,005	6,850,384
5.00%, 9/01/36	4,075	4,170,437
6.00%, 4/01/38	28,265	31,620,621
University of California, RB, Limited Project, Series D (NPFGC), 5.00%, 5/15/41	13,000	13,025,740
		61,204,707
Transportation 15.9%		
Bay Area Toll Authority, RB, San Francisco Bay Area, 0.95%, 4/01/45 (b)	4,400	4,363,524
City of Los Angeles Department of Airports, Refunding RB, Series A, 5.25%, 5/15/39	2,335	2,467,885
City of Los Angeles Department of Airports, ARB, Los Angeles International Airport, Senior Series D, 5.25%, 5/15/29	2,590	2,731,803
City of San Jose California, Refunding ARB, Series A-1, AMT: 5.25%, 3/01/23	2,985	3,282,634
6.25%, 3/01/34	1,400	1,532,356
Municipal Bonds		
California (concluded)		
Transportation (concluded)		
County of Orange California, ARB, Series B, 5.75%, 7/01/34	\$ 6,345	\$ 6,967,889
County of Sacramento California, ARB: Senior Series A (AGC), 5.50%, 7/01/41	8,190	8,906,543
Senior Series B, 5.75%, 7/01/39	2,650	2,937,949

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Senior Series B, AMT (AGM), 5.75%, 7/01/28	13,275	14,741,887
Senior Series B, AMT (AGM), 5.25%, 7/01/33	19,530	20,090,706
Los Angeles Harbor Department, RB, Series B, 5.25%, 8/01/34	5,530	5,964,050
San Francisco City & County Airports Commission, RB, Series E, 6.00%, 5/01/39	9,650	10,978,708
San Francisco City & County Airports Commission, Refunding RB, AMT:		
Second Series 34E (AGM), 5.75%, 5/01/24	5,000	5,620,050
Second Series A, 5.00%, 5/01/32	1,415	1,423,858
San Joaquin County Transportation Authority, Refunding RB, Limited Tax, Measure K, Series A, 6.00%, 3/01/36	2,440	2,727,652
		94,737,494
Utilities 24.7%		
Anaheim Public Financing Authority, RB, Anaheim Electric System Distribution Facilities, Series A, 5.38%, 10/01/36	2,200	2,372,348
City of Los Angeles California Wastewater System, Refunding RB, Sub-Series A:		
5.00%, 6/01/28	2,000	2,138,620
5.00%, 6/01/32	6,000	6,238,200
City of Manteca California, Refunding RB, Water, 5.00%, 7/01/33	2,000	2,047,600
City of Sacramento California, RB, Wastewater, 5.00%, 9/01/42	3,000	3,052,200
City of Sacramento California, RB, Water, 5.00%, 9/01/42	4,500	4,589,145
City of San Francisco California Public Utilities Commission Water, RB:		
Series B, 5.00%, 11/01/30	10,000	10,731,900
Series B&C, 5.00%, 11/01/41	5,000	5,132,200
Cucamonga Valley Water District Financing Authority, RB, Water Utility:		
5.00%, 9/01/37	7,705	8,036,084
5.00%, 9/01/42	5,500	5,694,700
Dublin-San Ramon Services District, Refunding RB, 6.00%, 8/01/41	4,000	4,494,800
East Bay Municipal Utility District, Refunding RB:		
Series A (NPFGC), 5.00%, 6/01/32	11,935	12,624,365
Sub-Series A (AGM) (NPFGC), 5.00%, 6/01/37	11,190	11,634,691
Sub-Series A (AMBAC), 5.00%, 6/01/33	5,000	5,352,700
Eastern Municipal Water District, COP, Series H, 5.00%, 7/01/33	2,505	2,565,446
Imperial Irrigation District, Refunding RB, System, 5.13%, 11/01/38	9,500	9,737,405
Los Angeles Department of Water & Power, RB, Series A, 5.38%, 7/01/38	9,000	9,816,210
Los Angeles Department of Water & Power, Refunding RB, System, Series A:		
5.00%, 7/01/30	4,325	4,643,882
5.25%, 7/01/39	16,000	16,914,240
San Diego Public Facilities Financing Authority, Refunding RB, Senior Series A:		
5.25%, 5/15/34	1,000	1,057,350
5.25%, 5/15/39	10,000	10,553,900
San Juan Water District, Refunding RB, San Juan & Citrus Heights, 5.25%, 2/01/33	7,325	7,783,911
		147,211,897
Total Municipal Bonds 111.0%		660,937,006

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniHoldings California Quality Fund, Inc. (MUC)

(Percentages shown are based on Net Assets)

Municipal Bonds Transferred to Tender Option Bond Trusts (c)	Par (000)	Value
California 58.0%		
County/City/Special District/School District 27.9%		
Alameda County Joint Powers Authority, Refunding LRB (AGM), 5.00%, 12/01/34	\$ 13,180	\$ 13,369,792
Desert Community College District California, GO, Series C (AGM), 5.00%, 8/01/37	16,530	16,808,696
Foothill-De Anza Community College District, GO, Series C, 5.00%, 8/01/40	10,000	10,271,900
Los Angeles Community College District California, GO:		
Election of 2001, Series A (NPFGC), 5.00%, 8/01/32	6,647	6,921,772
Election of 2001, Series E-1, 5.00%, 8/01/33	11,770	12,209,021
Election of 2003, Series E (AGM), 5.00%, 8/01/31	11,216	11,860,456
Election of 2003, Series F-1, 5.00%, 8/01/33	10,000	10,373,000
Los Angeles Community College District California, GO, Refunding, Election of 2008, Series A, 6.00%, 8/01/33	9,596	11,109,135
Los Angeles County Metropolitan Transportation Authority, Refunding RB, Proposition A, First Tier, Senior Series A (AMBAC), 5.00%, 7/01/35	8,997	9,325,971
Los Angeles County Sanitation Districts Financing Authority, Refunding RB, Capital Project 14 (BHAC), 5.00%, 10/01/34	7,917	8,083,017
Poway Unified School District, GO, Election of 2002, Improvement District 02, Series 1-B (AGM), 5.00%, 8/01/30	10,000	10,565,200
San Bernardino Community College District California, GO, Election of 2002, Series C (AGM), 5.00%, 8/01/31	17,770	18,369,027
San Francisco Bay Area Rapid Transit District, Refunding RB, Series A (NPFGC):		
5.00%, 7/01/30	23,100	24,196,095
5.00%, 7/01/34	2,499	2,588,221
		166,051,303
Education 12.4%		
Chaffey Community College District, GO, Election of 2002, Series B (NPFGC), 5.00%, 6/01/30	9,905	10,327,477
Los Rios Community College District, GO, Election of 2008, Series A, 5.00%, 8/01/35	11,000	11,604,010
Riverside Community College District, GO, Election of 2004, Series C (NPFGC), 5.00%, 8/01/32	8,910	9,300,615
University of California, RB:		
Limited Project, Series D (AGM), 5.00%, 5/15/41	8,000	8,071,520
Series O, 5.75%, 5/15/34	11,190	12,662,455
University of California, Refunding RB, Limited Project, Series G, 5.00%, 5/15/37	21,391	22,111,709
		74,077,786
Municipal Bonds Transferred to Tender Option Bond Trusts (c)	Par (000)	Value
California (concluded)		
Transportation 2.6%		
City of Los Angeles California Department of Airports, Refunding RB, Los Angeles International Airport, Senior Series A, 5.00%, 5/15/40	\$ 4,999	\$ 5,073,535
San Mateo County Transportation Authority, Refunding RB, Series A (NPFGC), 5.00%, 6/01/32	10,000	10,333,500
		15,407,035
Utilities 15.1%		
City of Napa California Water System, RB, (AMBAC), 5.00%, 5/01/35	9,100	9,321,039
East Bay Municipal Utility District, RB, Sub-Series A (NPFGC), 5.00%, 6/01/35	12,070	12,459,861
East Bay Municipal Utility District, Refunding RB, Sub-Series A (AMBAC), 5.00%, 6/01/37	14,510	15,344,035
Los Angeles Department of Water & Power, RB, Water System, Sub-Series A-2 (AGM), 5.00%, 7/01/35	7,500	7,847,550
Metropolitan Water District of Southern California, RB, Series A (AGM), 5.00%, 7/01/35	12,870	13,376,306
Rancho Water District Financing Authority, Refunding RB, Series A (AGM), 5.00%, 8/01/34	5,008	5,166,813

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Sacramento County Sanitation Districts Financing Authority, RB, Sacramento Regional County Sanitation (NPFGC), 5.00%, 12/01/36	4,500	4,606,065
San Diego County Water Authority, COP, Series A (AGM), 5.00%, 5/01/31	4,000	4,133,320
San Diego County Water Authority, Refunding, COP, Series A (AGM), 5.00%, 5/01/33	16,740	17,380,472
		89,635,461
Total Municipal Bonds Transferred to Tender Option Bond Trusts 58.0%		345,171,585
Total Long-Term Investments		
(Cost \$997,304,271) 169.0%		1,006,108,591
Short-Term Securities	Shares	
BIF California Municipal Money Fund, 0.00% (d)(e)	501,963	501,963
Total Short-Term Securities		
(Cost \$501,963) 0.1%		501,963
Total Investments (Cost \$997,806,234) 169.1%		1,006,610,554
Other Assets Less Liabilities 2.6%		15,058,845
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (29.0)%		(172,400,480)
VMTP Shares, at Liquidation Value (42.7)%		(254,000,000)
Net Assets Applicable to Common Shares 100.0%		\$ 595,268,919

Notes to Schedule of Investments

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) Variable rate security. Rate shown is as of report date.
- (c) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.
- (d) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2013, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2012	Net Activity	Shares Held at July 31, 2013	Income
BIF California Municipal Money Fund	19,427,466	(18,925,503)	501,963	\$ 5

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (concluded)****BlackRock MuniHoldings California Quality Fund, Inc. (MUC)**

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

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 Fund management. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

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

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

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

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

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based on the pricing transparency of the investment and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments, please refer to Note 2 of the Notes to Financial Statements.

The following table summarizes the Fund's investments categorized in the disclosure hierarchy as of July 31, 2013:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 1,006,108,591		\$ 1,006,108,591
Short-Term Securities	\$ 501,963			501,963
Total	\$ 501,963	\$ 1,006,108,591		\$ 1,006,610,554

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

Certain of the Fund's liabilities are held at carrying amount, which approximates fair value for financial statement purposes. As of July 31, 2013, such liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
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Liabilities:		
Bank overdraft	\$ (12,651)	\$ (12,651)
TOB trust certificates	(172,315,932)	(172,315,932)
VMTP Shares	(254,000,000)	(254,000,000)
Total	\$ (426,328,583)	\$ (426,328,583)

There were no transfers between levels during the year ended July 31, 2013.

See Notes to Financial Statements.

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Schedule of Investments July 31, 2013

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 2.4%		
New Jersey EDA, RB, Mandatory Put Bonds, Disposal, Waste Management of New Jersey, Series A, AMT, 5.30%, 6/01/15 (a)	\$ 2,500	\$ 2,577,276
New Jersey EDA, Refunding RB, New Jersey American Water Co., Inc. Project, AMT: Series A, 5.70%, 10/01/39	2,500	2,629,575
Series B, 5.60%, 11/01/34	2,150	2,265,735
		7,472,586
County/City/Special District/School District 21.5%		
Borough of Hopatcong New Jersey, GO, Refunding, Sewer (AMBAC), 4.50%, 8/01/33	2,690	2,715,555
City of Perth Amboy New Jersey, GO, Refunding, CAB (AGM):		
5.00%, 7/01/32	4,605	4,709,902
5.00%, 7/01/33	1,395	1,423,751
5.00%, 7/01/37	1,470	1,482,936
County of Union New Jersey, GO, Refunding:		
4.00%, 3/01/29	2,590	2,569,150
4.00%, 3/01/30	2,590	2,537,604
4.00%, 3/01/31	2,925	2,831,458
Edgewater Borough Board of Education, GO, Refunding, (AGM):		
4.25%, 3/01/34	1,235	1,234,963
4.25%, 3/01/35	1,300	1,292,681
4.30%, 3/01/36	1,370	1,365,643
Essex County Improvement Authority, RB, County Correctional Facility Project, Series A (NPFGC), 5.00%, 10/01/13 (b)	4,400	4,435,244
Essex County Improvement Authority, Refunding RB, Project Consolidation (NPFGC):		
5.50%, 10/01/27	250	287,458
5.50%, 10/01/28	4,840	5,522,634
Hudson County Improvement Authority, RB:		
County Secured, County Services Building Project (AGM), 5.00%, 4/01/27	750	781,688
Harrison Parking Facility Project, Series C (AGC), 5.25%, 1/01/39	2,000	2,072,300
Harrison Parking Facility Project, Series C (AGC), 5.38%, 1/01/44	3,600	3,728,772
Middlesex County Improvement Authority, RB, Senior Citizens Housing Project, AMT (AMBAC), 5.50%, 9/01/30	500	501,445
Monmouth County Improvement Authority, RB, Governmental Loan (AMBAC):		
5.35%, 12/01/17	5	5,018
5.38%, 12/01/18	5	5,018
Morristown Parking Authority, RB, (NPFGC):		
5.00%, 8/01/30	1,830	1,869,876
5.00%, 8/01/33	3,000	3,046,680
New Jersey Sports & Exposition Authority, Refunding RB, (NPFGC):		
5.50%, 3/01/21	5,890	6,701,760
5.50%, 3/01/22	3,150	3,581,928
New Jersey State Transit Corp., COP, Federal Transit Administration Grants, Subordinate, Series A (AGM) (NPFGC), 5.00%, 9/15/21	2,000	2,164,700
Newark Housing Authority, Refunding RB, Newark Redevelopment Project (NPFGC), 4.38%, 1/01/37	620	534,607
Union County Improvement Authority, RB, Family Court Building Project, 4.00%, 5/01/37	3,575	3,053,550
	Par (000)	Value
Municipal Bonds		
New Jersey (continued)		
County/City/Special District/School District (concluded)		
Union County Utilities Authority, Refunding RB, Series A:		
New Jersey Solid Waste System, County Deficiency Agreement, 5.00%, 6/15/41	\$ 5,415	\$ 5,599,814
Resource Recovery Facility Lease, Covanta Union, AMT, 5.25%, 12/01/31	450	458,172
		66,514,307

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Education 24.3%		
New Jersey Educational Facilities Authority, RB:		
Montclair State University, Series A (AMBAC), 5.00%, 7/01/21	1,200	1,327,860
Montclair State University, Series A (AMBAC), 5.00%, 7/01/22	2,880	3,178,138
Richard Stockton College, Series F (NPFGC), 5.00%, 7/01/31	2,625	2,713,121
Rowan University, Series C (NPFGC), 5.00%, 7/01/14 (b)	3,260	3,402,918
Rowan University, Series C (NPFGC), 5.13%, 7/01/14 (b)	3,615	3,777,639
New Jersey Educational Facilities Authority, Refunding RB:		
College of New Jersey, Series D (AGM), 5.00%, 7/01/35	9,740	9,807,108
Montclair State University, Series J (NPFGC), 4.25%, 7/01/30	3,775	3,650,916
New Jersey Institute of Technology, Series H, 5.00%, 7/01/31	3,000	3,091,800
Ramapo College, Series B, 5.00%, 7/01/37	845	862,027
Ramapo College, Series I (AMBAC), 4.25%, 7/01/31	1,250	1,199,900
Ramapo College, Series I (AMBAC), 4.25%, 7/01/36	900	836,352
Seton Hall University, Series D, 5.00%, 7/01/38	360	371,059
Seton Hall University, Series D, 5.00%, 7/01/43	430	441,146
Stevens Institute of Technology, Series A, 5.00%, 7/01/27	2,800	2,830,632
Stevens Institute of Technology, Series A, 5.00%, 7/01/34	900	867,177
William Paterson University Series C (AGC), 4.75%, 7/01/34	4,000	4,043,520
William Paterson University, Series C (AGC), 5.00%, 7/01/28	250	262,910
New Jersey Higher Education Student Assistance Authority, RB, Senior Student Loan, Series 1A, AMT:		
4.00%, 12/01/23	500	485,090
3.75%, 12/01/26	1,890	1,669,040
4.00%, 12/01/28	1,790	1,575,701
4.50%, 12/01/28	3,380	3,159,016
4.00%, 12/01/29	710	614,775
4.50%, 12/01/29	4,150	3,828,333
4.63%, 12/01/30	4,080	3,769,961
4.00%, 12/01/31	1,335	1,134,376
4.13%, 12/01/35	710	586,964
New Jersey Institute of Technology, RB, Series A, 5.00%, 7/01/42	5,045	5,139,291
Rutgers, The State University of New Jersey, Refunding RB, Series L:		
5.00%, 5/01/30	1,100	1,177,924
5.00%, 5/01/43	7,150	7,366,502

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
New Jersey (continued)		
Education (concluded)		
University of Medicine & Dentistry of New Jersey, COP (NPFGC), 5.00%, 6/15/14 (b)	\$ 2,000	\$ 2,081,820
		75,253,016
Health 17.0%		
New Jersey Health Care Facilities Financing Authority, RB:		
Greystone Park Psychiatric Hospital (AMBAC), 5.00%, 9/15/15 (b)	10,775	11,778,260
Marlboro Psychiatric Hospital, 4.00%, 9/15/31	1,000	879,500
Marlboro Psychiatric Hospital, 4.00%, 9/15/32	1,000	866,600
Meridian Health, Series I (AGC), 5.00%, 7/01/38	730	734,395
Meridian Health, Series II (AGC), 5.00%, 7/01/38	6,150	6,187,023
Meridian Health, Series V (AGC), 5.00%, 7/01/38	3,835	3,858,087
Virtua Health (AGC), 5.50%, 7/01/38	3,035	3,111,755
New Jersey Health Care Facilities Financing Authority, Refunding RB:		
AHS Hospital Corp., 6.00%, 7/01/41	3,080	3,461,027
Barnabas Health, Series A, 5.00%, 7/01/24	1,820	1,906,523
Barnabas Health, Series A, 4.00%, 7/01/26	1,740	1,608,700
Barnabas Health, Series A, 5.63%, 7/01/32	4,010	4,119,232
Barnabas Health, Series A, 5.63%, 7/01/37	3,060	3,119,517
Hackensack University Medical (AGC), 5.13%, 1/01/27	1,500	1,560,870
Hackensack University Medical (AGM), 4.63%, 1/01/30	5,480	5,390,018
Kennedy Health System, 5.00%, 7/01/42	360	347,191
Meridian Health System Obligation, 5.00%, 7/01/25	700	737,541
Meridian Health System Obligation, 5.00%, 7/01/26	1,590	1,654,936
St. Luke s Warren Hospital Obligation, 5.00%, 8/15/34	740	734,272
St. Luke s Warren Hospital Obligation, 4.00%, 8/15/37	440	363,801
		52,419,248
Housing 9.1%		
New Jersey Housing & Mortgage Finance Agency, RB:		
Capital Fund Program, Series A (AGM), 4.70%, 11/01/25	9,245	9,396,063
M/F Housing, Series A, 4.55%, 11/01/43	3,575	3,217,428
M/F Housing, Series A, AMT (NPFGC), 4.85%, 11/01/39	935	868,157
S/F Housing, Series AA, 6.50%, 10/01/38	1,435	1,475,625
S/F Housing, Series B, 4.50%, 10/01/30	7,005	7,009,343
New Jersey Housing & Mortgage Finance Agency, Refunding RB, AMT:		
M/F Housing, Series 2, 4.60%, 11/01/38	3,420	3,038,123
M/F Housing, Series 2, 4.75%, 11/01/46	3,015	2,638,909
S/F Housing, Series T, 4.70%, 10/01/37	660	650,998
		28,294,646
State 32.5%		
Garden State Preservation Trust, RB:		
CAB, Series B (AGM), 3.74%, 11/01/23 (c)	9,000	6,158,880
CAB, Series B (AGM), 4.07%, 11/01/25 (c)	10,000	6,103,100
Election of 2005, Series A (AGM), 5.80%, 11/01/15 (b)	4,690	5,234,509
	Par (000)	Value
Municipal Bonds		
New Jersey (continued)		
State (concluded)		
Garden State Preservation Trust, Refunding RB, Series C (AGM):		
5.25%, 11/01/20	\$ 5,000	\$ 5,991,150
5.25%, 11/01/21	7,705	9,198,152

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New Jersey EDA, RB:

Cigarette Tax (Radian), 5.50%, 6/15/14 (b)	585	611,957
Cigarette Tax (Radian), 5.75%, 6/15/14 (b)	2,000	2,096,520
Cigarette Tax (Radian), 5.75%, 6/15/14 (b)	1,180	1,236,947
Liberty State Park Project, Series C, 5.00%, 3/01/22	2,670	2,828,651
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/24	1,785	2,010,231
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/26	7,500	8,314,425
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33	11,105	11,422,825
Motor Vehicle Surcharge, Series A (NPFGC), 5.00%, 7/01/34	2,000	2,028,520
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/25	4,000	4,504,640
School Facilities Construction (AGC), 6.00%, 12/15/34	1,855	2,087,209
School Facilities Construction (AGC), 6.00%, 12/15/18 (b)	945	1,169,655
School Facilities Construction, Series KK, 5.00%, 3/01/29	1,500	1,554,225
School Facilities Construction, Series L (AGM), 5.00%, 3/01/15 (b)	9,000	9,642,870
School Facilities Construction, Series O, 5.25%, 3/01/15 (b)	1,420	1,529,141
School Facilities Construction, Series U, 5.00%, 9/01/37	5,000	5,055,850
School Facilities Construction, Series U (AMBAC), 5.00%, 9/01/37	2,000	2,022,340
School Facilities Construction, Series Y, 5.00%, 9/01/33	3,000	3,061,080
New Jersey EDA, Refunding RB:		
Cigarette Tax, 5.00%, 6/15/26	895	906,358
Cigarette Tax, 5.00%, 6/15/28	1,520	1,502,642
Cigarette Tax, 5.00%, 6/15/29	2,000	1,946,480
School Facilities Construction, Series N-1 (NPFGC), 5.50%, 9/01/27	1,000	1,120,860
State of New Jersey, COP, Equipment Lease Purchase, Series A, 5.25%, 6/15/27	1,080	1,144,238

100,483,455

Transportation 24.6%

Delaware River Port Authority, RB, Series D (AGM), 5.00%, 1/01/40	3,700	3,785,396
Delaware River Port Authority, Refunding RB, Port District Project: 5.00%, 1/01/26	1,745	1,826,317
5.00%, 1/01/27	1,300	1,342,341
New Jersey State Turnpike Authority, RB, Growth & Income Securities, Series B (AMBAC), 5.22%, 1/01/35 (d)	7,615	7,020,954
New Jersey State Turnpike Authority, Refunding RB:		
Series A (AGM), 5.25%, 1/01/26	4,900	5,535,677
Series A (AGM), 5.25%, 1/01/29	2,000	2,184,080
Series A (AGM), 5.25%, 1/01/30	4,000	4,355,160
Series A (BHAC), 5.25%, 1/01/29	500	555,510
Series C (NPFGC), 6.50%, 1/01/16 (e)	2,715	2,884,389
Series C (NPFGC), 6.50%, 1/01/16 (e)	255	290,909
Series C (NPFGC), 6.50%, 1/01/16	605	685,029
Series C (NPFGC), 6.50%, 1/01/16 (e)	305	347,950

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds		
New Jersey (concluded)		
Transportation (concluded)		
New Jersey Transportation Trust Fund Authority, RB:		
CAB, Series C (AMBAC), 5.88%, 12/15/35 (c)	\$ 1,400	\$ 382,872
Transportation System, CAB, Series A, 5.76%, 12/15/35 (c)	6,000	1,684,260
Transportation System, CAB, Series C (AGM), 5.63%, 12/15/32 (c)	4,050	1,381,455
Transportation System, CAB, Series C (AMBAC), 5.92%, 12/15/36 (c)	7,210	1,843,957
Transportation System, CAB, Series C (BHAC), 5.16%, 12/15/31 (c)	5,000	1,961,000
Transportation System, Series A, 6.00%, 6/15/35	4,365	4,800,802
Transportation System, Series A (AGC), 5.63%, 12/15/28	2,000	2,263,920
Transportation System, Series A (NPFGC), 5.75%, 6/15/24	1,205	1,426,684
Transportation System, Series B, 5.50%, 6/15/31	1,425	1,517,539
New Jersey Transportation Trust Fund Authority, Refunding RB, Transportation System, Series A (AGM), 5.25%, 12/15/20	10,750	12,672,315
Port Authority of New York & New Jersey, RB, Special Project JFK International Air Terminal LLC Project, AMT (NPFGC):		
Series 6, 6.25%, 12/01/15	1,500	1,587,000
Series 6, 5.75%, 12/01/25	3,000	3,059,550
Series 8, 6.00%, 12/01/42	2,500	2,764,725
Port Authority of New York & New Jersey, Refunding RB, Consolidated, 152nd Series, AMT, 5.75%, 11/01/30	5,175	5,640,802
South Jersey Transportation Authority, Refunding RB, Series A: 5.00%, 11/01/29	1,025	1,068,091
Transportation System, 5.00%, 11/01/28	1,025	1,075,225
		75,943,909
Utilities 4.4%		
Essex County Utilities Authority, Refunding RB (AGC), 4.13%, 4/01/22	2,000	2,064,480
North Hudson Sewerage Authority, Refunding RB, Series A (NPFGC), 5.13%, 8/01/20 (e)	4,335	5,201,697
Rahway Valley Sewerage Authority, RB, CAB, Series A (NPFGC) (c): 4.89%, 9/01/28	6,600	3,184,698
4.99%, 9/01/29	6,900	3,123,078
		13,573,953
Total Municipal Bonds in New Jersey		419,955,120
Guam 1.2%		
State 1.1%		
Territory of Guam, RB, Business Privilege Tax Bonds:		
Series A, 5.13%, 1/01/42	2,500	2,529,700
Series B-1, 5.00%, 1/01/37	700	697,102
		3,226,802
Utilities 0.1%		
Guam Power Authority, Refunding RB, Series A, 5.00%, 10/01/34	325	313,459
Total Municipal Bonds in Guam		3,540,261
Municipal Bonds		
Puerto Rico 6.1%		
Health 0.6%		
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	\$ 1,758,680
State 5.5%		
Commonwealth of Puerto Rico, GO, Refunding, Public Improvement, Series C, 6.00%, 7/01/39	1,730	1,552,675
Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31	3,000	2,910,120

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Puerto Rico Infrastructure Financing Authority, RB, CAB, Series A (NPFGC), 7.79%, 7/01/37 (c)	3,500	563,290
Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.00%, 8/01/42	2,500	2,496,575
Puerto Rico Sales Tax Financing Corp., Refunding RB:		
CAB, Series A (NPFGC), 6.60%, 8/01/41 (c)	9,500	1,540,900
CAB, Series A (NPFGC), 6.62%, 8/01/42 (c)	4,250	643,535
First Sub-Series A-1, 5.25%, 8/01/43	2,130	1,906,244
First Sub-Series C (AGM), 5.13%, 8/01/42	5,995	5,500,832
		17,114,171
Total Municipal Bonds in Puerto Rico		18,872,851
Total Municipal Bonds 143.1%		442,368,232

Municipal Bonds Transferred to Tender Option Bond Trusts (f)

New Jersey 21.1%		
County/City/Special District/School District 4.1%		
Union County Utilities Authority, Refunding LRB, Covanta Union, Series A, AMT, 5.25%, 12/01/31	12,370	12,594,639
Education 0.3%		
Rutgers, The State University of New Jersey, Refunding RB, Series F, 5.00%, 5/01/39	990	1,028,966
Housing 1.6%		
New Jersey State Housing & Mortgage Finance Agency, RB, Capital Fund Program, Series A (AGM), 5.00%, 5/01/27	4,790	4,991,084
State 5.1%		
Garden State Preservation Trust, RB, Election of 2005, Series A (AGM), 5.75%, 11/01/28	9,160	10,923,117
New Jersey EDA, Refunding RB, 5.00%, 3/01/29 (g)	4,782	4,962,437
		15,885,554
Transportation 10.0%		
New Jersey State Turnpike Authority, RB, Series A, 5.00%, 1/01/38 (g)	5,200	5,304,780
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (g)	1,900	1,973,494
Port Authority of New York & New Jersey, RB, Consolidated, AMT:		
163rd Series, 5.00%, 7/15/39	11,456	11,829,390
169th Series, 5.00%, 10/15/41	5,500	5,544,550
Port Authority of New York & New Jersey, Refunding RB, 152nd Series, Consolidated, AMT, 5.25%, 11/01/35	5,998	6,177,610
		30,829,824
Total Municipal Bonds Transferred to Tender Option Bond Trusts in New Jersey		65,330,067

See Notes to Financial Statements.

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Schedule of Investments (continued)

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

(Percentages shown are based on Net Assets)

	Par (000)	Value
Municipal Bonds Transferred to Tender Option Bond Trusts (f)		
Puerto Rico 0.7%		
State 0.7%		
Puerto Rico Sales Tax Financing Corp., Refunding RB, Senior Series C, 5.25%, 8/01/40	\$ 2,270	\$ 2,175,273
Total Municipal Bonds Transferred to Tender Option Bond Trusts 21.8%		67,505,340
Total Long-Term Investments		
(Cost \$504,314,582) 164.9%		509,873,572
Short-Term Securities	Shares	Value
BIF New Jersey Municipal Money Fund, 0.00% (h)(i)	7,170,770	7,170,770
Total Short-Term Securities		
(Cost \$7,170,770) 2.3%		7,170,770
Total Investments (Cost \$511,485,352) 167.2%		517,044,342
Other Assets Less Liabilities 1.1%		3,066,313
Liability for TOB Trust Certificates, Including Interest		
Expense and Fees Payable (12.4)%		(38,245,294)
VRDP Shares, at Liquidation Value (55.9)%		(172,700,000)
Net Assets Applicable to Common Shares 100.0%		\$ 309,165,361

Notes to Schedule of Investments

- (a) Variable rate security. Rate shown is as of report date.
- (b) US government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (d) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.
- (e) Security is collateralized by municipal or US Treasury obligations.
- (f) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.
- (g) All or a portion of security is subject to a recourse agreement, which may require the Fund to pay the Liquidity Provider in the event there is a shortfall between the TOB trust certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate

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maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire from June 15, 2019 to September 1, 2020 is \$8,820,122.

- (h) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2013, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2012	Net Activity	Shares Held at July 31, 2013	Income
BIF New Jersey Municipal Money Fund	4,620,110	2,550,660	7,170,770	\$ 5

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

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 Fund management. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

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

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

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

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

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based on the pricing transparency of the investment and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments, please refer to Note 2 of the Notes to Financial Statements.

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (concluded)****BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ)**

The following table summarizes the Fund's investments categorized in the disclosure hierarchy as of July 31, 2013:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 509,873,572		\$ 509,873,572
Short-Term Securities	\$ 7,170,770			7,170,770
Total	\$ 7,170,770	\$ 509,873,572		\$ 517,044,342

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

Certain of the Fund's liabilities are held at carrying amount, which approximates fair value for financial statement purposes. As of July 31, 2013, such liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Liabilities:				
Bank overdraft		\$ (8,444)		\$ (8,444)
TOB trust certificates		(38,231,115)		(38,231,115)
VRDP Shares		(172,700,000)		(172,700,000)
Total		\$ (210,939,559)		\$ (210,939,559)

There were no transfers between levels during the year ended July 31, 2013.

See Notes to Financial Statements.

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Schedule of Investments July 31, 2013

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Alabama 5.3%		
Birmingham Special Care Facilities Financing Authority, RB, Children s Hospital (AGC):		
6.13%, 6/01/34	\$ 1,500	\$ 1,693,320
6.00%, 6/01/39	2,985	3,365,319
Birmingham Water Works Board, RB, Series B, 5.00%, 1/01/38	355	357,904
City of Madison, GO, Refunding, 5.00%, 4/01/37	375	383,344
Selma IDB, RB, International Paper Co. Project, Series A, 5.38%, 12/01/35	350	350,322
		6,150,209
California 18.8%		
California Educational Facilities Authority, RB, University of Southern California, Series A, 5.25%, 10/01/38	1,960	2,084,950
California Health Facilities Financing Authority, RB, Sutter Health, Series B, 6.00%, 8/15/42	1,150	1,290,783
City of San Jose California, Refunding ARB, Series A-1, AMT:		
5.50%, 3/01/30	1,600	1,676,640
6.25%, 3/01/34	1,250	1,368,175
County of Sacramento California, ARB, Senior Series A (AGC), 5.50%, 7/01/41	1,400	1,522,486
Los Angeles Community College District California, GO, Election of 2001, Series A (NPFGC), 5.00%, 8/01/32	2,780	2,894,731
Los Angeles County Public Works Financing Authority, Refunding RB, Multiple Capital Projects II, 5.00%, 8/01/42	2,700	2,667,411
Redondo Beach Unified School District, GO, Election of 2008, Series E, 5.50%, 8/01/34	1,000	1,054,200
Sacramento Municipal Utility District, RB, Series A, 5.00%, 8/15/37	1,000	1,021,360
San Diego Public Facilities Financing Authority, Refunding RB, Series B (AGC), 5.38%, 8/01/34	1,020	1,101,294
San Francisco City & County Airports Commission, Refunding RB, Second Series A, AMT:		
5.50%, 5/01/28	720	767,484
5.25%, 5/01/33	560	575,002
State of California, GO, Various Purpose (AGC), 5.50%, 11/01/39	3,450	3,674,561
		21,699,077
Colorado 3.4%		
City & County of Denver Colorado, ARB, Airport System, Series A, AMT:		
5.50%, 11/15/28	500	523,155
5.50%, 11/15/30	225	232,481
5.50%, 11/15/31	270	277,887
Colorado Health Facilities Authority, RB, Hospital, NCMC, Inc. Project, Series B (AGM), 6.00%, 5/15/26	1,300	1,440,088
Regional Transportation District, RB, Fastracks Project, Series A, 5.00%, 11/01/37	1,400	1,452,388
		3,925,999
Florida 10.8%		
County of Lee Florida, Refunding RB, Series A, AMT, 5.38%, 10/01/32	1,000	1,012,340
County of Miami-Dade Florida, Refunding RB:		
Transit System Sales Surtax, 5.00%, 7/01/42	2,000	2,022,880
Water & Sewer System, Series B, 5.25%, 10/01/29 (a)	1,890	2,014,041
County of Miami-Dade Florida Aviation, Refunding RB, Series A, AMT:		
5.00%, 10/01/31	2,165	2,124,320
5.00%, 10/01/32	1,000	975,850
	Par	
	(000)	Value
Municipal Bonds		
Florida (concluded)		
County of Osceola Florida School Board, COP, Refunding, Series A, 5.00%, 6/01/28	\$ 455	\$ 471,425
	115	115,283

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Florida Housing Finance Corp., HRB, Brittany Rosemont Apartments, Series C-1, AMT (AMBAC), 6.75%, 8/01/14		
Jacksonville Florida Port Authority, Refunding RB, AMT, 5.00%, 11/01/38	850	827,347
JEA Florida Electric System, Refunding RB, Sub-Series C, 5.00%, 10/01/37	1,280	1,305,382
Manatee County Housing Finance Authority, RB, Series A, AMT (Fannie Mae), 5.90%, 9/01/40	185	190,985
Miami-Dade County Expressway Authority, Refunding RB, Series A, 5.00%, 7/01/33	1,400	1,416,016
		12,475,869
Georgia 3.0%		
City of Atlanta Georgia Department of Aviation, Refunding GARB, Series C, AMT, 5.00%, 1/01/37	3,500	3,447,605
Illinois 15.3%		
Chicago Illinois Board of Education, GO, Series A, 5.50%, 12/01/39	1,500	1,547,400
Chicago Illinois Transit Authority, RB, Sales Tax Receipts Revenue: 5.25%, 12/01/36	425	435,047
5.25%, 12/01/40	2,355	2,399,368
Chicago Transit Authority, RB, Federal Transit Administration Section 5309, Series A (AGC), 6.00%, 6/01/26	1,400	1,515,094
City of Chicago Illinois, GARB O Hare International Airport, Third Lien: Series A, 5.75%, 1/01/39	770	801,031
Series C, 6.50%, 1/01/41	3,680	4,332,354
City of Chicago Illinois, Refunding RB: Sales Tax, 5.25%, 1/01/38	525	547,081
Second Lien, Water Project, 5.00%, 11/01/42	955	940,493
Illinois Finance Authority, RB, Carle Foundation, Series A, 6.00%, 8/15/41	1,555	1,686,833
Illinois Finance Authority, Refunding RB, North Western Memorial Healthcare, 5.00%, 8/15/37	305	310,319
Railsplitter Tobacco Settlement Authority, RB: 5.50%, 6/01/23	940	1,044,942
6.00%, 6/01/28	270	294,608
State of Illinois, GO: 5.50%, 7/01/33	1,500	1,519,365
5.50%, 7/01/38	280	282,327
		17,656,262
Indiana 3.3%		
Indiana Finance Authority, RB, Private Activity Bonds (Ohio River Bridges), AMT, 5.00%, 7/01/40	375	352,309
Indianapolis Local Public Improvement Bond Bank, Refunding RB, Waterworks Project, Series A (AGC), 5.50%, 1/01/38	3,310	3,467,423
		3,819,732
Louisiana 2.4%		
New Orleans Aviation Board Louisiana, Refunding GARB Restructuring (AGC): Series A-1, 6.00%, 1/01/23	375	424,834
Series A-2, 6.00%, 1/01/23	160	181,262
Terbonne Levee & Conservation District, RB, Sales Tax, 5.00%, 7/01/38	495	489,417

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Louisiana (concluded)		
Tobacco Settlement Financing Corp., Refunding RB, Series A:		
5.50%, 5/15/28	\$ 755	\$ 798,465
5.50%, 5/15/29	805	845,145
		2,739,123
Massachusetts 0.6%		
Massachusetts School Building Authority, RB, Senior Series A, 5.00%, 5/15/43	645	670,265
Michigan 5.0%		
City of Detroit Michigan, RB, Water Supply System, Second Lien, Series B (AGM), 6.25%, 7/01/36	1,800	1,827,018
City of Detroit Michigan, Refunding RB, Sewage Disposal System Senior Lien (AGM):		
Series B, 7.50%, 7/01/33	660	708,787
Series C-1, 7.00%, 7/01/27	1,650	1,740,783
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39	1,265	1,527,260
		5,803,848
Minnesota 3.0%		
City of Minneapolis Minnesota, Refunding RB, Fairview Health Services, Series B (AGC), 6.50%, 11/15/38	3,000	3,455,340
Mississippi 2.9%		
Mississippi Development Bank, RB, Jackson Water & Sewer System Project (AGM), 6.88%, 12/01/40	190	221,301
Mississippi Development Bank, Refunding RB, Series A:		
Jackson Public School District Project, 5.00%, 4/01/28	1,000	1,022,250
Jackson Water & Sewer System (AGM), 5.00%, 9/01/30	1,715	1,789,997
University of Southern Mississippi, Refunding RB, S.M. Educational Building Corp., Residence Hall Construction Project, 5.00%, 3/01/33	280	290,570
		3,324,118
Missouri 0.3%		
The Bi-State Development Agency of the Missouri-Illinois Metropolitan District, Refunding RB, Combined Lien, Series A, 5.00%, 10/01/28 (a)	305	322,303
Nevada 4.4%		
Clark County Water Reclamation District, GO, Series A, 5.25%, 7/01/34	1,500	1,651,380
County of Clark Nevada, ARB:		
Las Vegas-McCarran International Airport, Series A (AGC), 5.25%, 7/01/39	2,375	2,459,835
Subordinate Lien, Series A-2 (NPFGC), 5.00%, 7/01/36	1,000	1,001,310
		5,112,525
New Jersey 4.6%		
New Jersey EDA, RB, School Facilities Construction (AGC):		
6.00%, 12/15/18 (b)	330	408,451
6.00%, 12/15/34	670	753,870
New Jersey Health Care Facilities Financing Authority, RB, Virtua Health (AGC), 5.50%, 7/01/38	1,400	1,435,406
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series A, 5.50%, 6/15/41	1,195	1,256,423
	Par	
	(000)	Value
Municipal Bonds		
New Jersey (concluded)		
Rutgers, The State University of New Jersey, Refunding RB:		

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Series J, 5.00%, 5/01/32	\$ 845	\$ 895,100
Series L, 5.00%, 5/01/32	520	550,831
		5,300,081
New York 9.2%		
New York City Municipal Water Finance Authority, Refunding RB:		
Second General Resolution, Fiscal 2012, Series BB, 5.25%, 6/15/44	2,000	2,086,560
Series FF-2, 5.50%, 6/15/40	1,545	1,682,567
New York City Transitional Finance Authority, RB, Fiscal 2009, Series S-4 (AGC), 5.50%, 1/15/29	2,000	2,223,340
New York State Dormitory Authority, RB, General Purpose, Series C, 5.00%, 3/15/41	4,500	4,634,820
		10,627,287
Ohio 1.0%		
Ohio Higher Educational Facility Commission, Refunding RB, Kenyon College Project, 5.00%, 7/01/37		
	190	190,581
Ohio State Turnpike Commission, RB, Junior Lien Infrastructure Projects, Series A-1 (a):		
5.25%, 2/15/30	445	469,938
5.25%, 2/15/31	445	467,824
		1,128,343
Pennsylvania 5.0%		
County of Westmoreland Municipal Authority, RB, 5.00%, 8/15/37		
	1,500	1,510,560
Pennsylvania Higher Educational Facilities Authority, RB, Temple University, First Series, 5.00%, 4/01/42		
	2,000	2,035,060
Pennsylvania Turnpike Commission, RB, Sub-Series A, 6.00%, 12/01/41		
	2,000	2,182,520
		5,728,140
Puerto Rico 2.2%		
Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.38%, 8/01/39		
	1,310	1,334,445
Puerto Rico Sales Tax Financing Corp., Refunding RB, Senior Series C, 5.25%, 8/01/40		
	1,205	1,154,715
		2,489,160
Texas 18.7%		
Austin Community College District Public Facility Corp., RB, Educational Facilities Project, Round Rock Campus, 5.25%, 8/01/33		
	2,250	2,373,300
City of Beaumont Texas, GO, Certificates of Obligation, 5.25%, 3/01/37 (a)		
	930	979,337
City of Brownsville Texas Utilities System, Refunding RB, Series A, 5.00%, 9/01/29		
	825	863,181
City of Houston Texas Utility System, Refunding RB, First Lien, Series A (AGC):		
6.00%, 11/15/35	2,700	3,069,198
6.00%, 11/15/36	2,055	2,353,427
5.38%, 11/15/38	1,000	1,069,300
Dallas-Fort Worth International Airport, ARB, Series H, AMT, 5.00%, 11/01/42		
	1,855	1,751,547
Frisco ISD Texas, GO, School Building (AGC), 5.50%, 8/15/41		
	1,210	1,360,923
Lower Colorado River Authority, Refunding RB, Series B, 5.00%, 5/15/37		
	1,000	1,022,050
North Texas Tollway Authority, RB, Special Projects System, Series A, 5.50%, 9/01/41		
	2,750	2,944,122

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Texas (concluded)		
North Texas Tollway Authority, Refunding RB, First Tier: (AGM), 6.00%, 1/01/43	\$ 1,000	\$ 1,076,030
Series K-1 (AGC), 5.75%, 1/01/38	1,400	1,481,858
Tarrant County Cultural Education Facilities Finance Corp., Refunding RB, Christus Health, Series A (AGC), 6.50%, 7/01/37	1,100	1,200,254
		21,544,527
Virginia 3.6%		
Lexington IDA, RB, Washington & Lee University, 5.00%, 1/01/43	380	393,714
Norfolk EDA, Refunding RB, Sentara Healthcare, Series B, 5.00%, 11/01/36	2,500	2,527,500
Virginia Public School Authority, RB, School Financing, 6.50%, 12/01/18 (b)	1,000	1,259,170
		4,180,384
Washington 2.7%		
City of Seattle Washington, Refunding RB, Series A, 5.25%, 2/01/36	1,000	1,060,350
Spokane Public Facilities District, RB, Hotel/Motel & Sales/Use Tax, Series A, 5.00%, 12/01/38	1,235	1,226,145
State of Washington, GO, Various Purpose, Series B, 5.25%, 2/01/36	725	773,060
		3,059,555
Total Municipal Bonds 125.5%		144,659,752
Municipal Bonds Transferred to Tender Option Bond Trusts (c)		
Alabama 1.3%		
Mobile Board of Water & Sewer Commissioners, RB, (NPFGC), 5.00%, 1/01/31	1,500	1,549,440
California 0.9%		
University of California, Refunding RB, Limited Project, Series G, 5.00%, 5/15/37	1,000	1,033,740
District of Columbia 0.7%		
District of Columbia Water & Sewer Authority, Refunding RB, Series A, 6.00%, 10/01/35 (d)	760	851,249
Florida 3.2%		
County of Miami-Dade Florida Transit System, Refunding RB, 5.00%, 7/01/42	660	667,550
Hillsborough County Aviation Authority, RB, Series A, AMT (AGC), 5.50%, 10/01/38	2,499	2,639,953
Lee County Housing Finance Authority, RB, Multi-County Program, Series A-2, AMT (Ginnie Mae), 6.00%, 9/01/40	360	376,625
		3,684,128
Illinois 3.5%		
Chicago Transit Authority, Refunding RB, Federal Transit Administration Section 5309 (AGM), 5.00%, 6/01/28	2,999	3,045,543
Illinois State Toll Highway Authority, RB, Series A, 5.00%, 1/01/38	999	1,011,196
		4,056,739
Kentucky 0.9%		
Kentucky State Property & Building Commission, Refunding RB, Project No. 93 (AGC), 5.25%, 2/01/27	1,002	1,094,119
	Par	
	(000)	Value
Municipal Bonds Transferred to Tender Option Bond Trusts (c)		
Massachusetts 1.8%		
	\$ 2,040	\$ 2,112,032

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Massachusetts School Building Authority, RB, Dedicated Sales Tax, Senior Series B,
5.00%, 10/15/41

Nevada 7.8%

Clark County Water Reclamation District, GO:

Limited Tax, 6.00%, 7/01/38	2,010	2,275,340
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Series B, 5.50%, 7/01/29	1,994	2,263,217
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Las Vegas Valley Water District, GO, Refunding, Series C, 5.00%, 6/01/28	4,200	4,456,620
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8,995,177

New Jersey 2.4%

New Jersey State Housing & Mortgage Finance Agency, RB, S/F Housing, Series CC,
5.25%, 10/01/29

	1,610	1,679,151
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New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (d)	1,000	1,038,681
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2,717,832

New York 14.7%

Hudson New York Yards Infrastructure Corp., RB, Senior Series A, 5.75%, 2/15/47 (d)	1,000	1,061,616
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New York City Municipal Water Finance Authority, Refunding RB, Second General
Resolution:

Fiscal 2012, Series BB, 5.25%, 6/15/44	2,999	3,128,570
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Water & Sewer System, Series FF-2, 5.50%, 6/15/40	1,095	1,192,195
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New York City Transitional Finance Authority, BARB, Series S-3, 5.25%, 1/15/39	1,000	1,040,592
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New York Liberty Development Corp., RB, 1 World Trade Center Port Authority Construction, 5.25%, 12/15/43	3,000	3,117,073
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New York Liberty Development Corp., Refunding RB, 4 World Trade Center Project, 5.75%, 11/15/51 (d)	1,770	1,916,432
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New York State Dormitory Authority, ERB, Series B, 5.25%, 3/15/38	3,250	3,397,615
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New York State Thruway Authority, Refunding RB, Series G (AGM), 5.00%, 1/01/32	2,000	2,075,820
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16,929,913

Texas 4.5%

City of San Antonio Texas, Refunding RB, Electric & Gas Systems, Series A, 5.25%, 2/01/31

(d)	2,609	2,884,953
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Waco Educational Finance Corp., Refunding RB, Baylor University, 5.00%, 3/01/43	2,220	2,246,174
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5,131,127

Utah 0.9%

City of Riverton Utah Hospital, RB, IHC Health Services, Inc., 5.00%, 8/15/41	1,005	1,004,735
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Washington 1.7%

University of Washington, Refunding RB, Series A, 5.00%, 7/01/41	1,875	1,941,375
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Total Municipal Bonds Transferred to

Tender Option Bond Trusts 44.3%		51,101,606
--	--	------------

Total Long-Term Investments

(Cost \$193,126,870) 169.8%		195,761,358
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Short-Term Securities

Connecticut 1.1%

Connecticut Housing Finance Authority, RB, VRDN, 0.06%, 8/01/13 (e)	1,305	1,305,000
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See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Investment Quality Fund (MFT)

(Percentages shown are based on Net Assets)

	Par (000)	Value
Short-Term Securities		
Pennsylvania 0.9%		
Philadelphia Hospitals & Higher Education Facilities Authority, Refunding RB, VRDN, 0.05%, 8/01/13 (e)	\$ 1,000	\$ 1,000,000
	Shares	
Money Market Funds 7.1%		
FFI Institutional Tax-Exempt Fund, 0.03% (f)(g)	8,162,312	8,162,312
Total Short-Term Securities		
(Cost \$10,467,312) 9.1%		10,467,312
Total Investments (Cost \$203,594,182) 178.9%		206,228,670
Liabilities in Excess of Other Assets (5.4%)		(6,237,122)
Liability for TOB Trust Certificates, Including Interest Expense and Fees Payable (24.5%)		(28,204,129)
VMTP Shares, at Liquidation Value (49.0%)		(56,500,000)
Net Assets Applicable to Common Shares 100.0%		\$ 115,287,419

Notes to Schedule of investments

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

Counterparty	Value	Unrealized Appreciation/ (Depreciation)
Citigroup Global Markets, Inc.	\$ 937,762	\$ 1,192
Morgan Stanley & Co. LLC	\$ 2,014,041	\$ (24,041)
Royal Bank of Canada	\$ 322,303	\$ (3,687)
Wells Fargo Securities LLC	\$ 979,337	\$ 3,934

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

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

(d) All or a portion of security is subject to a recourse agreement, which may require the Fund to pay the Liquidity Provider in the event there is a shortfall between the TOB trust certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire from October 1, 2016 to November 15, 2019 is \$4,647,047.

(e) Variable rate security. Rate shown is as of report date and maturity shown is the date the principal owed can be recovered through demand.

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(f) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2013, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held	Net Activity	Shares Held	Income
	at July 31, 2012		at July 31, 2013	
FFI Institutional Tax-Exempt Fund		8,162,312	8,162,312	\$ 529

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

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

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

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

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

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (concluded)****BlackRock MuniYield Investment Quality Fund (MFT)**

on the pricing transparency of the investment and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments, please refer to Note 2 of the Notes to Financial Statements.

The following table summarizes the Fund's investments categorized in the disclosure hierarchy as of July 31, 2013:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 195,761,358		\$ 195,761,358
Short-Term Securities	\$ 8,162,312	2,305,000		10,467,312
Total	\$ 8,162,312	\$ 198,066,358		\$ 206,228,670

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

Certain of the Fund's liabilities are held at carrying amount, which approximates fair value for financial statement purposes. As of July 31, 2013, such liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Liabilities:				
Bank overdraft		\$ (4,529)		\$ (4,529)
TOB trust certificates		(28,191,767)		(28,191,767)
VMTP Shares		(56,500,000)		(56,500,000)
Total		\$ (84,696,296)		\$ (84,696,296)

There were no transfers between levels during the year ended July 31, 2013.

See Notes to Financial Statements.

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Schedule of Investments July 31, 2013

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Michigan 135.4%		
Corporate 5.2%		
Monroe County EDC, Michigan, Refunding RB, Detroit Edison Co. Project, Series AA (NPFGC), 6.95%, 9/01/22	\$ 10,695	\$ 13,397,412
County/City/Special District/School District 35.9%		
Adrian City School District, GO, (AGM) (a):		
5.00%, 5/1/14	1,600	1,657,024
5.00%, 5/1/14	2,000	2,071,280
Anchor Bay School District, GO, Refunding (Q-SBLF):		
4.13%, 5/01/25	3,000	3,059,430
4.25%, 5/01/26	1,800	1,826,046
4.38%, 5/01/27	960	970,752
4.38%, 5/01/28	600	595,776
4.50%, 5/01/29	900	902,277
Bay City School District Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/36	2,800	2,809,772
Birmingham City School District Michigan, GO, School Building & Site (AGM), 5.00%, 11/01/14 (a)	1,000	1,059,200
Brighton Area School District Michigan, GO, School Building & Site, Series I (Q-SBLF), 4.25%, 5/01/37	3,370	3,016,386
Charter Township of Canton Michigan, GO, Capital Improvement (AGM):		
5.00%, 4/01/25	1,840	2,011,929
5.00%, 4/01/26	2,000	2,104,540
5.00%, 4/01/27	500	530,540
Chippewa Valley Schools, GO, Refunding, Unlimited Tax (Q-SBLF), 5.00%, 5/01/32	1,970	2,059,576
City of Oak Park Michigan, GO, Street Improvement (NPFGC), 5.00%, 5/01/30	500	517,810
Comstock Park Public Schools, GO, School Building & Site, Series B (Q-SBLF):		
5.50%, 5/01/36	750	788,535
5.50%, 5/01/41	1,355	1,415,677
County of Genesee Michigan, GO, Refunding, Series A (NPFGC), 5.00%, 5/01/19	600	633,132
Dearborn Brownfield Redevelopment Authority, GO, Limited Tax, Redevelopment, Series A (AGC), 5.50%, 5/01/39	3,300	3,434,772
Eaton Rapids Public Schools, GO School Building & Site (AGM), (a):		
5.25%, 5/01/14	1,675	1,738,231
5.25%, 5/01/14	1,325	1,375,019
Flint EDC, RB, Michigan Department of Human Services Office Building Project, 5.25%, 10/01/41	3,070	2,973,295
Fraser Public School District Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/25	2,000	2,125,800
Gibraltar School District Michigan, GO, School Building & Site Improvement (NPFGC) (a):		
5.00%, 5/01/14	2,940	3,044,781
5.00%, 5/01/14	710	735,468
Goodrich Area School District Michigan, GO, School Building & Site (Q-SBLF):		
5.50%, 5/01/32	600	636,834
5.50%, 5/01/36	1,200	1,263,252
5.50%, 5/01/41	1,575	1,646,568
Gull Lake Community School District, GO, School Building & Site (AGM), 5.00%, 5/01/14 (a)	3,625	3,755,609
Harper Creek Community School District Michigan, GO, Refunding (AGM), 5.00%, 5/01/22	1,125	1,201,849
Harper Woods School District Michigan, GO, Refunding, School Building & Site (NPFGC), 5.00%, 5/01/14 (a)	430	445,424
	Par	
	(000)	Value
Municipal Bonds		
Michigan (continued)		
County/City/Special District/School District (concluded)		
Hudsonville Public Schools, GO, School Building & Site, 5.25%, 5/01/41	\$ 4,100	\$ 4,212,586
L Anse Creuse Public Schools Michigan, GO, School Building & Site (AGM):		
5.00%, 5/01/24	1,000	1,068,310

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5.00%, 5/01/25	1,525	1,629,173
5.00%, 5/01/26	1,600	1,700,640
5.00%, 5/01/35	3,000	3,011,640
Lincoln Consolidated School District Michigan, GO, Refunding (NPFGC) (Q-SBLF), 4.63%, 5/01/28	5,000	5,022,100
Livonia Public Schools School District Michigan, GO, Series I (AGM), 5.00%, 5/01/43	3,090	3,047,358
Livonia Public Schools School District Michigan, GO, Refunding, Series A (NPFGC), 5.00%, 5/01/24	1,000	1,029,470
Montrose Community Schools, GO, (NPFGC), 6.20%, 5/01/17	830	914,535
Parchment School District, County of Kalamazoo, State of Michigan, GO, School Building and Site (NPFGC) (Q-SBLF), 5.00%, 5/01/25	1,000	1,074,720
Pennfield School District, GO, School Building & Site (NPFGC), (a):		
5.00%, 5/01/14	605	626,423
5.00%, 5/01/14	765	792,089
Plymouth-Canton Community School District, GO, School Building & Site, Series A:		
4.00%, 5/01/32	1,700	1,546,031
4.00%, 5/01/33	1,240	1,119,832
Reed City Public Schools Michigan, GO, School Building & Site (AGM) (Q-SBLF), 5.00%, 5/01/14 (a)	1,425	1,476,343
Romulus Community Schools, GO, Unlimited Tax, Refunding (AGM) (Q-SBLF):		
4.13%, 5/01/25	1,150	1,158,705
4.25%, 5/01/26	1,200	1,202,832
4.25%, 5/01/27	1,200	1,184,364
4.50%, 5/01/29	1,025	1,007,903
Southfield Public Schools Michigan, GO, School Building & Site, Series B (AGM) (Q-SBLF), 5.00%, 5/01/14 (a)	2,000	2,071,740
Thornapple Kellogg School District Michigan, GO, Refunding, School Building & Site (NPFGC) (Q-SBLF), 5.00%, 5/01/32	2,500	2,561,175
Van Dyke Public Schools Michigan, GO, School Building & Site (AGM) (Q-SBLF), 5.00%, 5/01/28	1,250	1,314,000
Zeeland Public Schools Michigan, GO, School Building & Site (NPFGC), 5.00%, 5/01/14 (a)	1,600	1,657,392
		92,835,945
Education 17.3%		
Grand Valley State University, RB, (NPFGC), 5.50%, 2/01/18	1,760	1,899,920
Lake Superior State University, Refunding RB, (AGM):		
4.00%, 11/15/26	770	745,160
4.00%, 11/15/27	465	441,727
4.00%, 11/15/28	310	292,656
4.00%, 11/15/29	400	370,940
4.00%, 11/15/30	310	283,117
Michigan Higher Education Facilities Authority, RB, Limited Obligation, Hillsdale College Project, 5.00%, 3/01/35	1,720	1,697,571
Michigan State University, Refunding RB, General:		
Series A, 5.00%, 8/15/41	4,980	5,098,375
Series C, 5.00%, 2/15/40	4,700	4,797,055

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Michigan (continued)		
Education (concluded)		
Michigan Technological University, Refunding RB, Series A, 5.00%, 10/01/34	\$ 1,650	\$ 1,686,514
Oakland University, RB, General, Series A: 5.00%, 3/01/38	8,485	8,568,323
5.00%, 3/01/43	13,865	13,916,855
Saginaw Valley State University Michigan, Refunding RB, General (NPFGC): 5.00%, 7/01/14 (a)	1,935	2,018,727
5.00%, 7/01/24	165	171,440
Wayne State University, RB, Series A, 4.00%, 11/15/44	620	527,787
Western Michigan University, Refunding RB, General, 5.25%, 11/15/40	2,100	2,162,391
		44,678,558
Health 22.8%		
Flint Hospital Building Authority Michigan, Refunding RB, Hurley Medical Center (ACA), 6.00%, 7/01/20	140	140,133
Kalamazoo Hospital Finance Authority, RB, Bronson Methodist Hospital (AGM), 5.25%, 5/15/36	4,750	4,855,687
Kent Hospital Finance Authority Michigan, Refunding RB, Spectrum Health, Series A, 5.00%, 11/15/29	4,500	4,560,615
Michigan Finance Authority, RB, Sparrow Obligated Group, 5.00%, 11/15/36	1,550	1,504,229
Michigan Finance Authority, Refunding RB: Hospital, Oakwood Obligated Group, 5.00%, 8/15/31	1,745	1,730,639
Trinity Health Credit Group, 5.00%, 12/01/31	3,100	3,150,499
Trinity Health Credit Group, 5.00%, 12/01/35	3,100	3,108,184
Trinity Health Credit Group, 5.00%, 12/01/39	190	188,066
Michigan State Hospital Finance Authority, RB: Ascension Health Senior Credit Group, 5.00%, 11/15/25	3,700	3,957,816
McLaren Health Care, Series C, 5.00%, 8/01/35	1,000	1,001,510
MidMichigan Obligated Group, Series A, 5.00%, 4/15/26	620	627,905
MidMichigan Obligated Group, Series A, 5.00%, 4/15/36	3,550	3,419,111
MidMichigan Obligated Group, Series A (AMBAC), 5.50%, 4/15/18	2,530	2,537,008
Michigan State Hospital Finance Authority, Refunding RB: Henry Ford Health System, Series A, 5.25%, 11/15/46	2,500	2,400,325
Hospital, Oakwood Obligated Group, 5.00%, 11/01/32	4,000	3,926,960
Hospital, Oakwood Obligated Group, Series A, 5.00%, 7/15/21	600	653,736
Hospital, Oakwood Obligated Group, Series A, 5.00%, 7/15/25	3,260	3,334,915
Hospital, Oakwood Obligated Group, Series A, 5.00%, 7/15/37	630	600,403
Hospital, Sparrow Obligated Group, 5.00%, 11/15/31	3,100	3,052,322
McLaren Health Care, Series A, 5.00%, 6/01/35	1,390	1,355,639
McLaren Health Care, Series A, 5.75%, 5/15/38	4,500	4,935,420
Trinity Health Credit Group, Series C, 4.00%, 12/01/32	4,460	3,876,008
Trinity Health Credit, Series A, 6.25%, 12/01/28	930	1,064,087
	Par	
	(000)	Value
Municipal Bonds		
Michigan (continued)		
Health (concluded)		
Michigan State Hospital Finance Authority, Refunding RB (concluded): Trinity Health Credit, Series A, 6.50%, 12/01/33	\$ 1,000	\$ 1,144,960
Royal Oak Hospital Finance Authority Michigan, Refunding RB, William Beaumont Hospital, 8.25%, 9/01/39	1,000	1,207,320
Sturgis Building Authority, RB, Sturgis Hospital Project (NPFGC), 4.75%, 10/01/34	475	456,570
		58,790,067

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Housing 9.3%

Michigan State HDA, RB:		
Deaconess Tower, AMT (Ginnie Mae), 5.25%, 2/20/48	1,000	1,009,180
Series A, 4.75%, 12/01/25	4,235	4,388,222
Series A (NPFGC), 5.30%, 10/01/37	130	130,037
Williams Pavilion, AMT (Ginnie Mae), 4.75%, 4/20/37	3,700	3,701,887
Michigan State HDA, Refunding RB:		
Rental Housing, Series D, 4.50%, 10/01/48	9,715	8,530,644
Series A, 6.05%, 10/01/41	6,010	6,103,576
		23,863,546

State 14.5%

Michigan Municipal Bond Authority, Refunding RB, Local Government, Charter County Wayne, Series B (AGC), 5.38%, 11/01/24		
	125	136,324
Michigan State Building Authority, Refunding RB, Facilities Program:		
Series I, 6.25%, 10/15/38	3,900	4,442,022
Series I (AGC), 5.25%, 10/15/24	4,000	4,471,000
Series I (AGC), 5.25%, 10/15/25	2,000	2,220,740
Series I (AGC), 5.25%, 10/15/26	600	657,204
Series I-A, 5.50%, 10/15/45	1,250	1,307,812
Series II (AGM), 5.00%, 10/15/26	4,500	4,768,920
Series II (NPFGC), 5.00%, 10/15/13 (a)	1,910	1,928,909
Michigan State Finance Authority, RB, Local Government Loan Program, Series F:		
5.00%, 4/01/31	1,000	984,940
5.25%, 10/01/41	6,085	6,084,513
Michigan Strategic Fund, Refunding RB, Cadillac Place Office Building Project, 5.25%, 10/15/31		
	1,500	1,519,830
State of Michigan, COP (AMBAC), 3.00%, 6/01/22 (b)(c)		
	3,000	2,307,030
State of Michigan Trunk Line Fund, RB:		
5.00%, 11/15/29	1,000	1,061,920
5.00%, 11/15/33	1,850	1,938,060
5.00%, 11/15/36	3,500	3,644,305
		37,473,529

Transportation 15.2%

State of Michigan, RB, GAB (AGM), 5.25%, 9/15/27		
	5,250	5,732,790
Wayne County Airport Authority, RB, Detroit Metropolitan Wayne County Airport, AMT (NPFGC):		
5.25%, 12/01/25	7,525	7,976,124
5.25%, 12/01/26	6,300	6,615,504
5.00%, 12/01/34	4,435	4,244,029
Wayne County Airport Authority, Refunding RB, AMT (AGC):		
5.75%, 12/01/25	4,000	4,466,320
5.75%, 12/01/26	1,000	1,110,600
5.38%, 12/01/32	8,700	9,200,772
		39,346,139

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Michigan (concluded)		
Utilities 15.2%		
City of Detroit Michigan Sewage Disposal System, Refunding RB, Senior Lien, Series A, 5.25%, 7/01/39	\$ 1,645	\$ 1,501,803
City of Detroit Michigan Water Supply System, RB, Second Lien:		
Series B (AGM), 7.00%, 7/01/36	3,000	3,144,180
Series A (NPFGC), 5.00%, 7/01/34	6,000	5,442,660
City of Detroit Michigan Water Supply System, Refunding RB, Second Lien, Series C (AGM), 5.00%, 7/01/29	10,470	9,864,938
City of Grand Rapids Michigan Sanitary Sewer System, RB:		
5.00%, 1/01/37	930	963,173
4.00%, 1/01/42	1,700	1,490,220
City of Port Huron Michigan, RB, Water Supply System:		
5.25%, 10/01/31	310	314,086
5.63%, 10/01/40	1,000	1,026,570
County of Genesee Michigan, GO, Water Supply System (NPFGC), 5.13%, 11/01/33	1,000	1,007,870
Lansing Board of Water & Light Utilities System, RB, Series A:		
5.00%, 7/01/27	1,970	2,084,674
5.00%, 7/01/31	4,230	4,377,923
5.00%, 7/01/37	2,065	2,133,042
5.50%, 7/01/41	3,000	3,201,930
Michigan Municipal Bond Authority, RB, State Clean Water Revolving Fund:		
5.00%, 10/01/27	1,250	1,351,575
Pooled Project, 5.00%, 10/01/27	1,240	1,353,361
		39,258,005
Total Municipal Bonds in Michigan		349,643,201
Guam 2.1%		
State 1.9%		
Territory of Guam, RB:		
Limited Obligation Bonds, Section 30, Series A, 5.63%, 12/01/29	1,400	1,449,196
Business Privilege Tax Bonds, Series A, 5.13%, 1/01/42	2,300	2,327,324
Business Privilege Tax Bonds, Series B-1, 5.00%, 1/01/37	1,165	1,160,177
		4,936,697
Utilities 0.2%		
Guam Power Authority, Refunding RB, Series A, 5.00%, 10/01/34	605	583,516
Total Municipal Bonds in Guam		5,520,213
Puerto Rico 5.7%		
State 4.7%		
Puerto Rico Sales Tax Financing Corp., Refunding RB:		
CAB, Series A (NPFGC), 6.60%, 8/01/41 (c)	8,500	1,378,700
CAB, Series A (NPFGC), 6.62%, 8/01/42 (c)	5,430	822,211
CAB, Series A (NPFGC), 6.65%, 8/01/43 (c)	12,500	1,756,625
CAB, Series A (NPFGC), 6.72%, 8/01/46 (c)	18,750	2,115,750
CAB, Series C, 6.50%, 8/01/38 (c)	2,775	560,744
First Sub-Series A-1, 5.25%, 8/01/43	1,070	957,596
First Sub-Series C (AGM), 5.13%, 8/01/42	4,880	4,477,742
		12,069,368
Municipal Bonds	Par	Value

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(000)		
Puerto Rico (concluded)		
Transportation 1.0%		
Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31	\$ 2,750	\$ 2,667,610
Total Municipal Bonds in Puerto Rico		14,736,978
Total Municipal Bonds 143.2%		369,900,392
Municipal Bonds Transferred to		
Tender Option Bond Trusts (d)		
Michigan 23.1%		
County/City/Special District/School District 4.5%		
Lakewood Public Schools Michigan, GO, School Building & Site (AGM) (Q-SBLF), 5.00%, 5/01/37	6,470	6,797,576
Portage Public Schools Michigan, GO, School Building & Site (AGM), 5.00%, 5/01/31	4,650	4,771,133
		11,568,709
Education 12.7%		
Michigan State University, Refunding RB, General, Series A, 5.00%, 8/15/38	6,220	6,408,030
Saginaw Valley State University, Refunding RB, General (AGM), 5.00%, 7/01/31	7,500	7,760,925
Wayne State Univeristy, RB, General, Series A, 5.00%, 11/15/40	6,192	6,255,980
Wayne State University, Refunding RB, General (AGM), 5.00%, 11/15/35	12,207	12,370,554
		32,795,489
Health 1.3%		
Michigan Finance Authority, Refunding RB, Trinity Health, 5.00%, 12/01/39	3,350	3,315,897
Utilities 4.6%		
City of Grand Rapids Michigan, RB, Sanitary Sewer System (NPFGC), 5.00%, 7/01/14 (a)	11,387	11,886,052
Total Municipal Bonds Transferred to		
Tender Option Bond Trusts in Michigan		59,566,147
Puerto Rico 1.1%		
State 1.1%		
Puerto Rico Sales Tax Financing Corp., Refunding RB, Senior Series C, 5.25%, 8/01/40	3,060	2,932,306
Total Municipal Bonds Transferred to		
Tender Option Bond Trusts 24.2%		62,498,453
Total Long-Term Investments		
(Cost \$433,874,919) 167.4%		432,398,845
Short-Term Securities		
	Shares	
BIF Michigan Municipal Money Fund, 0.00% (e)(f)	479,667	479,667
Total Short-Term Securities		
(Cost \$479,667) 0.2%		479,667
Total Investments (Cost \$434,354,586) 167.6%		432,878,512
Other Assets Less Liabilities 1.9%		4,947,959
Liability for TOB Trust Certificates, Including Interest		
Expense and Fees Payable (13.5%)		(34,885,528)
VRDP Shares, at Liquidation Value (56.0%)		(144,600,000)
Net Assets Applicable to Common Shares 100.0%		\$ 258,340,943

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)

Notes to Schedule of Investments

- (a) US government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (b) Security is collateralized by municipal or US Treasury obligations.
- (c) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (d) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.
- (e) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2013, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2012	Net Activity	Shares Held at July 31, 2013	Income
BIF Michigan Municipal Money Fund	9,419,517	(8,939,850)	479,667	\$ 2

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

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 Fund management. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

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

- Level 1 unadjusted price quotations in active markets/exchanges for identical assets or liabilities that the Fund has the ability to access
- Level 2 other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)
- Level 3 unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

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The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based on the pricing transparency of the investment and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments, please refer to Note 2 of the Notes to Financial Statements.

The following table summarizes the Fund's investments categorized in the disclosure hierarchy as of July 31, 2013:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 432,398,845		\$ 432,398,845
Short-Term Securities	\$ 479,667			479,667
Total	\$ 479,667	\$ 432,398,845		\$ 432,878,512

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

Certain of the Fund's liabilities are held at carrying amount, which approximates fair value for financial statement purposes. As of July 31, 2013, such liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Liabilities:				
Bank overdraft		\$ (7,264)		\$ (7,264)
TOB trust certificates		(34,875,787)		(34,875,787)
VRDP Shares		(144,600,000)		(144,600,000)
Total		\$ (179,483,051)		\$ (179,483,051)

There were no transfers between levels during the year ended July 31, 2013.

See Notes to Financial Statements.

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Schedule of Investments July 31, 2013

BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
New Jersey 124.5%		
Corporate 5.8%		
New Jersey EDA, Refunding RB:		
New Jersey American Water Co., Inc. Project, Series A, AMT, 5.70%, 10/01/39	\$ 5,000	\$ 5,259,150
New Jersey American Water Co., Inc. Project, Series B, AMT, 5.60%, 11/01/34	1,000	1,053,830
United Water of New Jersey, Inc., Series B (AMBAC), 4.50%, 11/01/25	1,000	1,028,940
		7,341,920
County/City/Special District/School District 17.5%		
Borough of Hopatcong New Jersey, GO, Refunding, Sewer (AMBAC), 4.50%, 8/01/33	750	757,125
City of Perth Amboy New Jersey, GO, Refunding, CAB (AGM), 5.00%, 7/01/35	1,250	1,265,450
County of Hudson New Jersey, COP, Refunding (NPFGC), 6.25%, 12/01/16	1,000	1,138,540
County of Union New Jersey, GO, Refunding:		
4.00%, 3/01/29	1,060	1,051,467
4.00%, 3/01/30	1,060	1,038,556
4.00%, 3/01/31	1,200	1,161,624
Edgewater Borough Board of Education, GO, Refunding, (AGM):		
4.25%, 3/01/34	300	299,991
4.25%, 3/01/35	300	298,311
4.30%, 3/01/36	300	299,046
Essex County Improvement Authority, Refunding RB, AMT (NPFGC), 4.75%, 11/01/32	1,000	983,820
Hudson County Improvement Authority, RB:		
CAB, Series A-1 (NPFGC), 5.14%, 12/15/32 (a)	1,000	374,130
County Secured, County Services Building Project (AGM), 5.00%, 4/01/27	250	260,563
Harrison Parking Facility Project, Series C (AGC), 5.25%, 1/01/39	1,000	1,036,150
Harrison Parking Facility Project, Series C (AGC), 5.38%, 1/01/44	1,400	1,450,078
Monmouth County Improvement Authority, Refunding RB, Governmental Loan (AMBAC):		
5.20%, 12/01/14	5	5,015
5.25%, 12/01/15	5	5,013
5.00%, 12/01/17	5	5,010
5.00%, 12/01/18	5	5,009
5.00%, 12/01/19	5	5,007
New Jersey Sports & Exposition Authority, Refunding RB, (NPFGC):		
5.50%, 3/01/21	1,540	1,752,243
5.50%, 3/01/22	1,050	1,193,976
New Jersey State Transit Corp., COP, Federal Transit Administration Grants, Subordinate, Series A (AGM) (NPFGC), 5.00%, 9/15/21	1,000	1,082,350
Newark Housing Authority, Refunding RB, Newark Redevelopment Project (NPFGC), 4.38%, 1/01/37	3,600	3,104,172
Union County Improvement Authority, RB, Family Court Building Project, 4.00%, 5/01/37	1,425	1,217,149
Union County Utilities Authority, Refunding RB, Series A:		
New Jersey Solid Waste System, County Deficiency Agreement, 5.00%, 6/15/41	2,155	2,228,550
Resource Recovery Facility Lease, Covanta Union, Inc., AMT, 5.25%, 12/01/31	200	203,632
		22,221,977
New Jersey (continued)		
Education 25.5%		
New Jersey Educational Facilities Authority, RB:		
Montclair State University, Series A (AMBAC), 5.00%, 7/01/21	\$ 1,600	\$ 1,770,480
Rowan University, Series C (NPFGC), 5.00%, 7/01/14 (b)	1,185	1,236,950
New Jersey Educational Facilities Authority, Refunding RB:		
College of New Jersey, Series D (AGM), 5.00%, 7/01/35	3,805	3,831,217
Montclair State University, Series J (NPFGC), 4.25%, 7/01/30	2,895	2,799,841
New Jersey Institute of Technology, Series H, 5.00%, 7/01/31	1,000	1,030,600
Ramapo College, Series I (AMBAC), 4.25%, 7/01/31	1,250	1,199,900

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Ramapo College, Series I (AMBAC), 4.25%, 7/01/36	3,890	3,614,899
Rowan University, Series B (AGC), 5.00%, 7/01/26	2,575	2,739,002
Seton Hall University, Series D, 5.00%, 7/01/38	140	144,301
Seton Hall University, Series D, 5.00%, 7/01/43	170	174,406
Stevens Institute of Technology, Series A, 5.00%, 7/01/34	1,500	1,445,295
William Paterson University Series C (AGC), 4.75%, 7/01/34	1,115	1,127,131
New Jersey Higher Education Student Assistance Authority, RB, Senior Student Loan, Series 1A, AMT:		
3.75%, 12/01/26	760	671,148
4.00%, 12/01/28	710	624,999
4.50%, 12/01/28	1,170	1,093,505
4.00%, 12/01/29	290	251,105
4.50%, 12/01/29	1,550	1,429,860
4.63%, 12/01/30	1,475	1,362,915
4.00%, 12/01/31	290	246,419
4.13%, 12/01/35	290	239,746
New Jersey Institute of Technology, RB, Series A, 5.00%, 7/01/42	1,900	1,935,511
Rutgers, The State University of New Jersey, Refunding RB, Series L:		
5.00%, 5/01/30	465	497,941
5.00%, 5/01/43	2,850	2,936,298
		32,403,469
Health 11.8%		
New Jersey Health Care Facilities Financing Authority, RB (AGC):		
Marlboro Psychiatric Hospital, 4.00%, 9/15/31	415	364,992
Marlboro Psychiatric Hospital, 4.00%, 9/15/32	1,000	866,600
Meridian Health, Series I, 5.00%, 7/01/38	715	719,304
Meridian Health, Series II, 5.00%, 7/01/38	980	985,899
Meridian Health, Series V, 5.00%, 7/01/38	950	955,719
Virtua Health, 5.50%, 7/01/38	1,000	1,025,290
New Jersey Health Care Facilities Financing Authority, Refunding RB:		
AHS Hospital Corp., 6.00%, 7/01/41	1,100	1,236,081
Barnabas Health, Series A, 5.00%, 7/01/24	1,820	1,906,523
Barnabas Health, Series A, 5.63%, 7/01/32	440	451,986
Barnabas Health, Series A, 5.63%, 7/01/37	1,200	1,223,340
Hackensack University Medical (AGM), 4.63%, 1/01/30	2,315	2,276,988

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
New Jersey (continued)		
Health (concluded)		
New Jersey Health Care Facilities Financing Authority, Refunding RB (concluded):		
Kennedy Health System, 5.00%, 7/01/42	\$ 140	\$ 135,019
Meridian Health System Obligation, 5.00%, 7/01/25	300	316,089
Meridian Health System Obligation, 5.00%, 7/01/26	2,130	2,216,989
St. Luke s Warren Hospital Obligation, 5.00%, 8/15/34	300	297,678
St. Luke s Warren Hospital Obligation, 4.00%, 8/15/37	180	148,828
		15,127,325
Housing 9.4%		
New Jersey Housing & Mortgage Finance Agency, RB:		
Capital Fund Program, Series A (AGM), 4.70%, 11/01/25	3,350	3,404,739
M/F Housing, Series A, 4.55%, 11/01/43	1,425	1,282,472
M/F Housing, Series A, AMT (NPFGC), 4.85%, 11/01/39	400	371,404
S/F Housing, Series AA, 6.50%, 10/01/38	505	519,297
S/F Housing, Series B, 4.50%, 10/01/30	2,805	2,806,739
Series A, AMT (NPFGC), 4.90%, 11/01/35	820	797,204
New Jersey Housing & Mortgage Finance Agency, Refunding RB, AMT:		
M/F Housing, Series 2, 4.60%, 11/01/38	1,370	1,217,026
M/F Housing, Series 2, 4.75%, 11/01/46	1,205	1,054,688
S/F Housing, Series T, 4.70%, 10/01/37	465	458,657
		11,912,226
State 27.0%		
Garden State Preservation Trust, RB (AGM):		
CAB, Series B, 3.74%, 11/01/23 (a)	6,725	4,602,052
Election of 2005, Series A, 5.80%, 11/01/15 (b)	2,605	2,907,440
New Jersey EDA, RB:		
CAB, Motor Vehicle Surcharge, Series R (NPFGC), 3.88%, 7/01/21 (a)	2,325	1,715,850
Cigarette Tax (Radian), 5.50%, 6/15/14 (b)	225	235,368
Cigarette Tax (Radian), 5.75%, 6/15/14 (b)	785	822,884
Motor Vehicle Surcharge, Series A (NPFGC), 5.00%, 7/01/29	3,500	3,593,870
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/33	8,500	8,743,270
Motor Vehicle Surcharge, Series A (NPFGC), 5.25%, 7/01/25	1,000	1,126,160
School Facilities Construction (AGC), 6.00%, 12/15/34	825	928,273
School Facilities Construction (AGC), 6.00%, 12/15/18 (b)	375	464,149
School Facilities Construction, Series KK, 5.00%, 3/01/29	685	709,763
School Facilities Construction, Series KK, 5.00%, 3/01/38	1,430	1,447,646
School Facilities Construction, Series U, 5.00%, 9/01/37	3,000	3,033,510
School Facilities Construction, Series U (AMBAC), 5.00%, 9/01/37	1,000	1,011,170
New Jersey EDA, Refunding RB, Cigarette Tax:		
5.00%, 6/15/26	355	359,505
5.00%, 6/15/28	910	899,608
5.00%, 6/15/29	1,195	1,163,022
	Par	
	(000)	Value
Municipal Bonds		
New Jersey (concluded)		
State (concluded)		
State of New Jersey, COP, Equipment Lease Purchase, Series A, 5.25%, 6/15/27	\$ 500	\$ 529,740
		34,293,280
Transportation 20.9%		
Delaware River Port Authority, RB, Series D:		

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5.05%, 1/01/35	1,430	1,478,992
(AGM), 5.00%, 1/01/40	1,500	1,534,620
Delaware River Port Authority, Refunding RB, Port District Project:		
5.00%, 1/01/26	700	732,620
5.00%, 1/01/27	525	542,099
New Jersey State Turnpike Authority, RB, Growth & Income Securities, Series B (AMBAC), 5.22%, 1/01/35 (c)	3,005	2,770,580
New Jersey State Turnpike Authority, Refunding RB, Series A:		
5.00%, 1/01/35	700	715,897
(AGM), 5.25%, 1/01/29	2,000	2,184,080
New Jersey Transportation Trust Fund Authority, RB:		
CAB, Series C (AMBAC), 5.88%, 12/15/35 (a)	2,760	754,805
Transportation System, CAB, Series C (AGM), 5.63%, 12/15/32 (a)	4,750	1,620,225
Transportation System, Series A, 6.00%, 6/15/35	2,000	2,199,680
Transportation System, Series A (AGC), 5.63%, 12/15/28	780	882,929
Transportation System, Series B, 5.50%, 6/15/31	730	777,406
New Jersey Transportation Trust Fund Authority, Refunding RB, Transportation System, Series A (AGM), 5.25%, 12/15/20	4,250	5,009,985
Port Authority of New York & New Jersey, RB:		
Consolidated, 93rd Series, 6.13%, 6/01/94	1,000	1,107,270
Special Project, JFK International Air Terminal LLC Project, Series 8, AMT (NPFGC), 6.00%, 12/01/42	1,500	1,658,835
Port Authority of New York & New Jersey, Refunding RB, Consolidated, 152nd Series, AMT, 5.75%, 11/01/30	2,000	2,180,020
South Jersey Transportation Authority, Refunding RB, Series A:		
5.00%, 11/01/29	200	208,408
Transportation System, 5.00%, 11/01/28	200	209,800
		26,568,251
Utilities 6.6%		
Essex County Utilities Authority, Refunding RB, (AGC), 4.13%, 4/01/22	1,000	1,032,240
Jersey City Municipal Utilities Authority, Refunding RB, (AMBAC), 6.25%, 1/01/14	945	963,522
North Hudson Sewerage Authority, Refunding RB, Series A (NPFGC), 5.13%, 8/01/20 (d)	1,710	2,051,880
Rahway Valley Sewerage Authority, RB, CAB, Series A (NPFGC) (a):		
4.65%, 9/01/26	4,100	2,246,923
4.99%, 9/01/29	2,750	1,244,705
5.19%, 9/01/33	2,350	839,773
		8,379,043
Total Municipal Bonds in New Jersey		158,247,491

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Guam 1.5%		
State 1.5%		
Territory of Guam, RB, Business Privilege Tax Bonds:		
Series A, 5.13%, 1/01/42	\$ 1,600	\$ 1,619,008
Series B-1, 5.00%, 1/01/37	275	273,861
Total Municipal Bonds in Guam		1,892,869
Puerto Rico 8.8%		
Health 3.3%		
Puerto Rico Industrial Tourist Educational Medical & Environmental Control Facilities Financing Authority, RB, Hospital De La Concepcion, Series A, 6.13%, 11/15/30		
	4,220	4,233,968
State 5.5%		
Commonwealth of Puerto Rico, GO, Refunding, Public Improvement, Series C, 6.00%, 7/01/39		
	1,350	1,211,625
Puerto Rico Highway & Transportation Authority, Refunding RB, Series CC (AGC), 5.50%, 7/01/31		
	935	906,988
Puerto Rico Infrastructure Financing Authority, RB, CAB, Series A (NPFGC), 7.79%, 7/01/37 (a)		
	1,750	281,645
Puerto Rico Sales Tax Financing Corp., RB, First Sub-Series A, 6.00%, 8/01/42		
	1,000	998,630
Puerto Rico Sales Tax Financing Corp., Refunding RB: CAB, Series A (NPFGC), 6.60%, 8/01/41 (a)		
	6,000	973,200
First Sub-Series A-1, 5.25%, 8/01/43		
	800	715,960
First Sub-Series C (AGM), 5.13%, 8/01/42		
	2,095	1,922,309
		7,010,357
Total Municipal Bonds in Puerto Rico		11,244,325
Total Municipal Bonds 134.8%		171,384,685
Municipal Bonds Transferred to Tender Option Bond Trusts (e)		
New Jersey 25.8%		
County/City/Special District/School District 3.9%		
Union County Utilities Authority, Refunding LRB, Covanta Union, Series A, AMT, 5.25%, 12/01/31		
	4,930	5,019,529
Education 3.3%		
Rutgers, The State University of New Jersey, Refunding RB, Series F, 5.00%, 5/01/39		
	4,003	4,162,637
Housing 1.6%		
New Jersey State Housing & Mortgage Finance Agency, RB, Capital Fund Program, Series A (AGM), 5.00%, 5/01/27		
	1,980	2,063,120
	Par	
	(000)	Value
Municipal Bonds Transferred to Tender Option Bond Trusts (e)		
New Jersey (concluded)		
State 4.7%		
Garden State Preservation Trust, RB, Election of 2005, Series A (AGM), 5.75%, 11/01/28		
	\$ 3,300	\$ 3,935,184
New Jersey EDA, Refunding RB, 5.00%, 3/01/29 (f)		
	1,919	1,991,198
		5,926,382
Transportation 12.3%		
New Jersey State Turnpike Authority, RB, Series A, 5.00%, 1/01/38 (f)		
	4,100	4,182,615
New Jersey Transportation Trust Fund Authority, RB, Transportation System, Series B, 5.25%, 6/15/36 (f)		
	760	789,397
Port Authority of New York & New Jersey, RB, Consolidated, AMT: 163rd Series, 5.00%, 7/15/39		
	4,089	4,221,833

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169th Series, 5.00%, 10/15/41	4,500	4,536,450
Port Authority of New York & New Jersey, Refunding RB, 152nd Series, Consolidated, AMT, 5.25%, 11/01/35	1,829	1,884,171
		15,614,466
Total Municipal Bonds Transferred to Tender Option Bond Trusts in New Jersey		32,786,134
Puerto Rico 2.3%		
State 2.3%		
Puerto Rico Sales Tax Financing Corp., Refunding RB, Senior Series C, 5.25%, 8/01/40	3,020	2,893,975
Total Municipal Bonds Transferred to Tender Option Bond Trusts 28.1%		35,680,109
Total Long-Term Investments		
(Cost \$206,853,188) 162.9%		207,064,794
Short-Term Securities	Shares	
BIF New Jersey Municipal Money Fund, 0.00% (g)(h)	3,764,692	3,764,692
Total Short-Term Securities		
(Cost \$3,764,692) 3.0%		3,764,692
Total Investments (Cost \$210,617,880) 165.9%		210,829,486
Other Assets Less Liabilities 1.0%		1,204,642
Liability for TOB Trust Certificates, Including Interest		
Expense and Fees Payable (16.2)%		(20,552,244)
VRDP Shares, at Liquidation Value (50.7)%		(64,400,000)
Net Assets Applicable to Common Shares 100.0%		\$ 127,081,884

Notes to Schedule of Investments

- (a) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (b) US government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown reflects the current yield as of report date.
- (d) Security is collateralized by municipal or US Treasury obligations.
- (e) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (concluded)****BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)**

(f) All or a portion of security is subject to a recourse agreement, which may require the Fund to pay the Liquidity Provider in the event there is a shortfall between the TOB trust certificates and proceeds received from the sale of the security contributed to the TOB trust. In the case of a shortfall, the aggregate maximum potential amount the Fund could ultimately be required to pay under the agreements, which expire from June 15, 2019 to September 1, 2020 is \$5,099,102.

(g) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2013, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2012	Net Activity	Shares Held at July 31, 2013	Income
BIF New Jersey Municipal Money Fund	1,036,548	2,728,144	3,764,692	\$ 3

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

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 Fund management. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

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

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

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

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

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based on the pricing transparency of the investment and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments, please refer to Note 2 of the Notes to Financial Statements.

The following table summarizes the Fund's investments categorized in the disclosure hierarchy as of July 31, 2013:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 207,064,794		\$ 207,064,794
Short-Term Securities	\$ 3,764,692			3,764,692
Total	\$ 3,764,692	\$ 207,064,794		\$ 210,829,486

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

Certain of the Fund's liabilities are held at carrying amount, which approximates fair value for financial statement purposes. As of July 31, 2013, such liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Liabilities:				
Bank overdraft		\$ (4,566)		\$ (4,566)
TOB trust certificates		(20,544,993)		(20,544,993)
VRDP Shares		(64,400,000)		(64,400,000)
Total		\$ (84,949,559)		\$ (84,949,559)

There were no transfers between levels during the year ended July 31, 2013.

See Notes to Financial Statements.

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Schedule of Investments July 31, 2013

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Pennsylvania 108.3%		
Corporate 12.3%		
County of Beaver IDA Refunding RB, First Energy, Nuclear Energy Corp. Project, Mandatory Put Bonds, Series A, 3.38%, 1/01/35 (a)	\$ 1,200	\$ 1,208,304
County of Delaware IDA Pennsylvania, RB, AMT, Suburban Water Corp., Project, Series A, AMT (AMBAC), 5.15%, 9/01/32	5,500	5,500,935
County of Delaware IDA Pennsylvania, Refunding RB, Water Facilities, Aqua Pennsylvania, Inc. Project, Series B, AMT (NPFGC), 5.00%, 11/01/36	2,520	2,524,057
County of Northumberland IDA Pennsylvania, Refunding RB, AMT (NPFGC), 5.05%, 10/01/39	4,500	4,499,685
Pennsylvania Economic Development Financing Authority, RB:		
American Water Co. Project, 6.20%, 4/01/39	1,300	1,409,629
Aqua Pennsylvania, Inc. Project, Series B, 4.50%, 12/01/42	3,630	3,410,458
Waste Management, Inc. Project, AMT, Series A, 5.10%, 10/01/27	1,200	1,208,412
Pennsylvania Economic Development Financing Authority, Refunding RB, Amtrak Project, AMT, Series A, 5.00%, 11/01/41	865	835,737
		20,597,217
County/City/Special District/School District 32.0%		
Chambersburg Area School District, GO, (NPFGC):		
5.25%, 3/01/26	2,115	2,260,068
5.25%, 3/01/27	2,500	2,646,500
City of Philadelphia Pennsylvania, GO, Refunding:		
Series A (AGC), 5.00%, 8/01/24	2,000	2,124,100
Series A (AGM), 5.25%, 12/15/32	5,000	5,181,750
City of Pittsburgh Pennsylvania, GO, Refunding, Series B, 5.00%, 9/01/26	970	1,049,375
Connellsville Area School District, GO, Series B (AGM), 5.00%, 11/15/13 (b)	1,000	1,013,850
County of Lycoming Pennsylvania, GO, Series A (AGM):		
4.00%, 8/15/38	645	564,981
4.00%, 8/15/42	140	120,583
County of Lycoming Water & Sewer Authority, RB, (AGM), 5.00%, 11/15/41	400	398,168
County of York Pennsylvania, GO, Refunding, 5.00%, 3/01/36	400	409,564
East Stroudsburg Area School District, GO, Refunding, Series A (AGM), 5.00%, 9/01/25	3,000	3,200,070
East Stroudsburg Area School District, GO, Series A (NPFGC), 7.75%, 9/01/27	2,000	2,375,440
Falls Township Pennsylvania, RB, Water & Sewer Authority, 5.00%, 12/01/37	1,070	1,093,337
Lower Merion School District, GO, Refunding, Series A, 3.25%, 11/15/27	2,035	1,908,647
Marple Newtown School District, GO, (AGM), 5.00%, 6/01/31	3,500	3,721,690
Northampton Borough Municipal Authority, RB, (NPFGC), 5.00%, 5/15/14 (b)	350	363,037
Northeastern School District York County, GO, Series B (NPFGC), 5.00%, 4/01/32	1,585	1,619,759
Philadelphia Redevelopment Authority, RB, Quality Redevelopment Neighborhood, Series B, AMT (NPFGC), 5.00%, 4/15/27	4,645	4,827,223
Philipsburg-Osceola Area School District Pennsylvania, GO (AGM):		
5.00%, 4/01/41	755	763,313
Series A, 4.00%, 4/01/35	600	536,496
	Par	
	(000)	Value
Municipal Bonds		
Pennsylvania (continued)		
County/City/Special District/School District (concluded)		
Philipsburg-Osceola Area School District Pennsylvania, GO (AGM) (concluded):		
Series A, 4.00%, 4/01/38	\$ 595	\$ 506,660
Series A, 4.00%, 4/01/41	225	191,167
School District of Philadelphia, GO, Refunding (BHAC), 5.00%, 6/01/34	1,000	991,110

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School District of Philadelphia, GO, Series E, 6.00%, 9/01/38	3,300	3,530,274
Shaler Area School District Pennsylvania, GO, CAB (Syncora), 4.90%, 9/01/30 (c)	6,145	2,687,577
State Public School Building Authority, Community College, Allegheny County Project (AGM), 5.00%, 7/15/34	1,880	1,922,037
State Public School Building Authority, RB, Corry Area School District, CAB (AGM) (c):		
3.57%, 12/15/22	1,640	1,177,586
3.75%, 12/15/23	1,980	1,347,350
3.91%, 12/15/24	1,980	1,275,219
4.06%, 12/15/25	1,770	1,076,762
State Public School Building Authority, Refunding RB:		
Harrisburg School Distric Project, Series A (AGC), 5.00%, 11/15/33	1,200	1,219,800
School District Philadelphia Project, Series B (AGM), 5.00%, 6/01/26	1,500	1,525,770
		53,629,263
Education 5.9%		
County of Adams IDA Pennsylvania, Refunding RB, Gettysburg College, 5.00%, 8/15/26	100	105,744
East Hempfield Township IDA, RB, Student Services, Inc., Student Housing Project at Millersville University, 5.00%, 7/01/35	385	360,175
Pennsylvania Higher Educational Facilities Authority, RB:		
Drexel University, Series A (NPFGC), 5.00%, 5/01/37	1,500	1,503,870
Shippensburg University Student Services, Inc., Student Housing Project, 5.00%, 10/01/44	1,195	1,097,823
Pennsylvania Higher Educational Facilities Authority, Refunding RB:		
Drexel University, Series A, 5.25%, 5/01/41	2,750	2,825,515
La Salle University, 5.00%, 5/01/37	765	735,134
State System of Higher Education, Series AL, 5.00%, 6/15/35	1,780	1,835,198
Thomas Jefferson University, 4.00%, 3/01/37	375	326,584
Thomas Jefferson University, 5.00%, 3/01/42	310	313,825
Swarthmore Borough Authority, Refunding RB, 5.00%, 9/15/38	830	873,061
		9,976,929
Health 15.9%		
Allegheny County Hospital Development Authority, RB, Health Center, UPMC Health, Series B (NPFGC), 6.00%, 7/01/26	2,000	2,340,720
Berks County Municipal Authority, Refunding RB, Reading Hospital & Medical Center, Series A, 5.00%, 11/01/40	765	744,957
Centre County Hospital Authority, RB, Mount Nittany Medical Center Project, 7.00%, 11/15/46	2,020	2,301,507

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds		
Pennsylvania (continued)		
Health (concluded)		
County of Lehigh Pennsylvania, RB, Lehigh Valley Health Network, Series A (AGM), 5.00%, 7/01/33	\$ 7,995	\$ 7,998,118
County of Montgomery IDA Pennsylvania, RB, Acts Retirement Life Community, Series A-1, 6.25%, 11/15/29	235	252,893
County of Montgomery IDA Pennsylvania, Refunding RB, Acts Retirement Life Community: 5.00%, 11/15/27	690	696,914
5.00%, 11/15/28	445	444,435
5.00%, 11/15/29	150	149,163
County of Montgomery Pennsylvania, RB, Acts Retirement Life Community, Series A, 4.50%, 11/15/36	295	258,255
Cumberland County Municipal Authority, Refunding RB, Diakon Lutheran, 6.38%, 1/01/39	500	525,235
Monroeville Finance Authority, Refunding RB, Allegheny County Pennsylvania, UPMC, 5.00%, 2/15/42	2,000	1,961,220
Montgomery County Higher Education & Health Authority, Refunding RB, Abington Memorial Hospital: 3.25%, 6/01/26	625	552,437
3.75%, 6/01/31	470	399,688
Series A, 5.13%, 6/01/33	490	494,758
Philadelphia Hospitals & Higher Education Facilities Authority, Refunding RB, Presbyterian Medical Center, 6.65%, 12/01/19 (d)	2,705	3,196,688
Saint Mary Hospital Authority, Refunding RB, Catholic Health East, Series A: 5.00%, 11/15/26	1,325	1,369,957
5.00%, 11/15/27	945	968,568
South Fork Municipal Authority, Refunding RB, Conemaugh Valley Memorial Hospital, Series B (AGC), 5.38%, 7/01/35	2,000	2,038,620
		26,694,133
Housing 8.2%		
Pennsylvania HFA, RB, S/F Mortgage:		
Series 114-C, 3.65%, 10/01/37	1,915	1,585,141
Series 114-C, 3.70%, 10/01/42	3,585	2,922,707
Series 92-A, AMT, 4.75%, 4/01/31	620	621,240
Pennsylvania HFA, Refunding RB:		
S/F Mortgage, Series 110-B, 4.75%, 10/01/39	765	786,099
S/F Mortgage, Series 113, 4.85%, 10/01/37	4,125	4,049,843
Series 99-A, AMT, 5.15%, 4/01/38	855	832,804
Philadelphia Housing Authority, RB, Capital Fund Program, Series A (AGM), 5.50%, 12/01/18	3,000	3,041,430
		13,839,264
State 3.0%		
Commonwealth of Pennsylvania, GO, First Series, 5.00%, 6/01/28	600	653,568
Pennsylvania Economic Development Financing Authority, Refunding RB, Unemployment Compensation, Series B, 5.00%, 7/01/23	600	650,358
Pennsylvania Turnpike Commission, RB, Oil Franchise Tax, Remarketing, Series C (NPFGC), 5.00%, 12/01/32	3,600	3,689,820
		4,993,746
	Par	
	(000)	Value
Municipal Bonds		
Pennsylvania (concluded)		

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Transportation 19.9%

City of Philadelphia Pennsylvania, ARB, Series A:		
5.00%, 6/15/40	\$ 2,500	\$ 2,442,050
AMT (AGM), 5.00%, 6/15/37	7,500	7,255,950
Delaware River Port Authority, RB, Series D (AGM), 5.00%, 1/01/40	1,560	1,596,005
Pennsylvania Turnpike Commission, RB:		
Motor License Fund, Enhanced Turnpike, Special Sub-Series A, 5.00%, 12/01/37	705	717,937
Motor License Fund, Enhanced Turnpike, Special Sub-Series A, 5.00%, 12/01/42	2,100	2,124,108
Senior Lien, Series A, 5.00%, 12/01/42	2,500	2,531,475
Series A (AMBAC), 5.50%, 12/01/31	7,800	8,145,618
Series A (AMBAC), 5.25%, 12/01/32	350	364,269
Sub-Series A, 6.00%, 12/01/41	700	763,882
Pennsylvania Turnpike Commission, Refunding RB, Sub-Series B (AGM), 5.25% 6/01/39	3,500	3,580,850
Southeastern Pennsylvania Transportation Authority, RB, Capital Grant Receipts:		
5.00%, 6/01/28	1,570	1,651,938
5.00%, 6/01/29	2,080	2,170,210
		33,344,292

Utilities 11.1%

Allegheny County Sanitary Authority, Refunding RB, Series A (NPFGC), 5.00%, 12/01/30		
	5,000	5,264,750
Bucks County Water & Sewer Authority, RB, Water System (AGM), 5.00%, 12/01/41		
	500	515,080
City of Philadelphia Pennsylvania Gas Works, RB:		
1998 General Ordinance, 4th Series (AGM), 5.00%, 8/01/32	3,300	3,291,981
9th Series, 5.25%, 8/01/40	1,430	1,415,743
City of Philadelphia Pennsylvania Water & Wastewater, RB:		
Series A, 5.25%, 1/01/36	700	717,857
Series C (AGM), 5.00%, 8/01/40	3,000	3,015,840
County of Westmoreland Municipal Authority, RB, 5.00%, 8/15/37		
	150	151,056
Pennsylvania Economic Development Financing Authority, RB, Philadelphia Biosolids Facility, 6.25%, 1/01/32		
	1,420	1,485,434
Reading Area Water Authority Pennsylvania, RB, (AGM), 5.00%, 12/01/27		
		2,797,169
		18,654,910
Total Municipal Bonds in Pennsylvania		181,729,754

Guam 2.0%

State 0.5%		
Territory of Guam, RB, Limited Obligation Bonds, Section 30, Series A, 5.63%, 12/01/29		
	805	833,288
Transportation 1.5%		
Guam International Airport Authority, Refunding RB, Series C, AMT (NPFGC), 5.00%, 10/01/23		
	2,500	2,501,800
Total Municipal Bonds in Guam		3,335,088

Puerto Rico 0.7%

State 0.7%		
Commonwealth of Puerto Rico, GO, Refunding, Public Improvement, Series A-4 (AGM), 5.25%, 7/01/30		
	1,270	1,207,097
Total Municipal Bonds 111.0%		186,271,939

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock MuniYield Pennsylvania Quality Fund (MPA)

(Percentages shown are based on Net Assets)

	Par	
	(000)	Value
Municipal Bonds Transferred to Tender Option Bond Trusts (e)		
Pennsylvania 53.7%		
County/City/Special District/School District 5.3%		
Erie County Conventional Center Authority, RB, 5.00%, 1/15/36	\$ 8,850	\$ 8,945,399
Education 13.1%		
Pennsylvania Higher Educational Facilities Authority, RB:		
Series AE (NPFGC), 4.75%, 6/15/32	8,845	8,853,924
University of Pennsylvania Health System, Series A, 4.00%, 8/15/39	7,600	6,335,208
University of Pennsylvania Health System, Series A, 5.75%, 8/15/41	4,270	4,494,175
University of Pittsburgh Pennsylvania, RB, Capital Project, Series B, 5.00%, 9/15/28	2,202	2,387,262
		22,070,569
Health 10.0%		
Geisinger Authority Pennsylvania, RB, Health System:		
Series A, 5.13%, 6/01/34	2,500	2,548,400
Series A, 5.25%, 6/01/39	3,128	3,189,583
Series A-1, 5.13%, 6/01/41	6,270	6,348,249
Philadelphia Hospitals & Higher Education Facilities Authority, RB, The Children's Hospital of Philadelphia Project, Series C, 5.00%, 7/01/41	4,680	4,701,060
		16,787,292
Housing 3.3%		
Pennsylvania HFA, Refunding RB, AMT:		
Series 115A, 4.20%, 10/01/33	3,000	2,750,730
Series 96-A, 4.70%, 10/01/37	2,800	2,742,180
		5,492,910
State 22.0%		
Commonwealth of Pennsylvania, GO, First Series:		
5.00%, 3/15/28	5,203	5,601,410
5.00%, 11/15/30	6,350	6,793,865
	Par	
Municipal Bonds Transferred to Tender Option Bond Trusts (e)		
Pennsylvania (concluded)		
State (concluded)		
Pennsylvania Turnpike Commission, RB, Oil Franchise Tax, Remarketing, Series C (NPFGC), 5.00%, 12/01/32	10,000	10,249,500
State Public School Building Authority, Refunding RB, School District of Philadelphia Project, Series B (AGM), 5.00%, 6/01/26	14,026	14,267,205
		36,911,980
Total Municipal Bonds Transferred to Tender Option Bond Trusts in Pennsylvania		90,208,150
Puerto Rico 2.9%		
State 2.9%		
Puerto Rico Sales Tax Financing Corp., Refunding RB, Series C, 5.25%, 8/01/40	5,000	4,791,350
Total Municipal Bonds Transferred to Tender Option Bond Trusts		94,999,500
Total Long-Term Investments		281,271,439
(Cost \$282,103,782) 167.6%		

Short-Term Securities

Shares

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BIF Pennsylvania Municipal Money Fund, 0.00% (f)(g)	3,198,164	3,198,164
Total Short-Term Securities (Cost \$3,198,164) 1.9%		3,198,164
Total Investments (Cost \$285,301,946) 169.5%		284,469,603
Other Assets Less Liabilities 1.6%		2,716,036
Liability for TOB Trust Certificates, Including Interest		
Expense and Fees Payable (31.6%)		(53,028,513)
VRDP Shares, at Liquidation Value (39.5%)		(66,300,000)
Net Assets Applicable to Common Shares 100.0%		\$ 167,857,126

Notes to Schedule of Investments

- (a) Variable rate security. Rate shown is as of report date.
- (b) US government securities, held in escrow, are used to pay interest on this security, as well as to retire the bond in full at the date indicated, typically at a premium to par.
- (c) Represents a zero-coupon bond. Rate shown reflects the current yield as of report date.
- (d) Security is collateralized by municipal or US Treasury obligations.
- (e) Securities represent bonds transferred to a TOB in exchange for which the Fund acquired residual interest certificates. These securities serve as collateral in a financing transaction. See Note 3 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs.
- (f) Investments in issuers considered to be an affiliate of the Fund during the year ended July 31, 2013, for purposes of Section 2(a)(3) of the 1940 Act, were as follows:

Affiliate	Shares Held at July 31, 2012	Net Activity	Shares Held at July 31, 2013	Income
BIF Pennsylvania Municipal Money Fund	3,976,718	(778,554)	3,198,164	\$ 163

- (g) Represents the current yield as of report date.
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 Fund's management. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

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

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

See Notes to Financial Statements.

Table of Contents**Schedule of Investments (concluded)****BlackRock MuniYield Pennsylvania Quality Fund (MPA)**

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

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

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. In accordance with the Fund's policy, transfers between different levels of the fair value disclosure hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments is based on the pricing transparency of the investment and is not necessarily an indication of the risks associated with investing in those securities. For information about the Fund's policy regarding valuation of investments, please refer to Note 2 of the Notes to Financial Statements.

The following table summarizes the Fund's investments categorized in the disclosure hierarchy as of July 31, 2013:

	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Long-Term Investments ¹		\$ 281,271,439		\$ 281,271,439
Short-Term Securities	\$ 3,198,164			3,198,164
Total	\$ 3,198,164	\$ 281,271,439		\$ 284,469,603

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

Certain of the Fund's liabilities are held at carrying amount, which approximates fair value for financial statement purposes. As of July 31, 2013, such liabilities are categorized within the disclosure hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Liabilities:				
Bank overdraft		\$ (5,337)		\$ (5,337)
TOB trust certificates		(53,009,902)		(53,009,902)
VRDP Shares		(66,300,000)		(66,300,000)
Total		\$ (119,315,239)		\$ (119,315,239)

There were no transfers between levels during the year ended July 31, 2013.

See Notes to Financial Statements.

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Statements of Assets and Liabilities

		BlackRock MuniHoldings California	BlackRock MuniHoldings New Jersey	BlackRock MuniYield Investment Quality Fund	BlackRock MuniYield Michigan	BlackRock MuniYield New Jersey	BlackRock MuniYield Pennsylvania
		Quality Fund, Inc. (MUC)	Quality Fund, Inc. (MUJ)	Fund (MFT)	Quality Fund, Inc. (MIY)	Quality Fund, Inc. (MJJ)	Quality Fund (MPA)
July 31, 2013							
Assets							
Investments at value unaffiliated	\$	1,006,108,591	\$ 509,873,572	\$ 198,066,358	\$ 432,398,845	\$ 207,064,794	\$ 281,271,439
Investments at value affiliated		501,963	7,170,770	8,162,312	479,667	3,764,692	3,198,164
Interest receivable		14,287,485	4,773,948	2,253,065	4,756,394	1,838,219	3,147,962
Investments sold receivable		10,302,647		1,673,822	1,629,006		412,533
Deferred offering costs		180,418	337,499	70,102	263,638	227,922	206,201
Prepaid expenses		65,342	5,600	2,196	4,729	2,237	3,086
Total assets		1,031,446,446	522,161,389	210,227,855	439,532,279	212,897,864	288,239,385
Accrued Liabilities							
Bank overdraft		12,651	8,444	4,529	7,264	4,566	5,337
Investments purchased payable		5,978,818		5,157,896			
Income dividends payable Common Shares		2,931,678	1,576,638	601,596	1,396,042	658,239	851,328
TOB trust payable				4,320,000			
Investment advisory fees payable		488,803	225,147	88,230	188,477	90,678	123,427
Officers and Directors fees payable		196,054	4,153	1,995	3,583	1,995	2,609
Interest expense and fees payable		84,548	14,179	12,362	9,741	7,251	18,611
Other accrued expenses payable		169,043	236,352	62,061	110,442	108,258	71,045
Total accrued liabilities		9,861,595	2,064,913	10,248,669	1,715,549	870,987	1,072,357
Other Liabilities							
TOB trust certificates		172,315,932	38,231,115	28,191,767	34,875,787	20,544,993	53,009,902
VRDP Shares, at liquidation value of \$100,000 per share ^{3,4}			172,700,000		144,600,000	64,400,000	66,300,000
VMTP Shares, at liquidation value of \$100,000 per share ^{3,4}		254,000,000		56,500,000			
Total other liabilities		426,315,932	210,931,115	84,691,767	179,475,787	84,944,993	119,309,902
Total liabilities		436,177,527	212,996,028	94,940,436	181,191,336	85,815,980	120,382,259
Net Assets Applicable to Common Shareholders	\$	595,268,919	\$ 309,165,361	\$ 115,287,419	\$ 258,340,943	\$ 127,081,884	\$ 167,857,126
Net Assets Applicable to Common Shareholders Consist of							
Paid-in capital ^{5,6,7}	\$	586,118,912	\$ 299,227,040	\$ 118,064,506	\$ 261,346,054	\$ 125,364,272	\$ 170,192,992
Undistributed net investment income		8,922,327	5,341,924	1,964,734	3,122,486	2,577,866	2,030,860
Accumulated net realized loss		(8,576,640)	(962,593)	(7,376,309)	(4,651,523)	(1,071,860)	(3,534,383)
Net unrealized appreciation/depreciation		8,804,320	5,558,990	2,634,488	(1,476,074)	211,606	(832,343)
Net Assets Applicable to Common Shareholders	\$	595,268,919	\$ 309,165,361	\$ 115,287,419	\$ 258,340,943	\$ 127,081,884	\$ 167,857,126
Net asset value per Common Share	\$	14.52	\$ 14.51	\$ 13.61	\$ 14.16	\$ 14.29	\$ 14.59

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¹ Investments at cost unaffiliated	\$	997,304,271	\$	504,314,582	\$	195,431,870	\$	433,874,919	\$	206,853,188	\$	282,103,782
² Investments at cost affiliated	\$	501,963	\$	7,170,770	\$	8,162,312	\$	479,667	\$	3,764,692	\$	3,198,164
³ Preferred Shares outstanding:												
Par value \$0.05 per share						565						663
Par value \$0.10 per share		2,540		1,727				1,446		644		
⁴ Preferred Shares authorized, including												
Auction Market Preferred Shares (AMPS)		18,140		9,847		1,000,565		8,046		3,584		1,000,663
⁵ Common Shares outstanding		41,002,483		21,305,921		8,473,184		18,248,909		8,895,127		11,504,433
⁶ Par value per Common Share	\$	0.10	\$	0.10	\$	0.10	\$	0.10	\$	0.10	\$	0.10
⁷ Common Shares authorized		200 million		200 million		unlimited		200 million		200 million		unlimited

See Notes to Financial Statements.

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Statements of Operations

Year Ended July 31, 2013	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 New Jersey Quality Fund, Inc. (MJI)	BlackRock MuniYield Pennsylvania Quality Fund (MPA)
Investment Income						
Interest	\$ 45,464,317	\$ 23,760,812	\$ 9,365,574	\$ 20,747,236	\$ 9,840,248	\$ 13,179,425
Income affiliated	5	5	529	2	3	163
Total income	45,464,322	23,760,817	9,366,103	20,747,238	9,840,251	13,179,588
Expenses						
Investment advisory	6,117,403	3,040,754	1,117,400	2,331,645	1,120,409	1,541,871
Liquidity fees		1,222,591			455,907	
Accounting services	139,090	80,040	43,620	73,740	43,681	54,273
Professional	92,263	48,254	64,508	46,642	61,032	74,695
Remarketing fees on Preferred Shares		172,700			64,400	
Officer and Directors	78,076	35,918	14,150	28,561	15,094	19,876
Transfer agent	29,972	28,302	22,960	29,813	21,264	27,151
Custodian	45,443	28,293	12,557	23,457	12,951	16,833
Registration	8,427	5,568	5,573	5,551	5,633	5,565
Printing	8,201	6,275	6,063	5,470	4,963	2,764
Miscellaneous	100,522	70,729	36,049	46,744	45,326	41,050
Total expenses excluding interest expense, fees and amortization of offering costs	6,619,397	4,739,424	1,322,880	2,591,623	1,850,660	1,784,078
Interest expense, fees and amortization of offering costs ¹	4,266,434	840,534	950,653	1,774,295	350,102	1,099,920
Total expenses	10,885,831	5,579,958	2,273,533	4,365,918	2,200,762	2,883,998
Less fees waived by Manager	(499,637)	(116,857)	(1,381)	(1,551)	(4,081)	(979)
Total expenses after fees waived	10,386,194	5,463,101	2,272,152	4,364,367	2,196,681	2,883,019
Net investment income	35,078,128	18,297,716	7,093,951	16,382,871	7,643,570	10,296,569
Realized and Unrealized Gain (Loss)						
Net realized gain (loss) from:						
Investments	3,053,231	123,329	98,315	469,070	(532,054)	141,354
Financial futures contracts	1,070,036	516,911	465,199	161,139	220,307	
	4,123,267	640,240	563,514	630,209	(311,747)	141,354
Net change in unrealized appreciation/depreciation on investments	(78,639,908)	(43,197,563)	(18,405,631)	(37,218,376)	(17,628,493)	(22,994,319)
Total realized and unrealized loss	(74,516,641)	(42,557,323)	(17,842,117)	(36,588,167)	(17,940,240)	(22,852,965)
Distributions to VRDP Shareholders from net realized gain					(5,857)	
Net Decrease in Net Assets Applicable to Common Shareholders Resulting from	\$ (39,438,513)	\$ (24,259,607)	\$ (10,748,166)	\$ (20,205,296)	\$ (10,302,527)	\$ (12,556,396)

Operations

¹ Related to TOBs, VRDP Shares and/or VMTP Shares.

See Notes to Financial Statements.

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Statements of Changes in Net Assets

Increase (Decrease) in Net Assets Applicable to Common Shareholders:	BlackRock MuniHoldings California Quality Fund, Inc. (MUC) Year Ended July 31,		BlackRock MuniHoldings New Jersey Quality Fund, Inc. (MUJ) Year Ended July 31,	
	2013	2012	2013	2012
Operations				
Net investment income	\$ 35,078,128	\$ 38,695,079	\$ 18,297,716	\$ 17,624,095
Net realized gain	4,123,267	9,613,108	640,240	847,227
Net change in unrealized appreciation/depreciation	(78,639,908)	77,535,449	(43,197,563)	38,878,617
Dividends to AMPS shareholders from net investment income		(391,674)		
Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations	(39,438,513)	125,451,962	(24,259,607)	57,349,939
Dividends to Common Shareholders From¹				
Net investment income	(38,222,539)	(38,034,966)	(18,910,036)	(18,885,230)
Capital Share Transactions				
Reinvestment of common dividends	1,852,754	260,092	497,797	288,582
Net Assets Applicable to Common Shareholders				
Total increase (decrease) in net assets applicable to Common Shareholders	(75,808,298)	87,677,088	(42,671,846)	38,753,291
Beginning of year	671,077,217	583,400,129	351,837,207	313,083,916
End of year	\$ 595,268,919	\$ 671,077,217	\$ 309,165,361	\$ 351,837,207
Undistributed net investment income	\$ 8,922,327	\$ 12,525,278	\$ 5,341,924	\$ 5,942,203

¹ Dividends are determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

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Statements of Changes in Net Assets

Increase (Decrease) in Net Assets Applicable to Common Shareholders:	BlackRock MuniYield Investment Quality Fund (MFT) Year Ended July 31,		BlackRock MuniYield Michigan Quality Fund, Inc. (MIY) Year Ended July 31,	
	2013	2012	2013	2012
Operations				
Net investment income	\$ 7,093,951	\$ 7,349,601	\$ 16,382,871	\$ 15,913,136
Net realized gain	563,514	4,056,923	630,209	297,533
Net change in unrealized appreciation/depreciation	(18,405,631)	15,593,220	(37,218,376)	29,064,094
Dividends to AMPS shareholders from net investment income		(101,371)		
Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations	(10,748,166)	26,898,373	(20,205,296)	45,274,763
Dividends to Common Shareholders From¹				
Net investment income	(7,217,546)	(7,213,049)	(16,743,706)	(16,994,949)
Capital Share Transactions				
Reinvestment of common dividends	93,174	51,841	485,894	197,986
Net Assets Applicable to Common Shareholders				
Total increase (decrease) in net assets applicable to Common Shareholders	(17,872,538)	19,737,165	(36,463,108)	28,477,800
Beginning of year	133,159,957	113,422,792	294,804,051	266,326,251
End of year	\$ 115,287,419	\$ 133,159,957	\$ 258,340,943	\$ 294,804,051
Undistributed net investment income	\$ 1,964,734	\$ 2,039,598	\$ 3,122,486	\$ 3,508,313

¹ Dividends are determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

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Statements of Changes in Net Assets

Increase (Decrease) in Net Assets Applicable to Common Shareholders:	BlackRock MuniYield New Jersey Quality Fund, Inc. (MJJ) Year Ended July 31,		BlackRock MuniYield Pennsylvania Quality Fund (MPA) Year Ended July 31,	
	2013	2012	2013	2012
Operations				
Net investment income	\$ 7,643,570	\$ 7,289,984	\$ 10,296,569	\$ 9,812,322
Net realized gain (loss)	(311,747)	123,544	141,354	473,116
Net change in unrealized appreciation/depreciation	(17,628,493)	16,580,499	(22,994,319)	18,606,827
Distributions to VRDP shareholders from net realized gain	(5,857)			
Net increase (decrease) in net assets applicable to Common Shareholders resulting from operations	(10,302,527)	23,994,027	(12,556,396)	28,892,265
Dividends and Distributions to Common Shareholders From¹				
Net investment income	(7,777,215)	(7,917,169)	(10,214,489)	(10,493,933)
Net realized gain	(254,189)			
Decrease in net assets resulting from dividends and distributions to Common Shareholders	(8,031,404)	(7,917,169)	(10,214,489)	(10,493,933)
Capital Share Transactions				
Reinvestment of common dividends	473,838	384,157	65,526	226,396
Net Assets Applicable to Common Shareholders				
Total increase (decrease) in net assets applicable to Common Shareholders	(17,860,093)	16,461,015	(22,705,359)	18,624,728
Beginning of year	144,941,977	128,480,962	190,562,485	171,937,757
End of year	\$ 127,081,884	\$ 144,941,977	\$ 167,857,126	\$ 190,562,485
Undistributed net investment income	\$ 2,577,866	\$ 2,702,465	\$ 2,030,860	\$ 1,981,330

¹ Dividends and distributions are determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

Table of Contents**Statements of Cash Flows**

Year Ended July 31, 2013	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 New Jersey Quality Fund, Inc. (MJI)	BlackRock MuniYield Pennsylvania Quality Fund (MPA)
Cash Provided by Operating Activities						
Net decrease in net assets resulting from operations	\$ (39,438,513)	\$ (24,259,607)	\$ (10,748,166)	\$ (20,205,296)	\$ (10,296,670)	\$ (12,556,396)
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:						
(Increase) decrease in interest receivable	360,407	(44,510)	224,150	207,964	(68,891)	(138,940)
(Increase) decrease in prepaid expenses	(49,516)	2,364	794	2,045	914	1,262
Decrease in investment advisory fees payable	(60,871)	(30,338)	(5,136)	(8,640)	(3,092)	(5,572)
Increase (decrease) in interest expense and fees payable	(22,176)	2,510	(2,388)	(1,989)	1,332	333
Increase (decrease) in other accrued expenses payable	13,263	(52,608)	(14,612)	(66,139)	(21,496)	(7,786)
Increase in Officers and Directors fees payable	54,259	2,578	1,424	503	1,354	1,716
Net realized and unrealized loss on investments	75,586,677	43,074,234	18,307,316	36,749,306	18,160,547	22,852,965
Amortization of premium and accretion of discount on investments	4,713,658	(406,901)	938,310	349,465	(508,075)	587,964
Amortization of deferred offering costs	97,818	9,278	49,715	8,363	7,116	6,497
Proceeds from sales of long-term investments	382,386,594	52,428,363	125,620,469	76,792,499	24,891,520	23,684,948
Purchases of long-term investments	(392,452,200)	(58,285,487)	(115,860,743)	(91,827,255)	(28,071,360)	(27,290,968)
Net proceeds from sales (purchases) of short-term securities	18,925,503	(2,550,660)	(10,467,312)	8,939,850	(2,728,144)	778,554
Cash provided by operating activities	50,114,903	9,889,216	8,043,821	10,940,676	1,365,055	7,914,577
Cash Used for Financing Activities						
Increase in bank overdraft	12,651	8,444	4,529	7,264	4,566	5,337
Cash receipts from TOB trust certificates	31,774,983	8,512,370	2,514,527	9,791,903	6,173,944	5,300,000
Cash payments for TOB trust certificates	(45,234,065)		(3,778,729)	(4,484,307)		(3,150,000)
Cash dividends paid to Common Shareholders	(36,668,472)	(18,410,030)	(7,124,372)	(16,255,536)	(7,537,708)	(10,148,674)
Cash distributions paid to VRDP shareholders					(5,857)	
Cash used for financing activities	(50,114,903)	(9,889,216)	(8,384,045)	(10,940,676)	(1,365,055)	(7,993,337)
Cash						
Net decrease in cash			(340,224)			(78,760)
Cash at beginning of year			340,224			78,760
Cash at end of year						
Cash Flow Information						
Cash paid during the year for interest and fees	\$ 4,190,792	\$ 828,746	\$ 903,326	\$ 1,767,921	\$ 341,654	\$ 1,093,090
Non-cash Financing Activities						
Capital shares issued in reinvestment of dividends paid to Common Shareholders	\$ 1,852,754	\$ 497,797	\$ 93,174	\$ 485,894	\$ 473,838	\$ 665,526

See Notes to Financial Statements.

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Table of Contents**Financial Highlights****BlackRock MuniHoldings California Quality Fund, Inc.
(MUC)**

	Year Ended July 31,				Period July 1, 2009 to July 31, 2009	Year Ended June 30, 2009
	2013	2012	2011	2010		
Per Share Operating Performance						
Net asset value, beginning of period	\$ 16.41	\$ 14.27	\$ 14.55	\$ 13.21	\$ 13.05	\$ 13.84
Net investment income ¹	0.86	0.95	0.97	0.92	0.08	0.90
Net realized and unrealized gain (loss)	(1.82)	2.13	(0.33)	1.24	0.14	(0.89)
Dividends to AMPS shareholders from net investment income		(0.01)	(0.02)	(0.03)	(0.00) ²	(0.15)
Net increase (decrease) from investment operations	(0.96)	3.07	0.62	2.13	0.22	(0.14)
Dividends to Common Shareholders from net investment income ³	(0.93)	(0.93)	(0.90)	(0.79)	(0.06)	(0.65)
Net asset value, end of period	\$ 14.52	\$ 16.41	\$ 14.27	\$ 14.55	\$ 13.21	\$ 13.05
Market price, end of period	\$ 13.31	\$ 16.36	\$ 13.15	\$ 14.04	\$ 12.18	\$ 11.07
Total Investment Return Applicable to Common Shareholders⁴						
Based on net asset value	(6.16)%	22.26%	4.88%	16.96%	1.75% ⁵	0.21%
Based on market price	(13.71)%	32.27%	0.16%	22.40%	10.59% ⁵	(3.88)%
Ratios to Average Net Assets Applicable to Common Shareholders						
Total expenses	1.64%	1.48% ⁶	1.38% ⁶	1.23% ⁶	1.34% ^{6,7,8}	1.59% ⁶
Total expenses after fees waived	1.56%	1.39% ⁶	1.25% ⁶	1.12% ⁶	1.19% ^{6,7,8}	1.40% ⁶
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs ⁹	0.92%	1.01% ^{6,10}	1.02% ⁶	0.98% ⁶	1.06% ^{6,7,8}	1.02% ⁶
Net investment income	5.27%	6.14% ⁶	6.93% ⁶	6.52% ⁶	6.59% ^{6,7,8}	7.08% ⁶
Dividends to AMPS shareholders		0.06%	0.16%	0.18%	0.23% ⁷	1.15%
Net investment income to Common Shareholders	5.27%	6.08%	6.77%	6.34%	6.36% ^{7,8}	5.93%
Supplemental Data						
Net assets applicable to Common Shareholders, end of period (000)	\$ 595,269	\$ 671,077	\$ 583,400	\$ 594,734	\$ 540,144	\$ 533,256
AMPS outstanding at \$25,000 liquidation preference, end of period (000)			\$ 254,000	\$ 254,000	\$ 254,000	\$ 287,375
VMTP Shares outstanding at \$100,000 liquidation value, end of period (000)	\$ 254,000	\$ 254,000				
Portfolio turnover	34%	46%	24%	25%	1%	19%
			\$ 82,421	\$ 83,538	\$ 78,166	\$ 71,392

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Asset coverage per AMPS at \$25,000 liquidation preference, end of period

Asset coverage per VMTP Shares at \$100,000 liquidation value, end of period

	\$ 334,358	\$ 364,204
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- ¹ Based on average Common Shares outstanding.
- ² Amount is greater than \$(0.005) per share.
- ³ Dividends are determined in accordance with federal income tax regulations.
- ⁴ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and assume the reinvestment of dividends and distributions.
- ⁵ Aggregate total investment return.
- ⁶ Do not reflect the effect of dividends to AMPS shareholders.
- ⁷ Annualized.
- ⁸ Certain non-recurring expenses have been included in the ratio but not annualized. If these expenses and amortization offering costs were annualized, the ratios of total expenses, total expenses after fees waived, total expenses after fees waived excluding interest expense fees, net investment income and net investment income to Common Shareholders would have been 1.43%, 1.28%, 1.15%, 6.50% and 6.27%, respectively.
- ⁹ Interest expense, fees and amortization of offering costs relate to TOBs and/or VMTP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VMTP shares, respectively.
- ¹⁰ For the year ended July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.97%.

See Notes to Financial Statements.

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Table of Contents**Financial Highlights****BlackRock MuniHoldings New Jersey Quality Fund, Inc.
(MUJ)**

	Year Ended July 31,				
	2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	\$ 16.54	\$ 14.73	\$ 15.19	\$ 14.40	\$ 14.35
Net investment income ¹	0.86	0.83	0.93	1.00	0.98
Net realized and unrealized gain (loss)	(2.00)	1.87	(0.47)	0.67	(0.11)
Dividends and distributions to AMPS shareholders from:					
Net investment income			(0.03)	(0.03)	(0.16)
Net realized gain				(0.00) ²	
Net increase (decrease) from investment operations	(1.14)	2.70	0.43	1.64	0.71
Dividends and distributions to Common Shareholders from: ³					
Net investment income	(0.89)	(0.89)	(0.89)	(0.84)	(0.66)
Net realized gain				(0.01)	
Total dividends and distributions to Common Shareholders	(0.89)	(0.89)	(0.89)	(0.85)	(0.66)
Net asset value, end of year	\$ 14.51	\$ 16.54	\$ 14.73	\$ 15.19	\$ 14.40
Market price, end of year	\$ 13.30	\$ 16.05	\$ 13.74	\$ 15.05	\$ 13.38
Total Investment Return Applicable to Common Shareholders⁴					
Based on net asset value	(7.19)%	18.96%	3.28%	11.95%	6.13%
Based on market price	(12.33)%	23.76%	(2.77)%	19.37%	9.45%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.61%	1.81% ⁵	1.21% ⁵	1.13% ⁵	1.30% ⁵
Total expenses after fees waived	1.58%	1.78% ⁵	1.17% ⁵	1.08% ⁵	1.21% ⁵
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs ⁶	1.33% ⁷	1.43% ^{5,7}	1.11% ⁵	1.05% ⁵	1.10% ⁵
Net investment income	5.28%	5.28% ⁵	6.36% ⁵	6.71% ⁵	7.04% ⁵
Dividends to AMPS shareholders			0.21%	0.22%	1.13%
Net investment income to Common Shareholders	5.28%	5.28%	6.15%	6.49%	5.91%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	\$ 309,165	\$ 351,837	\$ 313,084	\$ 322,681	\$ 305,856
AMPS outstanding at \$25,000 liquidation preference, end of year (000)				\$ 172,700	\$ 172,700
VRDP Shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 172,700	\$ 172,700	\$ 172,700		
Portfolio turnover	10%	17%	12%	13%	9%

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Asset coverage per AMPS at \$25,000 liquidation preference, end of year			\$ 71,713	\$ 69,278
Asset coverage per VRDP Shares at \$100,000 liquidation value, end of year	\$ 279,019	\$ 303,727	\$ 281,288	

¹ Based on average Common Shares outstanding.

² Amount is greater than \$(0.005) per share.

³ Dividends and distributions are determined in accordance with federal income tax regulations.

⁴ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and assume the reinvestment of dividends and distributions.

⁵ Do not reflect the effect of dividends to AMPS shareholders.

⁶ Interest expense, fees and amortization of offering costs relate to TOBs and/or VRDP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

⁷ For the years ended July 31, 2013 and July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.93% and 1.01%, respectively.

See Notes to Financial Statements.

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Table of Contents**Financial Highlights****BlackRock MuniYield Investment Quality Fund (MFT)**

	Year Ended July 31,				
	2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	\$ 15.73	\$ 13.40	\$ 13.87	\$ 12.83	\$ 13.42
Net investment income ¹	0.84	0.87	0.91	0.92	0.94
Net realized and unrealized gain (loss)	(2.11)	2.32	(0.49)	0.98	(0.70)
Dividends to AMPS shareholders from net investment income		(0.01)	(0.04)	(0.04)	(0.15)
Net increase (decrease) from investment operations	(1.27)	3.18	0.38	1.86	0.09
Dividends to Common Shareholders from net investment income ²	(0.85)	(0.85)	(0.85)	(0.82)	(0.68)
Net asset value, end of year	\$ 13.61	\$ 15.73	\$ 13.40	\$ 13.87	\$ 12.83
Market price, end of year	\$ 12.20	\$ 15.47	\$ 12.39	\$ 14.28	\$ 11.80
Total Investment Return Applicable to Common Shareholders³					
Based on net asset value	(8.41)%	24.51%	3.20%	14.99%	1.94%
Based on market price	(16.52)%	32.43%	(7.32)%	28.72%	7.08%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.72%	1.58% ⁴	1.23% ⁴	1.19% ⁴	1.40% ⁴
Total expenses after fees waived	1.72%	1.58% ⁴	1.23% ⁴	1.19% ⁴	1.37% ⁴
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs ⁵	1.00%	1.08% ^{4,6}	1.11% ⁴	1.09% ⁴	1.19% ⁴
Net investment income	5.36%	5.94% ⁴	6.91% ⁴	6.80% ⁴	7.54% ⁴
Dividends to AMPS shareholders		0.08%	0.28%	0.29%	1.23%
Net investment income to Common Shareholders	5.36%	5.86%	6.63%	6.51%	6.31%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	\$ 115,287	\$ 133,160	\$ 113,423	\$ 117,341	\$ 108,434
AMPS outstanding at \$25,000 liquidation preference, end of year (000)			\$ 56,525	\$ 56,525	\$ 56,525
VMTP Shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 56,500	\$ 56,500			
Portfolio turnover	51%	43%	29%	38%	43%
Asset coverage per AMPS at \$25,000 liquidation preference, end of year			\$ 75,165	\$ 76,900	\$ 72,961
Asset coverage per VMTP Shares at \$100,000 liquidation value, end of year	\$ 304,049	\$ 335,681			

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- ¹ Based on average Common Shares outstanding.
- ² Dividends are determined in accordance with federal income tax regulations.
- ³ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and assume the reinvestment of dividends and distributions.
- ⁴ Do not reflect the effect of dividends to AMPS shareholders.
- ⁵ Interest expense, fees and amortization of offering costs relate to TOBs and/or VMTP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VMTP Shares, respectively.
- ⁶ For the year ended July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 1.05%.

See Notes to Financial Statements.

Table of Contents**Financial Highlights****BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)**

	Year Ended July 31,				
	2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	\$ 16.18	\$ 14.63	\$ 14.92	\$ 13.93	\$ 14.16
Net investment income ¹	0.90	0.87	0.93	0.98	1.00
Net realized and unrealized gain (loss)	(2.00)	1.61	(0.26)	0.94	(0.40)
Dividends to AMPS shareholders from net investment income			(0.04)	(0.05)	(0.16)
Net increase (decrease) from investment operations	(1.10)	2.48	0.63	1.87	0.44
Dividends to Common Shareholders from net investment income ²	(0.92)	(0.93)	(0.92)	(0.88)	(0.67)
Net asset value, end of year	\$ 14.16	\$ 16.18	\$ 14.63	\$ 14.92	\$ 13.93
Market price, end of year	\$ 12.57	\$ 16.05	\$ 13.39	\$ 14.55	\$ 12.25
Total Investment Return Applicable to Common Shareholders³					
Based on net asset value	(7.09)%	17.60%	4.78%	14.31%	4.66%
Based on market price	(16.86)%	27.46%	(1.67)%	26.76%	5.95%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.50%	1.72%	1.37% ⁴	1.07% ⁴	1.27% ⁴
Total expenses after fees waived	1.50%	1.72%	1.36% ⁴	1.07% ⁴	1.25% ⁴
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs ⁵	0.89%	1.38% ⁶	1.23% ⁴	1.03% ⁴	1.09% ⁴
Net investment income	5.62%	5.65%	6.48% ⁴	6.72% ⁴	7.37% ⁴
Dividends to AMPS shareholders			0.25%	0.31%	1.19% ⁴
Net investment income to Common Shareholders	5.62%	5.65%	6.23%	6.41%	6.18%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	\$ 258,341	\$ 294,804	\$ 266,326	\$ 271,609	\$ 253,630
AMPS outstanding at \$25,000 liquidation preference, end of year (000)				\$ 144,650	\$ 144,650
VRDP shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 144,600	\$ 144,600	\$ 144,600		
Portfolio turnover	17%	19%	16%	15%	9%
Asset coverage per AMPS at \$25,000 liquidation preference, end of year				\$ 71,945	\$ 68,838
Asset coverage per VRDP shares at \$100,000 liquidation value, end of year	\$ 278,659	\$ 303,876	\$ 284,181		

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- ¹ Based on average Common Shares outstanding.
- ² Dividends are determined in accordance with federal income tax regulations.
- ³ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and assume the reinvestment of dividends and distributions.
- ⁴ Do not reflect the effect of dividends to AMPS shareholders.
- ⁵ Interest expense, fees and amortization of offering costs relate to TOBs and/or VRDP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.
- ⁶ For the year ended July 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.98%.

See Notes to Financial Statements.

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Table of Contents**Financial Highlights****BlackRock MuniYield New Jersey Quality Fund, Inc. (MJI)**

	Year Ended July 31,				
	2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	\$ 16.35	\$ 14.53	\$ 15.00	\$ 14.07	\$ 14.23
Net investment income ¹	0.86	0.82	0.91	0.98	0.96
Net realized and unrealized gain (loss)	(2.01)	1.89	(0.48)	0.94	(0.27)
Distributions to VRDP shareholders from net realized gain	(0.00) ²				
Dividends and distributions to AMPS shareholders from:					
Net investment income			(0.04)	(0.04)	(0.15)
Net realized gain				(0.01)	(0.01)
Net increase (decrease) from investment operations	(1.15)	2.71	0.39	1.87	0.53
Dividends to Common Shareholders from: ³					
Net investment income	(0.88)	(0.89)	(0.86)	(0.84)	(0.67)
Net realized gain	(0.03)			(0.10)	(0.02)
Total dividends and distributions to Common Shareholders	(0.91)	(0.89)	(0.86)	(0.94)	(0.69)
Net asset value, end of year	\$ 14.29	\$ 16.35	\$ 14.53	\$ 15.00	\$ 14.07
Market price, end of year	\$ 13.27	\$ 16.31	\$ 13.16	\$ 14.92	\$ 12.82
Total Investment Return Applicable to Common Shareholders⁴					
Based on net asset value	(7.41)%	19.32%	3.10%	13.90%	4.94%
Based on market price	(13.81)%	31.42%	(6.12)%	24.34%	6.22%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.54%	1.71% ⁵	1.13% ⁵	1.06% ⁵	1.22% ⁵
Total expenses after fees waived	1.53%	1.70% ⁵	1.12% ⁵	1.05% ⁵	1.21% ⁵
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs ⁶	1.29% ⁷	1.38% ^{5,7}	1.08% ⁵	1.02% ⁵	1.11% ⁵
Net investment income	5.34%	5.31% ⁵	6.32% ⁵	6.64% ⁵	7.10% ⁵
Dividends to AMPS shareholders			0.31%	0.29%	1.12%
Net investment income to Common Shareholders	5.34%	5.31%	6.01%	6.35%	5.98%
Supplemental Data					
Net assets applicable to Common Shareholders, end of year (000)	\$ 127,082	\$ 144,942	\$ 128,481	\$ 132,281	\$ 123,806
AMPS outstanding at \$25,000 liquidation preference, end of year (000)				\$ 64,475	\$ 64,475
VRDP Shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 64,400	\$ 64,400	\$ 64,400		
Portfolio turnover	11%	21%	12%	12%	8%

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Asset coverage per AMPS at \$25,000 liquidation preference, end of year				\$ 76,294	\$ 73,008
Asset coverage per VRDP Shares at \$100,000 liquidation value, end of year	\$ 297,332	\$ 325,065	\$ 299,505		

¹ Based on average Common Shares outstanding.

² Amount is greater than \$(0.005) per share.

³ Dividends and distributions are determined in accordance with federal income tax regulations.

⁴ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and assume the reinvestment of dividends and distributions.

⁵ Do not reflect the effect of dividends to AMPS shareholders.

⁶ Interest expense, fees and amortization of offering costs relate to TOBs and/or VRDP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.

⁷ For the years ended July 31, 2013 and July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.93% and 0.99%.

See Notes to Financial Statements.

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Table of Contents**Financial Highlights****BlackRock MuniYield Pennsylvania Quality Fund (MPA)**

	Year Ended July 31,				
	2013	2012	2011	2010	2009
Per Share Operating Performance					
Net asset value, beginning of year	\$ 16.57	\$ 14.97	\$ 15.38	\$ 14.28	\$ 14.30
Net investment income ¹	0.90	0.85	0.92	0.92	0.93
Net realized and unrealized gain (loss)	(1.99)	1.66	(0.38)	1.02	(0.15)
Dividends to AMPS shareholders from net investment income			(0.03)	(0.03)	(0.14)
Net increase (decrease) from investment operations	(1.09)	2.51	0.51	1.91	0.64
Dividends to Common Shareholders from net investment income ²	(0.89)	(0.91)	(0.92)	(0.81)	(0.66)
Net asset value, end of year	\$ 14.59	\$ 16.57	\$ 14.97	\$ 15.38	\$ 14.28
Market price, end of year	\$ 13.07	\$ 15.98	\$ 13.94	\$ 15.26	\$ 12.87
Total Investment Return Applicable to Common Shareholders³					
Based on net asset value	(6.78)%	17.34%	3.84%	14.18%	5.88%
Based on market price	(13.42)%	21.53%	(2.55)%	25.70%	9.78%
Ratios to Average Net Assets Applicable to Common Shareholders					
Total expenses	1.53%	1.65%	1.37% ⁴	1.15% ⁴	1.27% ⁴
Total expenses after fees waived	1.53%	1.65%	1.36% ⁴	1.15% ⁴	1.25% ⁴
Total expenses after fees waived and excluding interest expense, fees and amortization of offering costs ⁵	0.94%	1.28% ⁶	1.14% ⁴	1.00% ⁴	1.06% ⁴
Net investment income	5.46%	5.38%	6.24% ⁴	6.17% ⁴	6.82% ⁴
Dividends to AMPS shareholders			0.18%	0.22%	1.00%
Net investment income to Common Shareholders	5.46%	5.38%	6.06%	5.95%	5.82%
Supplemental Data					
Net assets applicable to Common Shareholders,					
end of year (000)	\$ 167,857	\$ 190,562	\$ 171,938	\$ 176,530	\$ 163,918
AMPS outstanding at \$25,000 liquidation preference, end of year (000)				\$ 66,350	\$ 66,350
VRDP Shares outstanding at \$100,000 liquidation value, end of year (000)	\$ 66,300	\$ 66,300	\$ 66,300		
Portfolio turnover	8%	23%	11%	6%	18%
Asset coverage per AMPS at \$25,000 liquidation preference, end of year				\$ 91,517	\$ 86,765
Asset coverage per VRDP Shares at \$100,000 liquidation value, end of year	\$ 353,178	\$ 387,425	\$ 359,333		

- ¹ Based on average Common Shares outstanding.
- ² Dividends are determined in accordance with federal income tax regulations.
- ³ Total investment returns based on market price, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Where applicable, total investment returns exclude the effects of any sales charges and assume the reinvestment of dividends and distributions.
- ⁴ Do not reflect the effect of dividends to AMPS Shareholders.
- ⁵ Interest expense, fees and amortization of offering costs relate to TOBs and/or VRDP Shares. See Note 3 and Note 9 of the Notes to Financial Statements for details of municipal bonds transferred to TOBs and VRDP Shares, respectively.
- ⁶ For the year ended July 31, 2012, the total expense ratio after fees waived and excluding interest expense, fees, amortization of offering costs, liquidity and remarketing fees was 0.99%.

See Notes to Financial Statements.

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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 New Jersey Quality Fund, Inc. (MJI) and BlackRock MuniYield Pennsylvania Quality Fund (MPA) (collectively, the Funds or individually a Fund), are registered under the Investment Company Act of 1940, as non-diversified, closed-end management investment companies. MUC, MUJ, MIY and MJI are organized as Maryland corporations. MFT and MPA are organized as a Massachusetts business trusts. The Boards of Directors and the Boards of Trustees of the Funds are collectively referred to throughout this report as the Board of Directors or the Board , and the directors/trustees thereof are collectively referred to throughout this report as Directors. The Funds determine, and make available for publication the NAVs of their Common Shares on a daily basis.

2. Significant Accounting Policies:

The Funds financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP), which may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Funds:

Valuation: US GAAP defines fair value as the price the Funds would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Fund s determine the fair values of their financial instruments at market value using independent dealers or pricing services under policies approved by the Board. The BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee) is the committee formed by management to develop global pricing policies and procedures and to provide oversight of the pricing function for the Funds for all financial instruments.

Municipal investments (including commitments to purchase such investments on a when-issued basis) are valued on the basis of prices provided by dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrixes, market transactions in comparable investments and information with respect to various relationships between investments. Financial futures contracts traded on exchanges are valued at their last sale price. Investments in open-end registered investment companies are valued at NAV each business day.

In the event that application of these methods of valuation results in a price for an investment that is deemed not to be representative of the market value of such investment, or if a price is not available, the investment will be valued by the Global Valuation Committee, or its delegate, in accordance with a policy approved by the Board as reflecting fair value (Fair Value Assets). When determining the price for Fair Value Assets, the Global Valuation Committee, or its delegate, seeks to determine the price that each Fund might reasonably expect to receive from the current sale of that asset in an arm s-length transaction. Fair value determinations shall be based upon all available factors that the Global Valuation Committee, or its delegate deem relevant consistent with the principals of fair value measurement which include the market approach, income approach and/or in the case of recent investments, the cost approach, as appropriate. The market approach generally consists of using comparable market transactions. The income approach generally is used to discount future cash flows to present value and is adjusted for liquidity as appropriate. These factors include but are not limited to: (i) attributes specific to the investment or asset; (ii) the principal market for the investment or asset; (iii) the customary participants in the principal market for the investment or asset; (iv) data assumptions by market participants for the investment or asset, if reasonably available; (v) quoted prices for similar investments or assets in active markets; and (vi) other factors, such as future cash flows, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, recovery rates, liquidation amounts and/or default rates. Due to the inherent uncertainty of valuations of such investments, the fair values may differ from the values that would have been used had an active market existed. The Global Valuation Committee, or its delegate, employs various methods for calibrating valuation approaches for investments where an active market does not exist, including regular due diligence of the Fund s pricing vendors, a regular review of key inputs and assumptions, transactional back-testing or disposition analysis to compare unrealized gains and losses to realized gains and losses, reviews of missing or stale prices and large movements in market values and reviews of any market related activity. The pricing of all Fair Value Assets is subsequently reported to the Board or a committee thereof on a quarterly basis.

Segregation and Collateralization: In cases in which the 1940 Act and the interpretive positions of the Securities and Exchange Commission (SEC) require that each Fund either deliver collateral or segregate assets in connection with certain investments (e.g., TOBs and financial futures contracts), the Funds will, consistent with SEC rules and/or certain interpretive letters issued by the SEC, segregate collateral or designate on their books and records cash or liquid securities having a market value at least equal to the amount that would otherwise be required to be

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physically segregated. Furthermore, based on requirements and agreements with certain exchanges and third party broker-dealers, a fund engaging in such transactions may have requirements to deliver/deposit securities to/with an exchange or broker-dealer as collateral for certain investments.

Investment Transactions and Investment Income: For financial reporting purposes, investment transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on investment transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis.

Dividends and Distributions: Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates. The character and timing of dividends and

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distributions are determined in accordance with federal income tax regulations, which may differ from US GAAP. Dividends and distributions to Preferred Shareholders are accrued and determined as described in Note 9.

Income Taxes: It is each Fund's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies and to distribute substantially all of their taxable income to their shareholders. Therefore, no federal income tax provision is required.

Each Fund files US federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Funds' US federal tax returns remains open for each of the four years ended July 31, 2013. The statutes of limitations on each Fund's state and local tax returns may remain open for an additional year depending upon the jurisdiction. Management does not believe there are any uncertain tax positions that require recognition of a tax liability.

Deferred Compensation Plan: Under the Deferred Compensation Plan (the "Plan") approved by each Fund's Board, the independent Directors ("Independent Directors") may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Directors. This has the same economic effect for the Independent Directors as if the Independent Directors had invested the deferred amounts directly in certain other BlackRock Closed-End Funds.

The Plan is not funded and obligations thereunder represent general unsecured claims against the general assets of each Fund. Deferred compensation liabilities are included in officer's and directors' fees payable in the Statements of Assets and Liabilities and will remain as a liability of the Fund(s) until such amounts are distributed in accordance with the Plan.

Recent Accounting Standards: In December 2011, the Financial Accounting Standards Board (the "FASB") issued guidance that will expand current disclosure requirements on the offsetting of certain assets and liabilities. The new disclosures will be required for investments and derivative financial instruments subject to master netting or similar agreements, which are eligible for offset in the Statements of Assets and Liabilities and will require an entity to disclose both gross and net information about such investments and transactions in the financial statements. In January 2013, the FASB issued guidance that clarifies which investments and transactions are subject to the offsetting disclosure requirements. The scope of the disclosure requirements for offsetting will be limited to derivative instruments, repurchase agreements and reverse repurchase agreements, and securities borrowing and securities lending transactions. The guidance is effective for financial statements with fiscal years beginning on or after January 1, 2013, and interim periods within those fiscal years. Management is evaluating the impact, if any, of this guidance on the Funds' financial statement disclosures.

Other: Expenses directly related to a Fund are charged to that Fund. Other operating expenses shared by several funds are pro-rated among those funds on the basis of relative net assets or other appropriate methods. Expenses directly related to the Funds and other shared expenses pro-rated to the Funds are allocated daily based on its relative net assets or other appropriate methods.

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

3. Securities and Other Investments

Zero-Coupon Bonds: The Funds may invest in zero-coupon bonds, which are normally issued at a significant discount from face value and do not provide for periodic interest payments. Zero-coupon bonds may experience greater volatility in market value than similar maturity debt obligations which provide for regular interest payments.

Forward Commitments and When-Issued Delayed Delivery Securities: The Funds may purchase securities on a when-issued basis and may purchase or sell securities on a forward commitment basis. Settlement of such transactions normally occurs within a month or more after the purchase or sale commitment is made. The Funds may purchase securities under such conditions with the intention of actually acquiring them, but may enter into a separate agreement to sell the securities before the settlement date. Since the value of securities purchased may fluctuate prior to settlement, the Funds may be required to pay more at settlement than the security is worth. In addition, the Funds are not entitled to any of the interest earned prior to settlement. When purchasing a security on a delayed delivery basis, the Funds assume the rights and risks of ownership of the security, including the risk of price and yield fluctuations. In the event of default by the counterparty, the Funds' maximum

amount of loss is the unrealized appreciation of unsettled when-issued transactions, which is shown in the Schedules of Investments.

Municipal Bonds Transferred to TOBs: The Funds leverage their assets through the use of TOBs. A TOB is a special purpose entity established by a third party sponsor, into which a fund, or an agent on behalf of a fund, transfers municipal bonds into a trust (TOB Trust). Other funds managed by the investment advisor may also contribute municipal bonds to a TOB into which a Fund has contributed bonds. A TOB typically issues two classes of beneficial interests: short-term floating rate certificates (TOB Trust Certificates), which are sold to third party investors, and residual certificates (TOB Residuals), which are generally issued to the participating funds that contributed the municipal bonds to the TOB Trust. If multiple funds participate in the same TOB, the rights and obligations under the TOB Residual will be shared among the funds ratably in proportion to their participation.

The TOB Residuals held by a Fund include the right of a Fund (1) to cause the holders of a proportional share of the TOB Trust Certificates to tender their certificates at par plus accrued interest upon the occurrence of certain mandatory tender events defined in the TOB agreements, and (2) to transfer, subject to a specified number of days prior notice, a corresponding share of the municipal bonds from the TOB to a Fund. The TOB may also be collapsed without the consent of a Fund, as the TOB

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Residual holder, upon the occurrence of certain termination events as defined in the TOB agreements. Such termination events may include the bankruptcy or default of the municipal bond, a substantial downgrade in credit quality of the municipal bond, the inability of the TOB to obtain renewal of the liquidity support agreement, a substantial decline in market value of the municipal bond and a judgment or ruling that interest on the municipal bond is subject to federal income taxation. Upon the occurrence of a termination event, the TOB would generally be liquidated in full with the proceeds typically applied first to any accrued fees owed to the trustee, remarketing agent and liquidity provider, and then to the holders of the TOB Trust Certificates up to par plus accrued interest owed on the TOB Trust Certificates, with the balance paid out to the TOB Residual holder. During the year ended July 31, 2013, no TOBs in which the Funds participated were terminated without the consent of the Funds.

The cash received by the TOB from the sale of the TOB Trust Certificates, less transaction expenses, is paid to a Fund. The Fund typically invests the cash received in additional municipal bonds. Each Fund's transfer of the municipal bonds to a TOB Trust is accounted for as a secured borrowing; therefore, the municipal bonds deposited into a TOB are presented in the Funds' Schedules of Investments and the TOB Trust Certificates are shown in other liabilities in the Statements of Assets and Liabilities. The carrying amount of the Fund's payable to the holder of the TOB Trust Certificates, as reported in Statements of Assets and Liabilities as TOB Trust Certificates, approximates its fair value.

The Funds may invest in TOBs on either a non-recourse or recourse basis. TOB Trusts are typically supported by a liquidity facility provided by a bank or other financial institution (the Liquidity Provider) that allows the holders of the TOB Trust Certificates to tender their certificates in exchange for payment from the Liquidity Provider of par plus accrued interest on any business day prior to the occurrence of the termination events described above. When a Fund invests in TOBs on a non-recourse basis, and the Liquidity Provider is required to make a payment under the liquidity facility due to a termination event, the Liquidity Provider will typically liquidate all or a portion of the municipal securities held in the TOB Trust and then fund, on a net basis, the balance, if any, of the amount owed under the liquidity facility over the liquidation proceeds (the Liquidation Shortfall). If a Fund invests in a TOB on a recourse basis, the Fund will typically enter into a reimbursement agreement with the Liquidity Provider where the Fund is required to repay the Liquidity Provider the amount of any Liquidation Shortfall. As a result, a Fund investing in recourse TOB will bear the risk of loss with respect to any Liquidation Shortfall. If multiple funds participate in any such TOB, these losses will be shared ratably in proportion to their participation. The recourse TOB Trusts, if any, are identified in the Schedules of Investments.

Interest income, including amortization and accretion of premiums and discounts, from the underlying municipal bonds is recorded by the Funds on an accrual basis. Interest expense incurred on the secured borrowing and other expenses related to remarketing, administration and trustee services to a TOB are shown as interest expense fees and amortization of offering costs in the Statements of Operations. The TOB Trust Certificates have interest rates that generally reset weekly and their holders have the option to tender such certificates to the TOB for redemption at par at each reset date. At July 31, 2013, the aggregate value of the underlying municipal bonds transferred to TOBs, the related liability for TOB Trust Certificates and the range of interest rates on the liability for TOB Trust Certificates were as follows:

	Underlying Municipal Bonds Transferred to TOBs	Liability for TOB Trust Certificates	Range of Interest Rates
MUC	\$ 345,171,585	\$ 172,315,932	0.06% - 0.14%
MUJ	\$ 67,505,340	\$ 38,231,115	0.06% - 0.31%
MFT	\$ 51,101,606	\$ 28,191,767	0.06% - 0.36%
MIY	\$ 62,498,453	\$ 34,875,787	0.01% - 0.19%
MJI	\$ 35,680,109	\$ 20,544,993	0.06% - 0.31%
MPA	\$ 94,999,500	\$ 53,009,902	0.06% - 0.18%

For the year ended July 31, 2013, the Funds' average TOB Trust Certificates outstanding and the daily weighted average interest rate, including fees, were as follows:

	Average TOB Trust Certificates Outstanding	Daily Weighted Average Interest Rate
MUC	\$ 192,763,005	0.66%
MUJ	\$ 33,443,238	0.70%
MFT	\$ 34,713,303	0.75%
MIY	\$ 30,310,780	0.65%
MJI	\$ 16,547,305	0.72%
MPA	\$ 53,359,217	0.70%

Should short-term interest rates rise, the Funds' investments in TOBs may adversely affect the Funds' net investment income and dividends to Common Shareholders. Also, fluctuations in the market value of municipal bonds deposited into the TOB Trust may adversely affect the Funds' NAVs per share.

4. Derivative Financial Instruments:

The Funds engage in various portfolio investment strategies using derivative contracts both to increase the returns of the Funds and/or to economically hedge their exposure to certain risks such as interest rate risk. These contracts may be transacted on an exchange or OTC.

Financial Futures Contracts: The Funds purchase and/or sell financial futures contracts and options on financial futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk). Financial futures contracts are agreements between the Funds and a counterparty to buy or sell a specific quantity of an underlying instrument at a specified price and at a specified date. Depending on the terms of the particular contract, financial futures contracts are settled either through physical delivery of the underlying instrument on the settlement date or by payment of a cash settlement amount on the settlement date. Upon entering into a financial futures contract, the Funds are required to deposit initial margin with the broker in the form of cash or securities in an amount that varies depending on a contract's size and risk profile. The initial margin deposit must then be maintained at an established level over the life of the contract. Securities deposited as initial margin are designated on the Schedules of Investments and cash deposited is recorded on the Statements of Assets and Liabilities as cash pledged for financial futures contracts. Pursuant to the contract, the Funds agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments

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Notes to Financial Statements (continued)

are known as variation margin and are recorded by the Funds as unrealized appreciation or depreciation. When the contract is closed, the Funds record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The use of financial futures contracts involves the risk of an imperfect correlation in the movements in the price of financial futures contracts, interest rates and the underlying assets.

The following is a summary of the Funds' derivative financial instruments categorized by risk exposure:

The Effect of Derivative Financial Instruments in the Statements of Operations
Year Ended July 31, 2013

	Net Realized Gain From				
	MUC	MUJ	MFT	MIY	MJI
Interest rate contracts:					
Financial futures contracts	\$ 1,070,036	\$ 516,911	\$ 465,199	\$ 161,139	\$ 220,307

For the year ended July 31, 2013, the average quarterly balances of outstanding derivative financial instruments were as follows:

	MUC	MUJ	MFT	MIY	MJI
	Financial futures contracts:				
Average number of contracts sold	150	43	32	23	18
Average notional value of contracts sold	\$ 19,900,000	\$ 5,667,773			