

BLACKROCK CORE BOND TRUST
Form N-CSR
November 03, 2015

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 811-10543

Name of Fund: BlackRock Core Bond Trust (BHK)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: John M. Perlowski, Chief Executive Officer, BlackRock Core Bond Trust,
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Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 08/31/2015

Date of reporting period: 08/31/2015

Item 1 Report to Stockholders

ANNUAL REPORT

BlackRock Core Bond Trust (BHK)

BlackRock Corporate High Yield Fund, Inc. (HYT)

BlackRock Income Trust, Inc. (BKT)

Not FDIC Insured May Lose Value No Bank Guarantee

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The Markets in Review

Dear Shareholder,

Diverging monetary policies and shifting economic outlooks between regions were the broader themes underlying market conditions during the 12-month period ended August 31, 2015. The period began with investors caught between the forces of low interest rates and an improving U.S. economy, high asset valuations, oil price instability and lingering geopolitical risks in Ukraine and the Middle East. U.S. growth picked up considerably in the fourth quarter of 2014, while the broader global economy showed signs of slowing. Investors favored the stability of U.S. assets despite expectations that the Federal Reserve (Fed) would eventually be inclined to raise short-term interest rates. International markets continued to struggle even as the European Central Bank and the Bank of Japan eased monetary policy. Oil prices plummeted in late 2014 due to a global supply-and-demand imbalance, sparking a sell-off in energy-related assets and emerging markets. Investors piled into U.S. Treasury bonds as their persistently low yields had become attractive as compared to the even lower yields on international sovereign debt.

Equity markets reversed in early 2015, with international markets outperforming the United States as global risks abated. Investors had held high expectations for the U.S. economy, but a harsh winter and west coast port strike brought disappointing first-quarter data and high valuations took their toll on U.S. stocks, while bond yields fell to extreme lows. (Bond prices rise as yields fall.) In contrast, economic reports in Europe and Asia easily beat investors' very low expectations, and accommodative policies from central banks in those regions helped international equities rebound. Oil prices stabilized, providing some relief for emerging market stocks, although a stronger U.S. dollar continued to be a headwind for the asset class.

U.S. economic data regained momentum in the second quarter, helping U.S. stocks resume an upward path; however, the improving data underscored the likelihood that the Fed would raise short-term rates before the end of 2015 and bond yields moved swiftly higher. The month of June brought a sharp, but temporary, sell-off across most asset classes as Greece's long-brewing debt troubles came to an impasse. Although these concerns abated in the later part of July when the Greek parliament passed a series of austerity and reform measures, the calm was short-lived. Chinese equity prices plunged and experienced extreme volatility despite policymakers' attempts to stabilize the market. Financial markets broadly were highly volatile during the month of August as evidence of a further deceleration in China's economy stoked worries about global growth. Equity and high yield assets declined, with emerging markets especially hard hit given falling commodity prices and lower growth estimates for many of those economies. High quality fixed income assets such as U.S. Treasury and municipal bonds benefited from investors seeking shelter from global volatility.

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

Sincerely,

Rob Kapito

President, BlackRock Advisors, LLC

Rob Kapito

President, BlackRock Advisors, LLC

Total Returns as of August 31, 2015

6-month

(5.32)%

12-month

0.48%

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| | | |
|--|---------|---------|
| U.S. large cap equities (S&P 500® Index) | | |
| U.S. small cap equities (Russell 2000® Index) | (5.36) | 0.03 |
| International equities (MSCI Europe, Australasia, Far East Index) | (6.30) | (7.47) |
| Emerging market equities (MSCI Emerging Markets Index) | (15.97) | (22.95) |
| 3-month Treasury bills (BofA Merrill Lynch 3-Month U.S. Treasury Bill Index) | 0.02 | 0.03 |
| U.S. Treasury securities (BofA Merrill Lynch 10-Year U.S. Treasury Index) | (0.86) | 3.24 |
| U.S. investment-grade bonds (Barclays U.S. Aggregate Bond Index) | (0.68) | 1.56 |
| Tax-exempt municipal bonds (S&P Municipal Bond Index) | 0.21 | 2.38 |
| U.S. high yield bonds (Barclays U.S. Corporate High Yield 2% Issuer Capped Index) | (2.85) | (2.93) |

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

THIS PAGE NOT PART OF YOUR FUND REPORT

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Trust Summary as of August 31, 2015

BlackRock Core Bond Trust

Trust Overview

BlackRock Core Bond Trust's (BHK) (the Trust) investment objective is to provide current income and capital appreciation. The Trust seeks to achieve its investment objective by investing at least 75% of its assets in bonds that are investment grade quality at the time of investment. The Trust's investments will include a broad range of bonds, including corporate bonds, U.S. government and agency securities and mortgage-related securities. The Trust may invest directly in such securities or synthetically through the use of derivatives.

On June 6, 2014, the Boards of the Trust, BlackRock Income Opportunity Trust, Inc. (BNA) and BlackRock Income Trust, Inc. (BKT) approved the reorganizations of BKT and BNA into the Trust, with the Trust continuing as the surviving fund after the reorganizations. At a special meeting of shareholders on September 30, 2014, the shareholders of the Trust and BNA approved the reorganization of BNA into the Trust, which was completed on November 10, 2014. The reorganization of BKT into the Trust was not approved by BKT shareholders.

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

Trust Information

| | |
|--|-------------------|
| Symbol on New York Stock Exchange (NYSE) | BHK |
| Initial Offering Date | November 27, 2001 |
| Current Distribution Rate on Closing Market Price as of August 31, 2015 (\$12.63) ¹ | 7.17% |
| Current Monthly Distribution per Common Share ² | \$0.0755 |
| Current Annualized Distribution per Common Share ² | \$0.9060 |
| Economic Leverage as of August 31, 2015 ³ | 28% |

¹ Current distribution rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate may consist of income, net realized gains and/or a tax return of capital. Past performance does not guarantee future results.

² The monthly distribution per Common Share, declared on October 1, 2015, was decreased to \$0.0710 per share. The current distribution rate on closing market price, current monthly distribution per Common Share, and current annualized distribution per Common Share do not reflect the new distribution rate. The new distribution rate is not constant and is subject to change in the future.

³ Represents reverse repurchase agreements outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 10.

Performance and Portfolio Management Commentary

Returns for the 12 months ended August 31, 2015 were as follows:

| | Returns Based On | |
|--|------------------|------------------|
| | Market Price | NAV ³ |
| BHK ¹ | 0.35% | 1.62% |
| Lipper Corporate BBB-Rated Debt Funds (Leveraged) ² | (2.76)% | (1.31)% |

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

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² Average return.

³ The Trust'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 the Trust's absolute performance based on NAV:

What factors influenced performance?

The main contributor to the Trust's absolute performance was its overweight positions in asset-backed securities (ABS), commercial mortgage-backed securities (CMBS), and other structured products. Other contributors included long U.S. dollar exposure and positions in agency mortgage-backed securities (MBS).

The main detractor from performance was the Trust's positioning with respect to duration (interest rate sensitivity) and the yield curve. The Trust's exposure to emerging market debt also detracted from performance.

Describe recent portfolio activity.

During the 12-month period, the Trust reduced allocations in investment grade and high yield corporate credit, while increasing allocations in ABS, CMBS and other structured products. The Trust favored collateralized loan obligations within its ABS exposure. The Trust slightly increased its allocation to government securities, while remaining underweight in emerging market debt and credit securities.

Describe portfolio positioning at period end.

At period end, the Trust maintained diversified exposure to non-government spread sectors including investment grade credit, high yield credit, CMBS, ABS and non-agency residential MBS. The Trust also held exposure to government-related sectors including U.S. Treasury securities, agency debt and agency MBS. The Trust ended the period with a long duration profile.

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

Market Price and Net Asset Value Per Share Summary

| | 8/31/15 | 8/31/14 | Change | High | Low |
|-----------------|----------|----------|---------|----------|----------|
| Market Price | \$ 12.63 | \$ 13.64 | (7.40)% | \$ 14.03 | \$ 12.52 |
| Net Asset Value | \$ 14.29 | \$ 15.24 | (6.23)% | \$ 15.39 | \$ 14.19 |

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

Overview of the Trust's Total Investments

| Portfolio Composition | 8/31/15 | 8/31/14 ¹ |
|---|---------|----------------------|
| Corporate Bonds | 49% | 55% |
| Non-Agency Mortgage-Backed Securities | 12 | 10 |
| Asset-Backed Securities | 11 | 5 |
| Preferred Securities | 10 | 8 |
| U.S. Government Sponsored Agency Securities | 8 | 9 |
| U.S. Treasury Obligations | 6 | 10 |
| Municipal Bonds | 2 | 2 |
| Foreign Agency Obligations | 2 | 1 |
| Short-Term Securities | 1 | ² |
| Options Written | (1) | |
| Other ³ | | |

¹ Information has been revised to conform to current year presentation.

² Includes a less than 1% holding in Short-Term Securities.

³ Includes a less than 1% holding in each of the following investment types: Common Stocks and Options Purchased.

| Credit Quality Allocation ^{4,5} | 8/31/15 | 8/31/14 |
|--|---------|---------|
| AAA/Aaa ⁶ | 18% | 24% |
| AA/Aa | 7 | 7 |
| A | 18 | 18 |
| BBB/Baa | 33 | 28 |
| BB/Ba | 13 | 13 |
| B | 7 | 7 |
| CCC/Caa | 1 | 1 |
| N/R | 3 | 2 |

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- ⁴ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either Standard & Poor's (S&P) or Moody's Investors Service (Moody's) if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.
- ⁵ Excludes Short-Term Securities, Options Purchased and Options Written.

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- ⁶ The investment advisor evaluates the credit quality of not-rated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment advisor has deemed U.S. Government Sponsored Agency Securities and U.S. Treasury Obligations as AAA/Aaa.

ANNUAL REPORT

AUGUST 31, 2015

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Trust Summary as of August 31, 2015

BlackRock Corporate High Yield Fund, Inc.

Trust Overview

BlackRock Corporate High Yield Fund, Inc.'s (HYT) (the Trust) primary investment objective is to provide shareholders with current income. The Trust's secondary investment objective is to provide shareholders with capital appreciation. The Trust seeks to achieve its objectives by investing primarily in a diversified portfolio of fixed income securities which are rated below investment grade or, if unrated, are considered by the Investment Advisor to be of comparable quality. The Trust may invest directly in fixed income securities or synthetically through the use of derivatives.

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

Trust Information

| | |
|---|--------------|
| Symbol on NYSE | HYT |
| Initial Offering Date | May 30, 2003 |
| Current Distribution Rate on Closing Market Price as of August 31, 2015 (\$9.97) ¹ | 8.43% |
| Current Monthly Distribution per Common Share ² | \$0.0700 |
| Current Annualized Distribution per Common Share ² | \$0.8400 |
| Economic Leverage as of August 31, 2015 ³ | 29% |

¹ Current distribution rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate may consist of income, net realized gains and/or a tax return of capital. Past performance does not guarantee future results.

² The distribution rate is not constant and is subject to change.

³ Represents bank borrowings as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see The Benefits and Risks of Leveraging on page 10.

Performance and Portfolio Management Commentary

Returns for the 12 months ended August 31, 2015 were as follows:

| | Returns Based On | |
|--|------------------|----------------------|
| | Market Price | NAV ³ |
| HYT ¹ | (9.96)% | (2.40)% ⁴ |
| Lipper High Yield Funds (Leveraged) ² | (12.17)% | (5.11)% |

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

² Average return.

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- ³ The Trust's discount to NAV, which widened during the period, accounts for the difference between performance based on price and performance based on NAV.
- ⁴ For financial reporting purposes, the market value of certain total return swaps were adjusted as of report date. Accordingly, the net asset value (NAV) per share and total return performance based on net asset value presented herein are different than the information previously published on August 31, 2015. The following discussion relates to the Trust's absolute performance based on NAV:

What factors influenced performance?

The high yield market traded lower for the 12-month period, largely a function of weak performance across energy and commodity-linked issues as the supply/demand environment remained challenging. An increase in global macro risks and volatility put additional pressure on the market.

The Trust's exposure to the energy sector was the leading detractor as the price of oil finished the period significantly lower, from about \$100 a barrel at the beginning of the period to below \$50 a barrel at the end of the period. This led to declines in energy-related high-yield issues. Holdings within metals & mining also detracted as those commodities came under pressure in the face of slower growth prospects. The Trust's use of leverage acted to magnify losses in both sectors. Positioning in the transportation services and gaming sectors was an additional detractor from results. Finally, exposure to the equity of high yield companies detracted from returns as well.

The Trust's selection in the health care and building materials sectors added to returns. Further, the Trust's allocation to floating-rate high yield loans contributed positively to performance, as that segment rose modestly.

A derivative strategy commonly used by the Trust is to assume short positions in equity futures in order to reduce overall risk in the portfolio and manage the volatility of its equity holdings. On balance, those positions detracted given the marginally positive performance of the overall equity market during the period. Indexed exposure to high yield credit default swaps also detracted from results.

Describe recent portfolio activity.

The Trust's positioning grew increasingly cautious over the period as sector-specific commodity risks remained elevated and investor uncertainty mounted due to uncertainties around Greece, China's equity markets, the renminbi devaluation, U.S. Federal Reserve policy, and global growth. The Trust increased its exposure to equity derivatives during the period, resulting in a net short position in equities by period end. In addition, the Trust increased its holdings in more liquid high yield positions, such as its allocation to high yield index ETFs. Finally, the Trust selectively added to names in the health care and pharmaceuticals sectors during the period, while reducing exposure to gaming.

Describe portfolio positioning at period end.

At period end, the Trust held the majority of its total portfolio in corporate bonds, with the next significant allocation in floating rate loan interests (bank loans). The Trust also held a modest percentage in common stocks, which was viewed as presenting a better risk/reward profile than CCC-rated bonds, and was hedged with equity futures. Across the rating spectrum, the Trust's highest concentration was to B-rated securities, where the investment advisor sees more value overall. The Trust also invested in catalyst driven CCC and high quality BB rated issues. The Trust was broadly diversified with holdings in more than 450 companies, while the top 25 highest conviction holdings represented about one-third of the overall portfolio. The largest individual positions included HD Supply, Inc. (building materials), Valeant Pharmaceuticals International, Inc., and First Data Corp. (technology).

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

Market Price and Net Asset Value Per Share Summary

| | 8/31/15 | 8/31/14 | Change | High | Low |
|-----------------|----------|----------|----------|----------|----------|
| Market Price | \$ 9.97 | \$ 12.07 | (17.40)% | \$ 12.10 | \$ 9.16 |
| Net Asset Value | \$ 12.06 | \$ 13.47 | (10.47)% | \$ 13.47 | \$ 11.55 |

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

Overview of the Trust's Total Investments

| Portfolio Composition | 8/31/15 | 8/31/14 ¹ |
|------------------------------|---------|----------------------|
| Corporate Bonds | 79% | 75% |
| Floating Rate Loan Interests | 9 | 12 |
| Preferred Securities | 5 | 3 |
| Common Stocks | 5 | 9 |
| Asset-Backed Securities | 2 | 1 |
| Other | 2 | 3 |

¹ Information has been revised to conform to current year presentation.

² Includes a less than 1% holding in each of the following investment types: Non-Agency Mortgage-Backed Securities, Warrants, Other Interests and Options Purchased.

³ Includes a less than 1% holding in each of the following investment types: Non-Agency Mortgage-Backed Securities, Warrants, Other Interests, Short-Term Securities and Options Purchased.

Credit Quality Allocation^{4,5}

| | 8/31/15 | 8/31/14 ⁶ |
|---------|---------|----------------------|
| A | 1% | |
| BBB/Baa | 6 | 4% |
| BB/Ba | 37 | 33 |
| B | 40 | 38 |
| CCC/Caa | 8 | 13 |
| N/R | 8 | 12 |

⁴ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated

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investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

⁵ Excludes Options Purchased.

⁶ Representing less than 0.5% of the Trust's total investments.

ANNUAL REPORT

AUGUST 31, 2015

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Trust Summary as of August 31, 2015

BlackRock Income Trust, Inc.

Trust Overview

BlackRock Income Trust, Inc. (BKT) (the Trust) investment objective is to manage a portfolio of high-quality securities to achieve both preservation of capital and high monthly income. The Trust seeks to achieve its investment objective by investing at least 65% of its assets in mortgage-backed securities. The Trust invests at least 80% of its assets in securities that are (i) issued or guaranteed by the U.S. government or one of its agencies or instrumentalities or (ii) rated at the time of investment either AAA by S&P or Aaa by Moody's. The Trust may invest directly in such securities or synthetically through the use of derivatives.

On June 6, 2014, the Boards of the Trust, BlackRock Income Opportunity Trust, Inc. (BNA) and BlackRock Core Bond Trust (BHK) approved the reorganizations of the Trust and BNA into BHK, with BHK continuing as the surviving fund after the reorganizations. At a special meeting of shareholders on September 30, 2014, the reorganization of the Trust into BHK was not approved by BKT shareholders.

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

Trust Information

| | |
|---|---------------|
| Symbol on NYSE | BKT |
| Initial Offering Date | July 22, 1988 |
| Current Distribution Rate on Closing Market Price as of August 31, 2015 (\$6.30) ¹ | 5.90% |
| Current Monthly Distribution per Common Share ² | \$0.0310 |
| Current Annualized Distribution per Common Share ² | \$0.3720 |
| Economic Leverage as of August 31, 2015 ³ | 28% |

¹ Current distribution rate on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. The current distribution rate may consist of income, net realized gains and/or a tax return of capital. Past performance does not guarantee future results.

² The distribution rate is not constant and is subject to change.

³ Represents reverse repurchase agreements outstanding as a percentage of total managed assets, which is the total assets of the Trust (including any assets attributable to borrowings) minus the sum of liabilities (other than borrowings representing financial leverage). For a discussion of leveraging techniques utilized by the Trust, please see the Benefits and Risks of Leveraging on page 10.

Performance and Portfolio Management Commentary

Returns for the 12 months ended August 31, 2015 were as follows:

| | Returns Based On | |
|---------------------------------------|------------------|------------------|
| | Market Price | NAV ³ |
| BKT ¹ | 4.35% | 3.56% |
| Lipper US Mortgage Funds ² | (0.12)% | 2.91% |

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

² Average return.

³ The Trust's discount to NAV, which narrowed during the period, accounts for the difference between performance based on price and performance based on NAV.

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

What factors influenced performance?

The largest contributor to performance was the Trust's exposure to agency collateralized mortgage obligations (CMOs) that offered attractive income and characteristics designed to protect against prepayments. In addition, the Trust's long-maturity CMO positions outperformed shorter maturities as yields declined on the long end of the curve.

The Trust's positioning with respect to duration (and corresponding interest rate sensitivity) detracted from performance, as an anticipated Federal Reserve rate increase in the second half of the period did not occur.

The Trust uses interest rate derivatives, including futures, options, swaps and swaptions, mainly for the purpose of managing duration, convexity (the rate at which duration changes in response to interest rate movements) and yield curve positioning. During the period, the Trust held short positions on U.S. Treasuries in order to manage the duration profile of the portfolio, with no significant impact on the performance of the Trust.

Describe recent portfolio activity.

During the 12-month period, the Trust marginally decreased overall exposure to agency mortgage-backed securities (MBS), with most of the reduction coming from the allocation to 30-year pass-throughs. The majority of the Trust's coupon positioning was in securities with coupons of 4.5% and higher, with CMOs held in lieu of securities with lower coupons. The Trust also reduced its exposure to non-agency residential MBS (RMBS) during the second half of the period.

Describe portfolio positioning at period end.

As of period end, the Trust continued to be overweight in agency CMOs and maintained exposure to 30-year MBS, with a focus on higher-coupon securities. The Trust was maintaining a reduced allocation to non-agency RMBS and commercial MBS. Overall duration was essentially neutral with respect to the benchmark.

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

Market Price and Net Asset Value Per Share Summary

| | 8/31/15 | 8/31/14 | Change | High | Low |
|-----------------|---------|---------|---------|---------|---------|
| Market Price | \$ 6.30 | \$ 6.42 | (1.87)% | \$ 6.52 | \$ 6.02 |
| Net Asset Value | \$ 7.08 | \$ 7.27 | (2.61)% | \$ 7.27 | \$ 7.06 |

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

Overview of the Trust's Total Investments

| Portfolio Composition | 8/31/15 | 8/31/14 ¹ |
|---|--------------|----------------------|
| U.S. Government Sponsored Agency Securities | 98% | 103% |
| U.S. Treasury Obligations | 2 | 1 |
| Non-Agency Mortgage-Backed Securities | 1 | 2 |
| Short-Term Securities | 4 | 1 |
| Asset-Backed Securities | ² | 1 |
| TBA Sale Commitments | (5) | (8) |
| Borrowed Bonds ² | | |

¹ Information has been revised to conform to current year presentation.

² Representing less than 0.5% of the Trust's total investments.

| Credit Quality Allocation ^{3,4} | 8/31/15 | 8/31/14 ¹ |
|--|---------|----------------------|
| AAA/Aaa ⁵ | 100% | 97% |
| AA | | 1 |
| NR | | 2 |

³ For financial reporting purposes, credit quality ratings shown above reflect the highest rating assigned by either S&P or Moody's if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

⁴ Excludes Money Market Funds.

⁵ The investment advisor evaluates the credit quality of not-rated investments based upon certain factors including, but not limited to, credit ratings for similar investments and financial analysis of sectors and individual investments. Using this approach, the investment advisor has deemed U.S. Government Sponsored Agency Securities and U.S. Treasury Obligations as AAA/Aaa.

The Benefits and Risks of Leveraging

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

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

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

However, in order to benefit shareholders, the return on assets purchased with leverage proceeds must exceed the ongoing costs associated with the leverage. If interest and other costs of leverage exceed a Trust's return on assets purchased with leverage proceeds, income to shareholders is lower than if the Trust had not used leverage. Furthermore, the value of a Trust's portfolio investments generally varies inversely with the direction of long-term interest rates, although other factors can influence the value of portfolio investments. In contrast, the value of a Trust's obligations under their respective leverage arrangement generally does not fluctuate in relation to interest rates. As a result, changes in interest rates can influence a Trust's NAVs positively or negatively. Changes in the future direction of interest rates are very difficult to predict accurately, and there is no assurance that a Trust's intended leveraging strategy will be successful.

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

Each Trust may utilize leverage through a credit facility or reverse repurchase agreements as described in the Notes to Financial Statements.

Under the Investment Company Act of 1940, as amended (the 1940 Act), the Trusts are permitted to issue debt up to 33 1/3% of their total managed assets. A Trust may voluntarily elect to limit its leverage to less than the maximum amount permitted under the 1940 Act. In addition, a Trust may also be subject to certain asset coverage, leverage or portfolio composition requirements imposed by its credit facility, which may be more stringent than those imposed by the 1940 Act.

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

Derivative Financial Instruments

The Trusts may invest in various derivative financial instruments. Derivative financial instruments are used to obtain exposure to a security, index and/or market without owning or taking physical custody of securities or to manage market, equity, credit, interest rate, foreign currency exchange rate, commodity and/or other risks. Derivative financial instruments may give rise to a form of economic leverage. Derivative financial

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instruments also involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the derivative financial instrument. The Trusts' ability to use a derivative financial instrument successfully depends on the investment advisor's ability to predict pertinent market movements accurately, which cannot be assured. The use of derivative financial instruments may result in losses greater than if they had not been used, may limit the amount of appreciation a Trust can realize on an investment and/or may result in lower distributions paid to shareholders. The Trusts' investments in these instruments are discussed in detail in the Notes to Financial Statements.

Schedule of Investments August 31, 2015

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

| | Par | (000) | Value |
|---|------------|--------------|--------------|
| Asset-Backed Securities | | | |
| Asset-Backed Securities 14.7% | | | |
| ALM VI Ltd., Series 2012-6A, Class B2R, 3.09%, 7/15/26 (a)(b) | USD | 1,000 | \$ 1,000,000 |
| AmeriCredit Automobile Receivables Trust, Series 2011-5, Class C, 3.44%, 10/08/17 | | 423 | 424,968 |
| AMMC CLO IX Ltd., Series 2011-9A, Class D, 4.79%, 1/15/22 (a)(b) | | 2,000 | 1,999,949 |
| Apidos CDO, Series 2012-9AR, Class DR, 4.19%, 7/15/23 (a)(b) | | 1,400 | 1,400,000 |
| Apidos CDO XI, Series 2012-11A, Class D, 4.54%, 1/17/23 (a)(b) | | 1,200 | 1,199,666 |
| Apidos CLO XIX, Series 2014-19A, Class D, 4.04%, 10/17/26 (a)(b) | | 1,000 | 975,800 |
| Ares CLO Ltd., Series 2014-32A, Class C, 4.47%, 11/15/25 (a)(b) | | 1,250 | 1,242,153 |
| Ares XXIII CLO Ltd., Series 2012-1AR (a)(b): | | | |
| Class CR, 3.49%, 4/19/23 | | 4,000 | 4,000,730 |
| Class DR, 4.44%, 4/19/23 | | 3,000 | 2,999,745 |
| Atrium CDO Corp., Series 9A, Class D, 3.79%, 2/28/24 (a)(b) | | 1,500 | 1,451,753 |
| Babson CLO Ltd. (a): | | | |
| Series 2012-1X, Class B, 2.67%, 4/15/22 | | 1,000 | 990,797 |
| Series 2014-3A, Class C1, 3.29%, 1/15/26 (b) | | 2,000 | 1,997,000 |
| Series 2014-3A, Class D1, 3.79%, 1/15/26 (b) | | 1,500 | 1,425,000 |
| Battalion CLO VII Ltd., Series 2014-7A, Class C, 4.19%, 10/17/26 (a)(b) | | 2,000 | 1,939,028 |
| Benefit Street Partners CLO III Ltd., Series 2013-III A, Class C, 3.54%, 1/20/26 (a)(b) | | 1,000 | 925,935 |
| Benefit Street Partners CLO V Ltd., Series 2014-VA, Class C, 3.39%, 10/20/26 (a)(b) | | 1,500 | 1,479,375 |
| Bowman Park CLO Ltd., Series 2014-1A, Class D2, 4.28%, 11/23/25 (a)(b) | | 3,000 | 2,992,765 |
| CarMax Auto Owner Trust, Series 2012-1: | | | |
| Class B, 1.76%, 8/15/17 | | 420 | 421,832 |
| Class C, 2.20%, 10/16/17 | | 250 | 251,591 |
| Class D, 3.09%, 8/15/18 | | 315 | 317,774 |
| CenterPoint Energy Transition Bond Co. LLC, Series 2012-1, Class A3, 3.03%, 10/15/25 | | 2,210 | 2,279,140 |
| CIFC Funding 2014-IV Ltd., Series 2014-4A, Class D, 3.69%, 10/17/26 (a)(b) | | 2,000 | 1,888,424 |
| CIFC Funding 2014-V Ltd., Series 2014-5A (a)(b): | | | |
| Class C, 3.64%, 1/17/27 | | 555 | 554,237 |
| Class D2, 4.79%, 1/17/27 | | 555 | 555,429 |
| CIFC Funding 2015-1 Ltd., Series 2015-1A, Class C, 3.27%, 1/22/27 (a)(b) | | 1,000 | 983,781 |
| CIFC Funding Ltd. (a)(b): | | | |
| Series 2012-1AR, Class B1R, 4.46%, 8/14/24 | | 1,500 | 1,499,906 |
| Series 2013-1A, Class B, 3.10%, 4/16/25 | | 1,000 | 984,877 |
| Countrywide Asset-Backed Certificates, Series 2006-13, Class 3AV2, 0.35%, 1/25/37 (a) | | 699 | 662,204 |
| DCP Rights LLC, Series 2014-1A, Class A, 5.46%, 10/25/44 (b) | | 3,995 | 4,020,517 |
| | Par | | |
| | | (000) | Value |
| Asset-Backed Securities | | | |
| Asset-Backed Securities (continued) | | | |
| Dryden 34 Senior Loan Fund, Series 2014-34A, Class C, 3.09%, 10/15/26 (a)(b) | USD | 2,000 | \$ 1,963,348 |
| Ford Credit Floorplan Master Owner Trust, Series 2012-2: | | | |
| Class B, 2.32%, 1/15/19 | | 490 | 496,706 |
| Class C, 2.86%, 1/15/19 | | 210 | 214,415 |
| Class D, 3.50%, 1/15/19 | | 400 | 409,281 |
| Galaxy CLO Ltd., Series 2014-18A, Class C1, 3.29%, 10/15/26 (a)(b) | | 775 | 758,708 |
| Galaxy XV CLO Ltd., Series 2013-15A, Class C, 2.89%, 4/15/25 (a)(b) | | 1,000 | 979,227 |
| GoldenTree Loan Opportunities IX Ltd., Series 2014-9A, Class D, 3.79%, 10/29/26 (a)(b) | | 1,000 | 959,983 |
| Highbridge Loan Management 4-2015 Ltd., Series 5A-2015, Class C1, 3.49%, 1/29/26 (a)(b) | | 4,000 | 3,933,000 |
| Limerock CLO III LLC, Series 2014-3A, Class C, 3.89%, 10/20/26 (a)(b) | | 4,500 | 4,365,620 |
| Madison Park Funding IX Ltd., Series 2012-9AR, Class DR, 4.17%, 8/15/22 (a)(b) | | 1,200 | 1,196,930 |
| Madison Park Funding XV Ltd., Series 2014-15A, Class B1, 3.55%, 1/27/26 (a)(b) | | 1,800 | 1,803,600 |
| Nelnet Student Loan Trust (a): | | | |
| Series 2006-1, Class A5, 0.44%, 8/23/27 | | 1,050 | 1,029,400 |
| Series 2008-3, Class A4, 1.98%, 11/25/24 | | 1,235 | 1,239,388 |
| Neuberger Berman CLO XVIII Ltd., Series 2014-18A, Class C, 4.03%, 11/14/25 (a)(b) | | 2,250 | 2,142,629 |

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| | | |
|---|-------|-----------|
| Oaktree EIF II Series A1 Ltd., Series 2015-B1A, Class C, 3.42%, 2/15/26 (a)(b) | 1,000 | 976,281 |
| Oaktree EIF II Series A2 Ltd., Series 2014-A2, Class C, 3.47%, 11/15/25 (a)(b) | 2,250 | 2,211,331 |
| Octagon Investment Partners XX Ltd., Series 2014-1A (a)(b): | | |
| Class C, 3.11%, 8/12/26 | 750 | 730,108 |
| Class D, 3.96%, 8/12/26 | 1,000 | 961,037 |
| Octagon Investment Partners XXI Ltd., Series 2014-1A, Class C, 3.93%, 11/14/26 (a)(b) | 2,000 | 1,919,656 |
| Octagon Investment Partners XXII Ltd., Series 2014-1A, Class C1, 3.55%, 11/22/25 (a)(b) | 2,000 | 1,977,670 |
| OneMain Financial Issuance Trust (b): | | |
| Series 2015-1A, Class D, 6.63%, 3/18/26 | 5,575 | 5,742,083 |
| Series 2015-2A, Class C, 4.32%, 7/18/25 | 5,000 | 4,999,850 |
| Series 2015-2A, Class D, 5.64%, 7/18/25 | 2,500 | 2,499,475 |
| OZLM Funding III Ltd., Series 2013-3A (a)(b): | | |
| Class B, 3.40%, 1/22/25 | 1,500 | 1,499,699 |
| Class C, 4.20%, 1/22/25 | 500 | 494,626 |
| OZLM VII Ltd., Series 2014-7A, Class C, 3.89%, 7/17/26 (a)(b) | 470 | 442,586 |
| OZLM VIII Ltd., Series 2014-8A, Class C, 3.79%, 10/17/26 (a)(b) | 1,750 | 1,663,650 |
| Regatta V Funding Ltd., Series 2014-1A, Class C, 3.75%, 10/25/26 (a)(b) | 2,000 | 1,859,069 |

Portfolio Abbreviations

| | | | | | |
|------------|--------------------------------|--------------|--|----------------|---------------------|
| ADR | American Depositary Receipts | GBP | British Pound | NZD | New Zealand Dollar |
| ADS | American Depositary Shares | GO | General Obligation Bonds | OTC | Over-the-Counter |
| AUD | Australian Dollar | JPY | Japanese Yen | PIK | Payment-In-Kind |
| CAD | Canadian Dollar | LIBOR | London Interbank Offered Rate | RB | Revenue Bonds |
| CLO | Collateralized Loan Obligation | LIFFE | London International Financial Futures and Options Exchange | S&P | Standard and Poor's |
| DIP | Debtor-In-Possession | | | TBA | To Be Announced |
| EUR | Euro | NYSE | New York Stock Exchange | USD | U.S. Dollar |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

| | Par | |
|---|--------------|--------------------|
| | (000) | Value |
| Asset-Backed Securities | | |
| Asset-Backed Securities (concluded) | | |
| Santander Drive Auto Receivables Trust, Series 2012-1, Class C, 3.78%, 11/15/17 | USD 172 | \$ 172,853 |
| Silver Spring CLO Ltd., Series 2014-1A, Class D, 3.74%, 10/15/26 (a)(b) | 2,250 | 1,969,962 |
| SLM Private Credit Student Loan Trust, Series 2004-B, Class A2, 0.49%, 6/15/21 (a) | 138 | 137,333 |
| SLM Private Education Loan Trust, Series 2012-A, Class A1, 1.60%, 8/15/25 (a)(b) | 230 | 230,680 |
| SLM Student Loan Trust: | | |
| Series 2008-5, Class A3, 1.60%, 1/25/18 (a) | 270 | 270,088 |
| Series 2008-5, Class A4, 2.00%, 7/25/23 (a) | 1,245 | 1,253,952 |
| Series 2012-A, Class A2, 3.83%, 1/17/45 (b) | 690 | 724,468 |
| Series 2014-A, Class B, 3.50%, 11/15/44 (b) | 500 | 491,693 |
| Small Business Administration Participation Certificates, Series 1996-20K, Class 1, 6.95%, 11/01/16 | 33 | 34,096 |
| Sound Point CLO Ltd., Series 2014-3A, Class D, 3.89%, 1/23/27 (a)(b) | 1,500 | 1,433,257 |
| Steele Creek CLO 2014-1 Ltd., Series 2014-1A, Class C, 3.53%, 8/21/26 (a)(b) | 2,500 | 2,485,250 |
| Stewart Park CLO Ltd. 2015-1, Series 2015-1A, Class D, 3.72%, 4/15/26 (a)(b) | 1,000 | 969,150 |
| Structured Asset Securities Corp., Series 2002-AL1, Class A2, 3.45%, 2/25/32 | 899 | 894,735 |
| Symphony CLO Ltd., Series 2012-10AR, Class DR, 4.14%, 7/23/23 (a)(b) | 1,000 | 994,756 |
| Symphony CLO VII Ltd., Series 2011-7A, Class E, 3.89%, 7/28/21 (a)(b) | 1,500 | 1,488,259 |
| Venture CDO Ltd., 3.27%, 10/15/26 (a)(b) | 1,550 | 1,531,512 |
| Venture XIX CLO Ltd., Series 2014-19A, Class C, 3.59%, 1/15/27 (a)(b) | 555 | 555,000 |
| Voya CLO Ltd. (a)(b): | | |
| Series 2012-2AR, Class CR, 3.24%, 10/15/22 | 1,500 | 1,500,270 |
| Series 2014-3A, Class C, 3.90%, 7/25/26 | 1,750 | 1,659,798 |
| World Financial Network Credit Card Master Trust, Series 2012-C, Class C, 4.55%, 8/15/22 | 2,360 | 2,461,046 |
| | | 113,591,890 |
| Interest Only Asset-Backed Securities 0.1% | | |
| Sterling Bank Trust, Series 2004-2, Class Note, 2.08%, 3/30/30 (b) | 4,005 | 275,359 |
| Sterling Coofs Trust, Series 2004-1, Class A, 2.36%, 4/15/29 (b) | 8,894 | 597,589 |
| | | 872,948 |
| Total Asset-Backed Securities 14.8% | | 114,464,838 |
| Corporate Bonds | | |
| Aerospace & Defense 0.3% | | |
| Huntington Ingalls Industries, Inc., 7.13%, 3/15/21 | 460 | 487,025 |
| United Technologies Corp., 6.13%, 7/15/38 (c) | 1,450 | 1,760,320 |
| | | 2,247,345 |
| Airlines 2.2% | | |
| Air Canada Pass-Through Trust, Series 2015-1, Class B, 3.88%, 9/15/24 (b) | 2,000 | 1,935,000 |
| American Airlines Pass-Through Trust, Series 2013-2: | | |
| Class A, 4.95%, 7/15/24 (c) | 4,088 | 4,354,088 |
| Class B, 5.60%, 1/15/22 (b) | 908 | 933,116 |
| Continental Airlines Pass-Through Trust: | | |
| Series 2010-1, Class B, 6.00%, 7/12/20 | 671 | 698,084 |
| Series 2012-3, Class C, 6.13%, 4/29/18 | 1,000 | 1,037,500 |
| | Par | |
| | (000) | Value |
| Corporate Bonds | | |
| Airlines (concluded) | | |
| United Airlines Pass-Through Trust: | | |
| Series 2013-1, Class A, 4.30%, 2/15/27 | USD 3,808 | \$ 3,927,897 |

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| | | |
|---|-------|------------|
| Series 2014-2, Class B, 4.63%, 3/03/24 | 2,750 | 2,750,000 |
| US Airways Pass-Through Trust, Series 2012-1, Class C, 9.13%, 10/01/15 | 1,313 | 1,318,618 |
| | | 16,954,303 |
| Auto Components 0.8% | | |
| Icahn Enterprises LP/Icahn Enterprises Finance Corp.: | | |
| 3.50%, 3/15/17 | 182 | 181,090 |
| 4.88%, 3/15/19 | 2,660 | 2,694,580 |
| 6.00%, 8/01/20 | 1,671 | 1,729,234 |
| 5.88%, 2/01/22 | 1,578 | 1,594,175 |
| | | 6,199,079 |
| Automobiles 1.1% | | |
| Ford Motor Co., 4.75%, 1/15/43 (c) | 4,255 | 4,045,786 |
| General Motors Co., 6.25%, 10/02/43 | 2,506 | 2,683,928 |
| Jaguar Land Rover Automotive PLC, 4.13%, 12/15/18 (b) | 1,500 | 1,502,820 |
| | | 8,232,534 |
| Banks 4.6% | | |
| Barclays Bank PLC, 7.63%, 11/21/22 | 3,500 | 3,990,000 |
| Barclays PLC, 3.65%, 3/16/25 | 4,320 | 4,103,568 |
| CIT Group, Inc.: | | |
| 5.50%, 2/15/19 (b) | 796 | 836,795 |
| 5.38%, 5/15/20 | 3,300 | 3,448,500 |
| Depfa ACS Bank, 5.13%, 3/16/37 (b) | 7,925 | 9,756,468 |
| HSBC Holdings PLC: | | |
| 4.25%, 3/14/24 (c) | 2,020 | 2,024,256 |
| 6.10%, 1/14/42 | 610 | 755,151 |
| Rabobank Nederland (c): | | |
| 3.88%, 2/08/22 | 2,780 | 2,907,913 |
| 3.95%, 11/09/22 | 3,000 | 2,992,848 |
| Santander Holdings USA, Inc., 4.50%, 7/17/25 | 2,000 | 2,005,360 |
| Wells Fargo & Co., 3.50%, 3/08/22 (c) | 2,780 | 2,854,993 |
| | | 35,675,852 |
| Capital Markets 2.1% | | |
| CDP Financial, Inc., 5.60%, 11/25/39 (b)(c) | 5,890 | 7,227,719 |
| The Goldman Sachs Group, Inc., 3.75%, 5/22/25 (c) | 8,965 | 8,929,902 |
| | | 16,157,621 |
| Chemicals 0.9% | | |
| Axalta Coating Systems US Holdings, Inc./Axalta Coating Systems Dutch Holding BV, 7.38%, 5/01/21 (b) | 302 | 323,110 |
| Axiall Corp., 4.88%, 5/15/23 | 304 | 294,880 |
| Chemours Co., 6.63%, 5/15/23 (b) | 116 | 100,920 |
| The Dow Chemical Co., 4.13%, 11/15/21 | 700 | 726,425 |
| Huntsman International LLC, 4.88%, 11/15/20 | 595 | 583,100 |
| Methanex Corp., 3.25%, 12/15/19 | 4,148 | 4,165,057 |
| PetroLogistics LP/PetroLogistics Finance Corp., 6.25%, 4/01/20 | 322 | 339,510 |
| | | 6,533,002 |
| Commercial Services & Supplies 1.1% | | |
| ADS Waste Holdings, Inc., 8.25%, 10/01/20 | 491 | 508,185 |
| Aviation Capital Group Corp. (b): | | |
| 4.63%, 1/31/18 | 1,300 | 1,335,750 |
| 7.13%, 10/15/20 | 1,800 | 2,108,250 |
| Brand Energy & Infrastructure Services, Inc., 8.50%, 12/01/21 (b) | 325 | 290,875 |
| Mobile Mini, Inc., 7.88%, 12/01/20 | 1,640 | 1,709,700 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

| | Par | Value |
|---|-----------|------------|
| | (000) | |
| Corporate Bonds | | |
| Commercial Services & Supplies (concluded) | | |
| The ADT Corp., 4.88%, 7/15/42 | USD 1,078 | \$ 840,840 |
| United Rentals North America, Inc.: | | |
| 7.38%, 5/15/20 | 770 | 817,163 |
| 7.63%, 4/15/22 | 907 | 977,292 |
| | | 8,588,055 |
| Construction & Engineering 0.7% | | |
| ABB Finance USA, Inc., 4.38%, 5/08/42 | 386 | 378,569 |
| BlueLine Rental Finance Corp., 7.00%, 2/01/19 (b) | 192 | 181,440 |
| ITR Concession Co. LLC, 4.20%, 7/15/25 (b) | 4,000 | 4,014,664 |
| Safway Group Holding LLC/Safway Finance Corp., 7.00%, 5/15/18 (b) | 335 | 341,663 |
| | | 4,916,336 |
| Construction Materials 0.6% | | |
| Allegion US Holding Co., Inc., 5.75%, 10/01/21 | 894 | 916,350 |
| HD Supply, Inc.: | | |
| 7.50%, 7/15/20 | 3,088 | 3,296,440 |
| 5.25%, 12/15/21 (b) | 170 | 174,675 |
| Lafarge SA, 7.13%, 7/15/36 | 270 | 326,271 |
| | | 4,713,736 |
| Consumer Finance 2.3% | | |
| Ally Financial, Inc.: | | |
| 5.50%, 2/15/17 | 3,000 | 3,098,100 |
| 6.25%, 12/01/17 | 320 | 340,800 |
| 8.00%, 3/15/20 | 900 | 1,053,000 |
| 8.00%, 11/01/31 | 600 | 710,382 |
| Capital One Financial Corp., 4.75%, 7/15/21 (c) | 1,935 | 2,071,092 |
| Corivas Campus Living USG LLC, 5.30%, 7/01/50 | 5,700 | 5,716,325 |
| Ford Motor Credit Co. LLC: | | |
| 8.13%, 1/15/20 | 1,530 | 1,829,193 |
| 4.25%, 9/20/22 | 1,600 | 1,650,498 |
| SLM Corp., 6.25%, 1/25/16 | 1,312 | 1,321,840 |
| | | 17,791,230 |
| Containers & Packaging 0.3% | | |
| Crown Americas LLC/Crown Americas Capital Corp. III, 6.25%, 2/01/21 | 182 | 189,508 |
| Sealed Air Corp., 6.50%, 12/01/20 (b) | 1,100 | 1,218,250 |
| Smurfit Kappa Acquisitions, 4.88%, 9/15/18 (b) | 820 | 855,875 |
| | | 2,263,633 |
| Diversified Consumer Services 0.2% | | |
| APX Group, Inc., 6.38%, 12/01/19 | 535 | 519,619 |
| Service Corp. International, 4.50%, 11/15/20 | 1,240 | 1,271,000 |
| | | 1,790,619 |
| Diversified Financial Services 6.1% | | |
| AerCap Ireland Capital Ltd./AerCap Global Aviation Trust, 5.00%, 10/01/21 | 170 | 175,738 |
| Aircastle Ltd., 6.25%, 12/01/19 | 1,413 | 1,533,105 |
| Bank of America Corp. (c): | | |
| 5.63%, 7/01/20 | 2,200 | 2,471,097 |
| 3.30%, 1/11/23 | 10,000 | 9,855,300 |
| Series L, 3.95%, 4/21/25 | 2,475 | 2,395,887 |
| FMR LLC, 4.95%, 2/01/33 (b)(c) | 2,300 | 2,428,777 |
| General Electric Capital Corp.: | | |

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| | | |
|---|-------|-----------|
| 6.75%, 3/15/32 (c) | 2,500 | 3,278,725 |
| 6.15%, 8/07/37 (c) | 2,150 | 2,657,112 |
| 6.88%, 1/10/39 | 135 | 181,430 |
| General Motors Financial Co., Inc., 4.25%, 5/15/23 | 807 | 793,701 |
| IntercontinentalExchange Group, Inc., 4.00%, 10/15/23 | 470 | 485,639 |

Par

| Corporate Bonds | | (000) | Value |
|--|-----|--------------|--------------|
| Diversified Financial Services (concluded) | | | |
| International Lease Finance Corp., 8.25%, 12/15/20 | USD | 150 | \$ 177,750 |
| Intesa Sanpaolo SpA, 5.02%, 6/26/24 (b) | | 2,290 | 2,238,347 |
| Jefferies Finance LLC/JFIN Co-Issuer Corp., 7.38%, 4/01/20 (b) | | 1,975 | 1,930,957 |
| Moody s Corp., 4.50%, 9/01/22 (c) | | 1,800 | 1,911,494 |
| Morgan Stanley, 4.00%, 7/23/25 | | 905 | 923,667 |
| MSCI, Inc., 5.75%, 8/15/25 (b) | | 125 | 127,500 |
| Northern Trust Corp., 3.95%, 10/30/25 (c) | | 8,000 | 8,330,960 |
| Reynolds Group Issuer, Inc.: | | | |
| 7.88%, 8/15/19 | | 1,120 | 1,166,200 |
| 5.75%, 10/15/20 | | 2,000 | 2,062,500 |
| 6.88%, 2/15/21 | | 1,935 | 2,026,912 |

47,152,798

| | | | |
|--|--|-------|-----------|
| Diversified Telecommunication Services 3.0% | | | |
| AT&T, Inc., 4.75%, 5/15/46 | | 2,710 | 2,470,208 |
| CenturyLink, Inc., Series V, 5.63%, 4/01/20 | | 800 | 798,008 |
| Level 3 Financing, Inc., 8.63%, 7/15/20 | | 1,230 | 1,303,185 |
| Telecom Italia Capital SA, 6.00%, 9/30/34 | | 1,550 | 1,519,000 |
| Verizon Communications, Inc. (c): | | | |
| 3.50%, 11/01/21 | | 1,000 | 1,012,022 |
| 6.40%, 2/15/38 | | 6,879 | 7,793,687 |
| 6.55%, 9/15/43 | | 6,751 | 7,996,492 |
| Windstream Corp.: | | | |
| 7.88%, 11/01/17 | | 200 | 209,000 |
| 7.75%, 10/15/20 | | 100 | 89,000 |
| 6.38%, 8/01/23 | | 20 | 14,678 |

23,205,280

| | | | |
|---|--|-------|-----------|
| Electric Utilities 6.0% | | | |
| Berkshire Hathaway Energy Co., 6.50%, 9/15/37 (c) | | 5,515 | 6,801,539 |
| The Cleveland Electric Illuminating Co., 5.95%, 12/15/36 | | 434 | 477,163 |
| CMS Energy Corp., 5.05%, 3/15/22 (c) | | 1,832 | 1,991,652 |
| ComEd Financing III, 6.35%, 3/15/33 | | 300 | 313,177 |
| Duke Energy Carolinas LLC: | | | |
| 6.10%, 6/01/37 | | 640 | 787,013 |
| 6.00%, 1/15/38 (c) | | 1,675 | 2,072,350 |
| 4.25%, 12/15/41 (c) | | 750 | 750,975 |
| Duke Energy Florida, Inc., 6.40%, 6/15/38 (c) | | 770 | 994,528 |
| E.ON International Finance BV, 6.65%, 4/30/38 (b) | | 3,100 | 3,733,904 |
| Electricite de France SA, 5.60%, 1/27/40 (b)(c) | | 2,800 | 3,182,038 |
| Exelon Corp., 3.95%, 6/15/25 | | 3,500 | 3,508,722 |
| Florida Power Corp., 6.35%, 9/15/37 | | 2,775 | 3,583,074 |
| Jersey Central Power & Light Co., 7.35%, 2/01/19 | | 490 | 564,392 |
| Ohio Power Co., Series D, 6.60%, 3/01/33 (c) | | 3,000 | 3,772,875 |
| PacifiCorp, 6.25%, 10/15/37 (c) | | 1,225 | 1,540,812 |
| Public Service Co. of Colorado, Series 17, 6.25%, 9/01/37 | | 2,550 | 3,285,920 |
| Southern California Edison Co. (c): | | | |
| 5.63%, 2/01/36 | | 1,300 | 1,519,967 |
| Series A, 5.95%, 2/01/38 | | 2,175 | 2,673,069 |
| Virginia Electric and Power Co., Series A, 6.00%, 5/15/37 (c) | | 3,920 | 4,795,332 |

46,348,502

| | | | |
|--|--|-------|-----------|
| Energy Equipment & Services 1.5% | | | |
| Calfrac Holdings LP, 7.50%, 12/01/20 (b) | | 940 | 629,800 |
| Enterprise Products Operating LLC, 6.13%, 10/15/39 (c) | | 1,400 | 1,455,392 |
| EOG Resources, Inc., 2.63%, 3/15/23 | | 3,800 | 3,600,717 |
| Genesis Energy LP/Genesis Energy Finance Corp.: | | | |
| 5.75%, 2/15/21 | | 142 | 133,480 |
| 6.75%, 8/01/22 | | 85 | 82,450 |

See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

| | Par | |
|--|-----------|------------|
| | (000) | Value |
| Corporate Bonds | | |
| Energy Equipment & Services (concluded) | | |
| GrafTech International Ltd., 6.38%, 11/15/20 | USD 1,160 | \$ 916,400 |
| MEG Energy Corp., 6.50%, 3/15/21 (b) | 560 | 467,880 |
| Peabody Energy Corp.: | | |
| 6.00%, 11/15/18 | 2,507 | 833,577 |
| 6.25%, 11/15/21 | 2,483 | 651,788 |
| Seadrill Ltd., 6.13%, 9/15/17 (b) | 3,180 | 2,575,800 |
| | | 11,347,284 |
| Food & Staples Retailing 0.1% | | |
| Rite Aid Corp.: | | |
| 6.75%, 6/15/21 | 363 | 382,965 |
| 6.13%, 4/01/23 (b) | 195 | 200,119 |
| | | 583,084 |
| Food Products 0.2% | | |
| Barry Callebaut Services NV, 5.50%, 6/15/23 (b) | 677 | 717,055 |
| Post Holdings, Inc. (b): | | |
| 7.75%, 3/15/24 | 378 | 390,285 |
| 8.00%, 7/15/25 | 162 | 167,265 |
| Smithfield Foods, Inc., 5.88%, 8/01/21 (b) | 338 | 350,675 |
| | | 1,625,280 |
| Health Care Equipment & Supplies 0.0% | | |
| Crimson Merger Sub, Inc., 6.63%, 5/15/22 (b) | 185 | 165,344 |
| Health Care Providers & Services 2.6% | | |
| CHS/Community Health Systems, Inc., 5.13%, 8/15/18 | 800 | 819,000 |
| HCA, Inc.: | | |
| 3.75%, 3/15/19 | 264 | 265,320 |
| 6.50%, 2/15/20 | 4,322 | 4,775,810 |
| 4.75%, 5/01/23 | 2,322 | 2,353,904 |
| HealthSouth Corp., 5.75%, 11/01/24 (b) | 122 | 123,696 |
| Tenet Healthcare Corp.: | | |
| 6.25%, 11/01/18 | 1,609 | 1,743,754 |
| 6.00%, 10/01/20 | 1,244 | 1,331,080 |
| 4.50%, 4/01/21 | 766 | 769,830 |
| 4.38%, 10/01/21 | 3,530 | 3,530,000 |
| 8.13%, 4/01/22 | 2,317 | 2,566,077 |
| UnitedHealth Group, Inc., 3.75%, 7/15/25 | 1,375 | 1,409,166 |
| | | 19,687,637 |
| Hotels, Restaurants & Leisure 2.4% | | |
| Caesars Entertainment Resort Properties LLC/Caesars Entertainment Resort Property, 8.00%, 10/01/20 | 2,120 | 2,093,500 |
| Six Flags Entertainment Corp., 5.25%, 1/15/21 (b) | 1,724 | 1,749,860 |
| The Unique Pub Finance Co. PLC: | | |
| Series A3, 6.54%, 3/30/21 | GBP 3,069 | 4,897,518 |
| Series A4, 5.66%, 6/30/27 | 1,183 | 1,838,308 |
| Series M, 7.40%, 3/28/24 | 3,000 | 4,626,518 |
| Series N, 6.46%, 3/30/32 | 2,390 | 3,227,361 |
| | | 18,433,065 |
| Household Durables 0.5% | | |
| Beazer Homes USA, Inc.: | | |
| 6.63%, 4/15/18 | USD 580 | 597,400 |
| 7.50%, 9/15/21 | 166 | 162,783 |
| Standard Pacific Corp., 10.75%, 9/15/16 | 2,100 | 2,289,000 |

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| | | | |
|---|------------|--------------|--------------|
| Taylor Morrison Communities, Inc./Monarch Communities, Inc., 5.25%, 4/15/21 (b) | | 371 | 372,855 |
| TRI Pointe Holdings, Inc.: | | | |
| 4.38%, 6/15/19 | | 430 | 426,237 |
| 5.88%, 6/15/24 | | 290 | 285,650 |
| | | | 4,133,925 |
| | Par | | |
| Corporate Bonds | | (000) | Value |
| Household Products 0.1% | | | |
| Spectrum Brands, Inc.: | | | |
| 6.38%, 11/15/20 | USD | 400 | \$ 423,500 |
| 6.63%, 11/15/22 | | 550 | 590,552 |
| | | | 1,014,052 |
| Independent Power and Renewable Electricity Producers 0.3% | | | |
| Calpine Corp. (b): | | | |
| 6.00%, 1/15/22 | | 274 | 291,467 |
| 5.88%, 1/15/24 | | 194 | 203,700 |
| NRG REMA LLC, Series C, 9.68%, 7/02/26 | | 1,537 | 1,567,740 |
| QEP Resources, Inc., 5.25%, 5/01/23 | | 73 | 63,160 |
| | | | 2,126,067 |
| Industrial Conglomerates 0.1% | | | |
| Smiths Group PLC, 3.63%, 10/12/22 (b) | | 360 | 350,610 |
| Insurance 3.0% | | | |
| American International Group, Inc., 3.75%, 7/10/25 | | 3,380 | 3,394,903 |
| AXA SA, 5.25%, 4/16/40 (a) | EUR | 500 | 622,912 |
| Five Corners Funding Trust, 4.42%, 11/15/23 (b)(c) | USD | 2,050 | 2,125,315 |
| Hartford Financial Services Group, Inc., 5.13%, 4/15/22 | | 1,860 | 2,070,472 |
| Liberty Mutual Group, Inc., 6.50%, 5/01/42 (b)(c) | | 2,000 | 2,343,180 |
| Lincoln National Corp., 3.35%, 3/09/25 (c) | | 1,045 | 1,010,954 |
| MetLife, Inc., 6.40%, 12/15/36 | | 7,000 | 7,691,250 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (b) | | 680 | 710,600 |
| Muenchener Rueckversicherungs AG, 6.00%, 5/26/41 (a) | EUR | 400 | 530,895 |
| Prudential Financial, Inc. (c): | | | |
| 5.90%, 3/17/36 | USD | 500 | 572,173 |
| 5.70%, 12/14/36 | | 1,625 | 1,803,462 |
| | | | 22,876,116 |
| Internet Software & Services 0.0% | | | |
| Equinix, Inc., 4.88%, 4/01/20 | | 173 | 176,893 |
| IT Services 0.6% | | | |
| Ceridian HCM Holding, Inc., 11.00%, 3/15/21 (b) | | 420 | 414,750 |
| First Data Corp. (b): | | | |
| 7.38%, 6/15/19 | | 394 | 408,617 |
| 6.75%, 11/01/20 | | 3,384 | 3,561,660 |
| 5.38%, 8/15/23 | | 394 | 398,925 |
| | | | 4,783,952 |
| Life Sciences Tools & Services 0.1% | | | |
| Agilent Technologies, Inc., 3.20%, 10/01/22 | | 500 | 484,344 |
| Marine 0.3% | | | |
| Nakilat, Inc., Series A, 6.07%, 12/31/33 (b)(c) | | 2,150 | 2,456,375 |
| Media 5.4% | | | |
| 21st Century Fox America, Inc., 7.63%, 11/30/28 | | 385 | 491,969 |
| AMC Networks, Inc.: | | | |
| 7.75%, 7/15/21 | | 640 | 683,200 |
| 4.75%, 12/15/22 | | 686 | 676,122 |
| CCO Safari II LLC, 4.91%, 7/23/25 (b) | | 4,000 | 3,961,976 |
| Cinemark USA, Inc., 5.13%, 12/15/22 | | 350 | 350,000 |
| Clear Channel Worldwide Holdings, Inc., Series B, 6.50%, 11/15/22 | | 4,980 | 5,114,077 |
| Comcast Cable Communications Holdings, Inc., 9.46%, 11/15/22 (c) | | 2,600 | 3,577,670 |
| Comcast Corp. (c): | | | |
| 3.38%, 8/15/25 | | 4,500 | 4,485,901 |
| 6.45%, 3/15/37 | | 790 | 984,537 |
| Cox Communications, Inc. (b): | | | |

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| | | |
|--------------------|-------|-----------|
| 6.95%, 6/01/38 | 1,000 | 1,106,111 |
| 8.38%, 3/01/39 (c) | 3,475 | 4,307,582 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

| | Par | |
|---|---------|------------|
| | (000) | Value |
| Corporate Bonds | | |
| Media (concluded) | | |
| DIRECTV Holdings LLC/DIRECTV Financing Co., Inc.: | | |
| 6.38%, 3/01/41 | USD 520 | \$ 556,566 |
| 5.15%, 3/15/42 | 1,400 | 1,321,489 |
| Gray Television, Inc., 7.50%, 10/01/20 | 506 | 523,229 |
| iHeartCommunications, Inc.: | | |
| 9.00%, 12/15/19 | 611 | 575,104 |
| 9.00%, 3/01/21 | 85 | 75,331 |
| Inmarsat Finance PLC, 4.88%, 5/15/22 (b) | 1,000 | 971,900 |
| Intelsat Jackson Holdings SA, 5.50%, 8/01/23 | 700 | 616,000 |
| The Interpublic Group of Cos., Inc., | | |
| 3.75%, 2/15/23 | 2,000 | 1,945,176 |
| Live Nation Entertainment, Inc., 7.00%, 9/01/20 (b) | 218 | 231,080 |
| NAI Entertainment Holdings/NAI Entertainment Holdings Finance Corp., 5.00%, 8/01/18 (b) | 637 | 649,740 |
| Sirius XM Radio, Inc., 4.25%, 5/15/20 (b) | 893 | 891,321 |
| TCI Communications, Inc., 7.88%, 2/15/26 (c) | 610 | 821,172 |
| Time Warner, Inc.: | | |
| 3.60%, 7/15/25 (c) | 2,500 | 2,419,560 |
| 6.10%, 7/15/40 | 830 | 911,616 |
| Unitymedia Hessen GmbH & Co. KG/Unitymedia NRW GmbH, 5.50%, 1/15/23 (b) | 505 | 518,888 |
| Univision Communications, Inc., 5.13%, 5/15/23 (b) | 2,306 | 2,271,410 |
| Virgin Media Secured Finance PLC, 5.38%, 4/15/21 (b) | 711 | 728,775 |
| | | 41,767,502 |
| Metals & Mining 2.2% | | |
| Alcoa, Inc., 5.40%, 4/15/21 | 2,900 | 2,987,000 |
| ArcelorMittal, 6.13%, 6/01/18 | 770 | 800,800 |
| Commercial Metals Co., 4.88%, 5/15/23 | 1,095 | 969,075 |
| Corp. Nacional del Cobre de Chile, 3.00%, 7/17/22 (b) | 3,131 | 2,914,103 |
| Novelis, Inc., 8.75%, 12/15/20 | 8,183 | 8,162,542 |
| Steel Dynamics, Inc.: | | |
| 5.25%, 4/15/23 | 155 | 150,544 |
| 5.50%, 10/01/24 | 23 | 22,339 |
| Wise Metals Group LLC/Wise Alloys Finance Corp., 8.75%, 12/15/18 (b) | 1,200 | 1,137,000 |
| | | 17,143,403 |
| Multiline Retail 0.4% | | |
| Dufry Finance SCA, 5.50%, 10/15/20 (b) | 2,520 | 2,619,840 |
| Oil, Gas & Consumable Fuels 4.0% | | |
| Access Midstream Partners LP/ACMP Finance Corp., 6.13%, 7/15/22 | 800 | 815,494 |
| Antero Resources Finance Corp., 5.38%, 11/01/21 | 178 | 163,760 |
| Bonanza Creek Energy, Inc., 6.75%, 4/15/21 | 136 | 100,640 |
| Chesapeake Energy Corp., 5.75%, 3/15/23 | 717 | 534,531 |
| ConocoPhillips Canada Funding Co., 5.95%, 10/15/36 (c) | 685 | 781,751 |
| Crestwood Midstream Partners LP/Crestwood Midstream Finance Corp., 6.13%, 3/01/22 | 110 | 100,100 |
| Denbury Resources, Inc.: | | |
| 5.50%, 5/01/22 | 112 | 79,800 |
| 4.63%, 7/15/23 | 627 | 420,090 |
| El Paso LLC, 7.80%, 8/01/31 | 90 | 97,833 |
| El Paso Natural Gas Co., 8.38%, 6/15/32 | 550 | 635,045 |
| KeySpan Gas East Corp., 5.82%, 4/01/41 (b)(c) | 1,010 | 1,216,161 |
| Kinder Morgan Energy Partners LP: | | |
| 6.50%, 9/01/39 | 3,000 | 2,880,189 |
| 6.55%, 9/15/40 | 220 | 212,318 |
| 6.38%, 3/01/41 | 310 | 295,473 |
| Linn Energy LLC/Linn Energy Finance Corp.: | | |
| 6.25%, 11/01/19 | 280 | 109,200 |
| 8.63%, 4/15/20 | 5 | 2,013 |

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| | | | |
|--|-----|--------------|--------------|
| 7.75%, 2/01/21 | | 169 | 66,332 |
| | | Par | |
| Corporate Bonds | | (000) | Value |
| Oil, Gas & Consumable Fuels (concluded) | | | |
| Marathon Petroleum Corp., 6.50%, 3/01/41 (c) | USD | 2,049 | \$ 2,221,098 |
| MarkWest Energy Partners LP/MarkWest Energy Finance Corp., 4.50%, 7/15/23 | | 35 | 32,375 |
| MidAmerican Energy Co., 5.80%, 10/15/36 (c) | | 1,500 | 1,816,950 |
| MidAmerican Energy Holdings Co., 5.95%, 5/15/37 (c) | | 1,750 | 2,021,607 |
| Noble Energy, Inc., 5.63%, 5/01/21 | | 596 | 601,674 |
| Oasis Petroleum, Inc.: | | | |
| 6.50%, 11/01/21 | | 46 | 37,030 |
| 6.88%, 3/15/22 | | 115 | 95,450 |
| ONEOK, Inc., 7.50%, 9/01/23 | | 90 | 90,000 |
| Pacific Drilling SA, 5.38%, 6/01/20 (b) | | 294 | 211,680 |
| PBF Holding Co. LLC/PBF Finance Corp., 8.25%, 2/15/20 | | 94 | 98,930 |
| PDC Energy, Inc., 7.75%, 10/15/22 | | 520 | 520,000 |
| Range Resources Corp.: | | | |
| 5.75%, 6/01/21 | | 213 | 204,480 |
| 5.00%, 8/15/22 | | 53 | 48,894 |
| 5.00%, 3/15/23 | | 125 | 114,375 |
| RSP Permian, Inc., 6.63%, 10/01/22 (b) | | 59 | 57,820 |
| Sabine Pass Liquefaction LLC: | | | |
| 5.63%, 2/01/21 | | 3,578 | 3,524,330 |
| 6.25%, 3/15/22 | | 796 | 799,980 |
| 5.63%, 4/15/23 | | 937 | 910,061 |
| SandRidge Energy, Inc.: | | | |
| 8.75%, 1/15/20 | | 48 | 14,400 |
| 7.50%, 2/15/23 | | 620 | 179,025 |
| Summit Midstream Holdings LLC/Summit Midstream Finance Corp., 7.50%, 7/01/21 | | 774 | 774,000 |
| Western Gas Partners LP, 5.38%, 6/01/21 | | 1,425 | 1,510,500 |
| Whiting Petroleum Corp., 5.00%, 3/15/19 | | 1,282 | 1,147,390 |
| The Williams Cos., Inc., Series A, 7.50%, 1/15/31 | | 5,000 | 5,175,720 |
| | | | 30,718,499 |
| Paper & Forest Products 0.2% | | | |
| International Paper Co.: | | | |
| 4.75%, 2/15/22 | | 693 | 737,829 |
| 6.00%, 11/15/41 | | 870 | 925,456 |
| | | | 1,663,285 |
| Pharmaceuticals 1.7% | | | |
| AbbVie, Inc., 3.60%, 5/14/25 | | 870 | 856,491 |
| Actavis Funding SCS, 4.55%, 3/15/35 | | 2,140 | 1,967,366 |
| Actavis, Inc., 3.25%, 10/01/22 | | 4,000 | 3,842,872 |
| Endo Finance LLC, 5.75%, 1/15/22 (b) | | 255 | 260,737 |
| Forest Laboratories, Inc., 5.00%, 12/15/21 (b) | | 758 | 815,166 |
| Grifols Worldwide Operations Ltd., | | | |
| 5.25%, 4/01/22 | | 200 | 203,250 |
| Jaguar Holding Co. II/Pharmaceutical Product Development LLC, 6.38%, 8/01/23 (b) | | 448 | 443,968 |
| Valeant Pharmaceuticals International, Inc. (b): | | | |
| 6.75%, 8/15/18 | | 2,643 | 2,765,239 |
| 6.38%, 10/15/20 | | 1,150 | 1,198,875 |
| 5.63%, 12/01/21 | | 754 | 767,195 |
| | | | 13,121,159 |
| Real Estate 0.2% | | | |
| AvalonBay Communities, Inc., 3.45%, 6/01/25 (c) | | 1,535 | 1,501,618 |
| Real Estate Investment Trusts (REITs) 1.4% | | | |
| ERP Operating LP: | | | |
| 3.38%, 6/01/25 | | 1,245 | 1,212,574 |
| 4.50%, 6/01/45 | | 1,155 | 1,145,865 |
| Felcor Lodging LP, 5.63%, 3/01/23 | | 494 | 508,820 |
| HCP, Inc. (c): | | | |
| 3.88%, 8/15/24 | | 3,000 | 2,894,238 |
| 4.00%, 6/01/25 | | 2,000 | 1,941,374 |

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See Notes to Financial Statements.

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Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

| | Par | | Value |
|---|-----------|----|------------|
| | (000) | | |
| Corporate Bonds | | | |
| Real Estate Investment Trusts (REITs) (concluded) | | | |
| Simon Property Group LP, 4.75%, 3/15/42 (c) | USD 1,670 | \$ | 1,726,962 |
| Ventas Realty LP, 4.13%, 1/15/26 | 870 | | 862,298 |
| Ventas Realty LP/Ventas Capital Corp., 4.75%, 6/01/21 | 550 | | 589,991 |
| | | | 10,882,122 |
| Real Estate Management & Development 0.9% | | | |
| Lennar Corp., 4.75%, 11/15/22 | 880 | | 875,600 |
| Northwest Florida Timber Finance LLC, 4.75%, 3/04/29 (b)(c) | 4,600 | | 4,180,066 |
| Realogy Corp., 7.63%, 1/15/20 (b) | 1,993 | | 2,095,141 |
| | | | 7,150,807 |
| Road & Rail 1.3% | | | |
| Burlington Northern Santa Fe LLC, 5.75%, 5/01/40 (c) | 1,890 | | 2,123,313 |
| The Hertz Corp.: | | | |
| 4.25%, 4/01/18 | 473 | | 477,730 |
| 5.88%, 10/15/20 | 460 | | 464,766 |
| 7.38%, 1/15/21 | 2,070 | | 2,157,975 |
| Lima Metro Line 2 Finance Ltd., 5.88%, 7/05/34 (b) | 5,000 | | 5,010,000 |
| | | | 10,233,784 |
| Semiconductors & Semiconductor Equipment 0.4% | | | |
| NXP BV/NXP Funding LLC, 5.75%, 2/15/21 (b) | 940 | | 981,125 |
| Seagate HDD Cayman, 4.88%, 6/01/27 (b) | 2,500 | | 2,305,667 |
| | | | 3,286,792 |
| Software 0.9% | | | |
| Autodesk, Inc., 4.38%, 6/15/25 | 2,890 | | 2,894,491 |
| Infor US, Inc., 5.75%, 8/15/20 (b) | 112 | | 112,280 |
| Nuance Communications, Inc., | | | |
| 5.38%, 8/15/20 (b) | 2,170 | | 2,174,080 |
| Oracle Corp., 5.38%, 7/15/40 (c) | 1,575 | | 1,754,180 |
| | | | 6,935,031 |
| Specialty Retail 0.3% | | | |
| The Home Depot, Inc., 5.88%, 12/16/36 (c) | 1,660 | | 2,013,525 |
| Party City Holdings, Inc., 6.13%, 8/15/23 (b) | 90 | | 90,619 |
| | | | 2,104,144 |
| Textiles, Apparel & Luxury Goods 0.3% | | | |
| PVH Corp., 4.50%, 12/15/22 | 977 | | 974,557 |
| Springs Industries, Inc., 6.25%, 6/01/21 | 806 | | 799,955 |
| The William Carter Co., 5.25%, 8/15/21 | 657 | | 678,353 |
| | | | 2,452,865 |
| Tobacco 1.6% | | | |
| Altria Group, Inc.: | | | |
| 9.95%, 11/10/38 | 516 | | 824,188 |
| 10.20%, 2/06/39 | 894 | | 1,435,006 |
| 5.38%, 1/31/44 (c) | 4,030 | | 4,225,499 |
| BAT International Finance PLC, 3.95%, 6/15/25 (b) | 2,000 | | 2,042,210 |
| Reynolds American, Inc.: | | | |
| 4.45%, 6/12/25 | 635 | | 652,524 |
| 7.00%, 8/04/41 (b) | 1,000 | | 1,146,256 |
| 4.75%, 11/01/42 | 2,100 | | 1,951,181 |

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| | | | |
|--|-----|--------------|--------------------|
| | | | 12,276,864 |
| Wireless Telecommunication Services 2.2% | | | |
| America Movil SAB de CV, 2.38%, 9/08/16 (c) | | 1,595 | 1,611,747 |
| Communications Sales & Leasing, Inc., 8.25%, 10/15/23 (b) | | 80 | 72,800 |
| Crown Castle International Corp., 5.25%, 1/15/23 | | 930 | 973,012 |
| Crown Castle Towers LLC, 6.11%, 1/15/40 (b) | | 3,155 | 3,538,295 |
| Digicel Ltd., 6.00%, 4/15/21 (b) | | 1,550 | 1,419,505 |
| Rogers Communications, Inc., 7.50%, 8/15/38 (c) | | 2,325 | 2,948,000 |
| | | Par | |
| | | | |
| Corporate Bonds | | (000) | Value |
| Wireless Telecommunication Services (concluded) | | | |
| SBA Tower Trust, 5.10%, 4/15/42 (b) | USD | 720 | \$ 743,530 |
| Softbank Corp., 4.50%, 4/15/20 (b) | | 550 | 550,220 |
| Sprint Capital Corp., 8.75%, 3/15/32 | | 350 | 331,188 |
| Sprint Communications, Inc. (b): | | | |
| 9.00%, 11/15/18 | | 1,060 | 1,180,575 |
| 7.00%, 3/01/20 | | 1,760 | 1,869,472 |
| Sprint Corp.: | | | |
| 7.88%, 9/15/23 | | 1,891 | 1,817,724 |
| 7.13%, 6/15/24 | | 123 | 113,737 |
| | | | 17,169,805 |
| Total Corporate Bonds 67.5% | | | 520,041,473 |
| | | | |
| Foreign Agency Obligations | | | |
| Brazilian Government International Bond, 5.00%, 1/27/45 | | 5,724 | 4,607,820 |
| Cyprus Government International Bond, 4.63%, 2/03/20 (b) | EUR | 1,210 | 1,423,968 |
| Iceland Government International Bond, 5.88%, 5/11/22 | USD | 3,555 | 4,031,654 |
| Italian Government International Bond, 5.38%, 6/15/33 | | 2,925 | 3,341,918 |
| Portugal Government International Bond, 5.13%, 10/15/24 (b) | | 5,870 | 6,175,357 |
| Slovenia Government International Bond, 5.85%, 5/10/23 (b) | | 864 | 985,306 |
| Total Foreign Agency Obligations 2.7% | | | 20,566,023 |
| | | | |
| Municipal Bonds | | | |
| City of Detroit Michigan, GO, Financial Recovery (a): | | | |
| Series B-1, 4.00%, 4/01/44 | | 251 | 149,122 |
| Series B-2, 4.00%, 4/01/44 | | 80 | 48,036 |
| City of New York New York Municipal Water Finance Authority, Refunding RB, 2nd General Resolution: | | | |
| Series EE, 5.50%, 6/15/43 | | 930 | 1,092,471 |
| Series GG, Build America Bonds, 5.72%, 6/15/42 | | 1,390 | 1,718,026 |
| Water & Sewer System, Series EE, 5.38%, 6/15/43 | | 770 | 897,612 |
| East Bay Municipal Utility District, RB, Build America Bonds, 5.87%, 6/01/40 | | 1,900 | 2,355,164 |
| Indianapolis Local Public Improvement Bond Bank, RB, Build America Bonds, 6.12%, 1/15/40 | | 2,535 | 3,151,107 |
| Metropolitan Transportation Authority, RB, Build America Bonds, Series C, 7.34%, 11/15/39 | | 1,295 | 1,861,200 |
| Municipal Electric Authority of Georgia Plant Vogtle Units 3 & 4, Refunding RB, Build America Bonds, Series A, 7.06%, 4/01/57 | | 2,000 | 2,173,740 |
| New York State Dormitory Authority, RB, Build America Bonds: | | | |
| 5.63%, 3/15/39 | | 1,100 | 1,306,679 |
| 5.60%, 3/15/40 | | 1,900 | 2,289,633 |
| Port Authority of New York & New Jersey, RB, 159th Series, 6.04%, 12/01/29 | | 780 | 955,336 |
| State of California, GO, Build America Bonds, Various Purpose: | | | |
| 7.55%, 4/01/39 | | 280 | 405,426 |
| 7.63%, 3/01/40 (c) | | 1,720 | 2,485,624 |
| State of Illinois, GO, Pension, 5.10%, 6/01/33 | | 2,000 | 1,855,700 |
| University of California, RB, Build America Bonds, 5.95%, 5/15/45 | | 885 | 1,060,115 |
| Total Municipal Bonds 3.1% | | | 23,804,991 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

| | Par | | Value |
|--|------------|-------|--------------|
| | (000) | | |
| Non-Agency Mortgage-Backed Securities | | | |
| Collateralized Mortgage Obligations 1.2% | | | |
| Banc of America Funding Corp., Series 2007-2, Class 1A2, 6.00%, 3/25/37 | USD | 1,121 | \$ 950,156 |
| Collateralized Mortgage Obligation Trust, Series 40, Class R, 580.51%, 4/01/18 | | 8 | 8 |
| Countrywide Alternative Loan Trust: | | | |
| Series 2005-64CB, Class 1A15, 5.50%, 12/25/35 | | 1,823 | 1,733,964 |
| Series 2006-OA21, Class A1, 0.39%, 3/20/47 (a) | | 1,290 | 999,276 |
| Countrywide Home Loan Mortgage Pass-Through Trust, Series 2006-OA5, Class 2A1, 0.40%, 4/25/46 (a) | | 510 | 411,864 |
| Credit Suisse Mortgage Capital Certificates, Series 2011-2R, Class 2A1, 2.69%, 7/27/36 (a)(b) | | 1,550 | 1,556,612 |
| GMAC Mortgage Corp. Loan Trust, Series 2005-AR3, Class 5A1, 3.20%, 6/19/35 (a) | | 943 | 936,211 |
| GSR Mortgage Loan Trust: | | | |
| Series 2006-4F, Class 1A1, 5.00%, 5/25/36 | | 195 | 188,412 |
| Series 2007-4F, Class 3A1, 6.00%, 7/25/37 | | 349 | 317,727 |
| Homebanc Mortgage Trust, Series 2006-2, Class A1, 0.38%, 12/25/36 (a) | | 821 | 739,089 |
| JPMorgan Mortgage Trust, Series 2006-S3, Class 1A12, 6.50%, 8/25/36 | | 133 | 111,053 |
| Merrill Lynch Mortgage Investors, Inc., Series 2006-A3, Class 3A1, 2.68%, 5/25/36 (a) | | 953 | 771,949 |
| Residential Funding Securities LLC, Series 2003-RM2, Class AI5, 8.50%, 5/25/33 | | 290 | 296,924 |
| WaMu Mortgage Pass-Through Certificates, Series 2007-OA4, Class 1A, 0.95%, 5/25/47 (a) | | 277 | 233,247 |
| | | | 9,246,492 |
| Commercial Mortgage-Backed Securities 14.9% | | | |
| Banc of America Merrill Lynch Commercial Mortgage Securities Trust, Series 2015-200P, Class C, 3.72%, 4/14/33 (a)(b) | | 6,690 | 6,547,797 |
| Banc of America Merrill Lynch Commercial Mortgage Trust: | | | |
| Series 2006-6, Class A2, 5.31%, 10/10/45 | | 147 | 147,387 |
| Series 2007-2, Class A4, 5.78%, 4/10/49 (a) | | 1,500 | 1,561,970 |
| Citigroup Commercial Mortgage Trust, Series 2013-GC15, Class B, 5.28%, 9/10/46 (a) | | 7,183 | 7,909,568 |
| Citigroup/Deutsche Bank Commercial Mortgage Trust, Series 2006-CD3, Class AM, 5.65%, 10/15/48 | | 2,193 | 2,278,952 |
| COMM 2015-3BP Mortgage Trust, Series 2015-3BP, Class A, 3.18%, 2/10/35 (b) | | 7,570 | 7,441,257 |
| COMM 2015-CCRE22 Mortgage Trust, Series 2015-CR22, Class C, 4.27%, 3/10/48 (a) | | 5,000 | 4,734,195 |
| COMM 2015-LC19 Mortgage Trust, Series 2015-LC19, Class C, 4.41%, 2/10/48 (a) | | 3,500 | 3,379,366 |
| Commercial Mortgage Loan Trust: | | | |
| Series 2008-LS1, Class A4B, 6.24%, 12/10/49 (a) | | 1,384 | 1,459,546 |
| | Par | | |
| Non-Agency Mortgage-Backed Securities (000) Value | | | |
| Commercial Mortgage-Backed Securities (concluded) | | | |
| Commercial Mortgage Trust: | | | |
| Series 2006-C7, Class AM, 5.95%, 6/10/46 (a) | USD | 3,500 | \$ 3,580,917 |
| Series 2013-CR11, Class B, 5.33%, 10/10/46 (a) | | 7,000 | 7,713,237 |
| Series 2013-LC6, Class B, 3.74%, 1/10/46 | | 1,390 | 1,408,039 |
| Series 2013-LC6, Class D, 4.43%, 1/10/46 (a)(b) | | 1,670 | 1,572,647 |
| Core Industrial Trust 2015-TEXW, Series 2015-TEXW, Class D, 3.98%, 2/10/34 (a)(b) | | 4,585 | 4,542,846 |
| Credit Suisse Commercial Mortgage Trust: | | | |
| Series 2006-C3, Class AM, 6.01%, 6/15/38 (a) | | 2,000 | 2,053,922 |
| Series 2006-C5, Class AM, 5.34%, 12/15/39 | | 3,500 | 3,642,807 |
| Series 2010-RR2, Class 2A, 6.15%, 9/15/39 (a)(b) | | 1,155 | 1,212,742 |
| Credit Suisse First Boston Mortgage Securities Corp., Series 2005-C3, Class AJ, 4.77%, 7/15/37 | | 81 | 81,270 |
| CSAIL 2015-C1 Commercial Mortgage Trust, Series 2015-C1: | | | |
| Class B, 4.04%, 4/15/50 | | 1,110 | 1,113,245 |
| Class C, 4.44%, 4/15/50 (a) | | 1,000 | 967,535 |
| Class D, 3.94%, 4/15/50 (a)(b) | | 1,000 | 857,170 |

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| | | |
|---|-------|-------------|
| DBRR Trust, Series 2011-C32, Class A3A, 5.90%, 6/17/49 (a)(b) | 730 | 760,252 |
| GAHR Commercial Mortgage Trust 2015-NRF, Series 2015-NRF, Class DFX, 3.49%, 12/15/19 (a)(b) | 6,170 | 6,008,136 |
| Greenwich Capital Commercial Funding Corp., Series 2006-GG7, Class A4, 6.01%, 7/10/38 (a) | 2,182 | 2,214,851 |
| GS Mortgage Securities Corp. II, Series 2013-GC10, Class B, 3.68%, 2/10/46 (b) | 2,505 | 2,502,733 |
| Hilton USA Trust, Series 2013- HLT, 4.41%, 11/05/30 | 5,900 | 5,925,193 |
| JPMBB Commercial Mortgage Securities Trust, Series 2013-C15, Class D, 5.25%, 11/15/45 (a)(b) | 1,600 | 1,549,102 |
| JPMorgan Chase Commercial Mortgage Securities Corp., Series 2004-LN2, Class A2, 5.12%, 7/15/41 | 66 | 66,366 |
| JPMorgan Chase Commercial Mortgage Securities Trust, Series 2006-CB14, Class AM, 5.67%, 12/12/44 (a) | 660 | 664,096 |
| LB-UBS Commercial Mortgage Trust (a): | | |
| Series 2007-C6, Class A4, 5.86%, 7/15/40 | 8,206 | 8,555,544 |
| Series 2007-C7, Class A3, 5.87%, 9/15/45 | 2,180 | 2,348,983 |
| Morgan Stanley Capital I Trust (a): | | |
| Series 2007-HQ11, Class A4, 5.45%, 2/12/44 | 8,000 | 8,305,104 |
| Series 2014-CPT, Class G, 3.56%, 7/13/29 (b) | 3,200 | 3,022,666 |
| RCMC LLC, Series 2012-CRE1, Class A, 5.62%, 11/15/44 (b) | 782 | 796,363 |
| Wachovia Bank Commercial Mortgage Trust, Series 2007-C33, Class A4, 6.15%, 2/15/51 (a) | 4,291 | 4,483,703 |
| WF-RBS Commercial Mortgage Trust, Series 2012-C8: | | |
| Class B, 4.31%, 8/15/45 | 1,395 | 1,455,384 |
| Class C, 5.04%, 8/15/45 (a) | 1,795 | 1,886,940 |
| | | 114,751,831 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

| | Par | Value |
|---|-----------|-------------|
| | (000) | |
| Non-Agency Mortgage-Backed Securities | | |
| Interest Only Collateralized Mortgage Obligations 0.0% | | |
| GSMPS Mortgage Loan Trust, Series 1998-5, 0.00%, 6/19/27 (a)(b) | USD 1,263 | \$ 13 |
| Interest Only Commercial Mortgage-Backed Securities 0.3% | | |
| Commercial Mortgage Loan Trust, Series 2015-LC21, Class XA, 1.04%, 7/10/48 (a) | 19,648 | 1,073,649 |
| WF-RBS Commercial Mortgage Trust, Class XA, Series 2012-C8, 2.34%, 8/15/45 (a)(b) | 11,677 | 1,069,088 |
| | | 2,142,737 |
| Total Non-Agency Mortgage-Backed Securities 16.4% | | 126,141,073 |
| Preferred Securities | | |
| Capital Trusts | | |
| Banks 6.6% | | |
| Bank of America Corp., Series X, 6.25% (a)(d) | 3,570 | 3,534,300 |
| The Bank of New York Mellon Corp., Series E, 4.95% (a)(d) | 2,000 | 1,982,500 |
| BNP Paribas SA, 7.20% (a)(b)(d) | 2,000 | 2,322,500 |
| Capital One Financial Corp., Series E, 5.55% (a)(d) | 3,500 | 3,477,040 |
| Citigroup, Inc. (a)(d): | | |
| Series D, 5.95% | 2,100 | 2,008,125 |
| Series M, 6.30% | 4,000 | 3,880,000 |
| Series Q, 5.95% | 100 | 99,174 |
| Credit Agricole SA (a)(b)(d): | | |
| 6.63% | 1,400 | 1,372,773 |
| 7.88% | 2,000 | 2,036,062 |
| JPMorgan Chase & Co. (a)(d): | | |
| Series I, 7.90% | 7,000 | 7,350,000 |
| Series Q, 5.15% | 3,000 | 2,835,000 |
| Series U, 6.13% | 500 | 500,000 |
| Series V, 5.00% | 6,000 | 5,850,000 |
| Nordea Bank AB, 6.13% (a)(b)(d) | 2,960 | 2,930,400 |
| Societe Generale SA (a)(b)(d): | | |
| 6.00% | 5,720 | 5,398,525 |
| 7.88% | 2,000 | 2,007,500 |
| Wells Fargo & Co., Series S, 5.90% (a)(d) | 3,390 | 3,402,712 |
| | | 50,986,611 |
| Capital Markets 1.9% | | |
| The Bank of New York Mellon Corp., Series D, 4.50% (a)(c)(d) | 8,400 | 7,717,920 |
| Credit Suisse Group AG, 7.50% (a)(b)(d) | 3,000 | 3,170,250 |
| Morgan Stanley, Series H, 5.45% (a)(d) | 1,750 | 1,736,875 |
| State Street Capital Trust IV, 1.29%, 6/01/77 (a) | 140 | 119,350 |
| State Street Corp., Series F, 5.25% (a)(d) | 2,000 | 2,002,500 |
| | | 14,746,895 |
| Diversified Financial Services 0.5% | | |
| General Electric Capital Corp., Series B, 6.25% (a)(d) | 1,800 | 1,948,500 |
| Macquarie Bank Ltd., 10.25%, 6/20/57 (a) | 1,800 | 1,958,441 |
| | | 3,906,941 |

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| | | |
|---|---------------|--------------------|
| Electric Utilities 0.5% | | |
| Electricite de France SA, 5.25% (a)(b)(d) | 4,200 | 4,242,000 |
| Insurance 2.6% | | |
| The Allstate Corp. (a): | | |
| 5.75%, 8/15/53 | 2,000 | 2,060,000 |
| 6.50%, 5/15/67 | 4,100 | 4,551,000 |
| AXA SA, 6.46% (a)(b)(d) | 1,300 | 1,334,125 |
| Liberty Mutual Group, Inc., | | |
| 7.00%, 3/07/67 (a)(b) | 1,950 | 1,876,875 |
| | Par | |
| Preferred Securities | (000) | Value |
| Capital Trusts (concluded) | | |
| Insurance (concluded) | | |
| Metlife Capital Trust IV, 7.88%, 12/15/67 (b) | 1,285 | 1,603,038 |
| Metlife, Inc., 5.25% (a)(d) | USD 2,000 | 1,990,000 |
| Swiss Re Capital I LP, 6.85% (a)(b)(d) | 1,710 | 1,744,200 |
| Voya Financial, Inc., 5.65%, 5/15/53 (a) | 4,500 | 4,545,000 |
| | | 19,704,238 |
| Total Capital Trusts 12.1% | | 93,586,685 |
| | | |
| Preferred Stocks | Shares | |
| Banks 1.3% | | |
| US Bancorp, 6.00% (a)(d) | 300,000 | 7,995,000 |
| Wells Fargo & Co., 5.85% (a)(d) | 75,000 | 1,920,000 |
| | | 9,915,000 |
| Capital Markets 0.4% | | |
| The Goldman Sachs Group, Inc., Series J, 5.50% (a)(d) | 92,000 | 2,265,040 |
| SCE Trust III, 5.75% (a)(d) | 25,314 | 686,516 |
| | | 2,951,556 |
| Thriffs & Mortgage Finance 0.0% | | |
| Fannie Mae, Series S, 8.25% (a)(d) | 10,000 | 49,300 |
| Total Preferred Stocks 1.7% | | 12,915,856 |
| | | |
| Trust Preferred 0.1% | | |
| Banks 0.1% | | |
| Citigroup Capital XIII, 7.88%, 10/30/40 | 29,583 | 750,992 |
| Total Preferred Securities 13.9% | | 107,253,533 |
| | | |
| | Par | |
| U.S. Government Sponsored Agency Securities | (000) | |
| Agency Obligations 1.5% | | |
| Fannie Mae, 5.63%, 7/15/37 (c) | 1,600 | 2,163,152 |
| Federal Home Loan Bank (c): | | |
| 5.25%, 12/09/22 | 1,375 | 1,640,951 |
| 5.37%, 9/09/24 | 2,175 | 2,668,842 |
| Resolution Funding Corp. (e): | | |
| 0.00%, 7/15/18 - 4/15/30 | 7,105 | 4,843,129 |
| | | 11,316,074 |
| Collateralized Mortgage Obligations 0.0% | | |
| Fannie Mae Mortgage-Backed Securities: | | |
| Series 2005-5, Class PK, | | |
| 5.00%, 12/25/34 | 341 | 360,916 |
| Series 1991-87, Class S, | | |
| 26.15%, 8/25/21 (a) | 7 | 10,112 |
| | (f) | 143 |

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| | | |
|--|-----|-------|
| Series G-49, Class S, 1,014.06%, 12/25/21 (a) | | |
| Series G-17, Class S, 1,060.36%, 6/25/21 (a) | 30 | 387 |
| Series G-33, Class PV, 1,078.42%, 10/25/21 | 29 | 150 |
| Series G-07, Class S, 1,122.08%, 3/25/21 (a) | (f) | 586 |
| Series 1991-46, Class S, 2,473.34%, 5/25/21 (a) | 21 | 1,112 |
| Freddie Mac Mortgage-Backed Securities: | | |
| Series 0173, Class R, 9.00%, 11/15/21 | 2 | 2 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

(Percentages shown are based on Net Assets)

| | Par | | Value |
|---|--------|-----|-----------|
| | (000) | | |
| U.S. Government Sponsored Agency Securities | | | |
| Collateralized Mortgage Obligations (concluded) | | | |
| Freddie Mac Mortgage-Backed Securities (concluded): | | | |
| Series 0173, Class RS, 9.69%, 11/15/21 (a) | USD | (f) | \$ 2 |
| Series 1057, Class J, 1,008.00%, 3/15/21 | 16 | | 166 |
| Series 0192, Class U, 1,009.03%, 2/15/22 (a) | | (f) | |
| Series 0019, Class R, 16,265.99%, 3/15/20 (a) | 1 | | 146 |
| | | | 373,722 |
| Commercial Mortgage-Backed Securities 0.8% | | | |
| Freddie Mac Mortgage-Backed Securities (a): | | | |
| Series 2013-K24, Class B, 3.62%, 11/25/45 (b) | 3,500 | | 3,522,725 |
| Series K013, Class A2, 3.97%, 1/25/21 | 1,870 | | 2,042,291 |
| Series 2012-K706, Class C, 4.17%, 11/25/44 (b) | 335 | | 345,774 |
| | | | 5,910,790 |
| Interest Only Collateralized Mortgage Obligations 1.4% | | | |
| Fannie Mae Mortgage-Backed Securities: | | | |
| Series 1997-50, Class SI, 1.20%, 4/25/23 (a) | 66 | | 2,129 |
| Series 2012-96, Class DI, 4.00%, 2/25/27 | 9,452 | | 922,425 |
| Series 2012-M9, Class X1, 4.20%, 12/25/17 (a) | 22,275 | | 1,522,682 |
| Series 2012-47, Class NI, 4.50%, 4/25/42 | 7,844 | | 1,296,032 |
| Series 089, Class 2, 8.00%, 10/25/18 | 1 | | 35 |
| Series 007, Class 2, 8.50%, 4/25/17 | | (f) | 20 |
| Series G92-05, Class H, 9.00%, 1/25/22 | 5 | | 265 |
| Series 094, Class 2, 9.50%, 8/25/21 | | (f) | 79 |
| Series 1990-136, Class S, 19.88%, 11/25/20 (a) | 2,367 | | 3,161 |
| Series 1991-139, Class PT, 648.35%, 10/25/21 | 41 | | 283 |
| Series 1991-099, Class L, 930.00%, 8/25/21 | 19 | | 146 |
| Series 1990-123, Class M, 1,009.50%, 10/25/20 | | (f) | |
| Series G-10, Class S, 1,085.52%, 5/25/21 (a) | 95 | | 2,001 |
| Series G-12, Class S, 1,152.33%, 5/25/21 (a) | 62 | | 1,033 |
| Freddie Mac Mortgage-Backed Securities: | | | |
| Series K707, Class X1, 1.68%, 12/25/18 (a) | 4,868 | | 214,580 |
| Series K710, Class X1, 1.90%, 5/25/19 (a) | 16,821 | | 933,724 |
| Series 2611, Class QI, 5.50%, 9/15/32 | 1,080 | | 84,409 |
| Series 1254, Class Z, 8.50%, 4/15/22 | 27 | | 6,471 |
| Series 1043, Class H, 44.11%, 2/15/21 (a) | 2,014 | | 3,672 |
| Series 1054, Class I, 864.20%, 3/15/21 (a) | 14 | | 238 |
| Series 0176, Class M, 1,010.00%, 7/15/21 | 6 | | 122 |
| Series 1056, Class KD, 1,084.50%, 3/15/21 | 10 | | 125 |
| | 16 | | 230 |

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| | | | |
|---|---------------|-----------|----------------|
| Series 1148, Class E, 1,173.55%, 10/15/21 (a) | | | |
| Series 0200, Class R, 197,017.30%, 12/15/22 (a) | | (f) | 207 |
| | Par | | |
| U.S. Government Sponsored Agency Securities | (000) | | Value |
| Interest Only Collateralized Mortgage Obligations (concluded) | | | |
| Ginnie Mae Mortgage-Backed Securities (a): | | | |
| Series 2009-78, Class SD, 6.00%, 9/20/32 | USD | 8,047 | \$ 1,533,476 |
| Series 2009-116, Class KS, 6.27%, 12/16/39 | | 3,494 | 569,229 |
| Series 2011-52, Class NS, 6.47%, 4/16/41 | | 21,613 | 3,952,589 |
| | | | 11,049,363 |
| Mortgage-Backed Securities 6.5% | | | |
| Fannie Mae Mortgage-Backed Securities (c): | | | |
| 3.00%, 8/01/43 | | 12,793 | 12,907,759 |
| 4.00%, 12/01/41 - 12/01/43 | | 8,581 | 9,193,626 |
| 4.50%, 7/01/41 - 4/01/42 | | 19,067 | 20,722,766 |
| 5.00%, 8/01/34 | | 3,207 | 3,553,491 |
| 5.50%, 7/01/16 - 6/01/38 | | 1,806 | 2,038,752 |
| 6.00%, 3/01/16 - 12/01/38 | | 1,461 | 1,648,741 |
| Freddie Mac Mortgage-Backed Securities, 6.00%, 5/1/16 - 12/1/18 | | 128 | 131,287 |
| Ginnie Mae Mortgage-Backed Securities: | | | |
| 5.50%, 8/15/33 | | 61 | 68,312 |
| 8.00%, 7/15/24 | | (f) | 272 |
| | | | 50,265,006 |
| Principal Only Collateralized Mortgage Obligations 0.0% | | | |
| Fannie Mae Mortgage-Backed Securities, 0.00%, 2/25/23 - 6/25/23 (e) | | 21 | 19,346 |
| Total U.S. Government Sponsored Agency Securities 10.2% | | | 78,934,301 |
| U.S. Treasury Obligations 8.6% | | | |
| U.S. Treasury Bonds, 3.00%, 11/15/44 (c) | | 65,500 | 66,114,063 |
| Total Long-Term Investments | | | 1,057,320,295 |
| (Cost \$1,043,598,849) 137.2% | | | |
| Short-Term Securities | Shares | | |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.08% (g)(h) | | 9,920,365 | 9,920,365 |
| Total Short-Term Securities | | | 9,920,365 |
| (Cost \$9,920,365) 1.3% | | | |
| Options Purchased | | | 209,248 |
| (Cost \$263,640) 0.0% | | | |
| Total Investments Before Options Written | | | 1,067,449,908 |
| (Cost \$1,053,782,854) 138.5% | | | |
| Options Written | | | (5,673,389) |
| (Premiums Received \$6,793,257) (0.7)% | | | |
| Total Investments, Net of Options Written | | | 1,061,776,519 |
| (Cost \$1,046,989,597) 137.8% | | | |
| Liabilities in Excess of Other Assets (37.8)% | | | (290,954,482) |
| Net Assets 100.0% | | | \$ 770,822,037 |

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See Notes to Financial Statements.

ANNUAL REPORT

AUGUST 31, 2015

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Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

Notes to Schedule of Investments

- (a) Variable rate security. Rate shown is as of report date.
- (b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) All or a portion of security has been pledged as collateral in connection with outstanding reverse repurchase agreements.
- (d) Security is perpetual in nature and has no stated maturity date.
- (e) Zero-coupon bond.
- (f) Amount is less than \$500.
- (g) During the year ended August 31, 2015, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at August 31, 2014 | Net Activity | Shares Held at August 31, 2015 | Income |
|--|--------------------------------------|-----------------|--------------------------------------|----------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 742,474 | 9,177,891 | 9,920,365 | \$ 3,031 |

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

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

As of August 31, 2015, reverse repurchase agreements outstanding were as follows:

| Counterparty | Interest Rate | Trade Date | Maturity Date ¹ | Face Value | Face Value Including Accrued Interest |
|--------------------|------------------|---------------|-------------------------------|--------------|--|
| UBS Securities LLC | 0.28% | 2/10/14 | Open | \$ 3,373,000 | \$ 3,387,875 |
| UBS Securities LLC | 0.32% | 2/10/14 | Open | 2,369,000 | 2,380,685 |
| UBS Securities LLC | 0.32% | 2/10/14 | Open | 1,348,000 | 1,354,794 |
| UBS Securities LLC | 0.32% | 2/10/14 | Open | 1,355,000 | 1,361,829 |
| UBS Securities LLC | 0.32% | 2/10/14 | Open | 1,416,000 | 1,423,137 |
| UBS Securities LLC | 0.34% | 2/10/14 | Open | 1,233,000 | 1,239,603 |

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| | | | | | |
|------------------------------------|-------|----------|------|------------|------------|
| UBS Securities LLC | 0.34% | 2/10/14 | Open | 3,805,000 | 3,825,376 |
| UBS Securities LLC | 0.34% | 2/10/14 | Open | 1,410,000 | 1,417,551 |
| UBS Securities LLC | 0.34% | 2/10/14 | Open | 827,000 | 831,429 |
| UBS Securities LLC | 0.34% | 5/13/14 | Open | 1,172,000 | 1,177,258 |
| UBS Securities LLC | 0.34% | 5/13/14 | Open | 633,000 | 635,840 |
| Barclays Capital, Inc. | 0.35% | 5/14/14 | Open | 534,000 | 536,812 |
| Barclays Capital, Inc. | 0.35% | 5/14/14 | Open | 556,000 | 558,489 |
| Barclays Capital, Inc. | 0.35% | 5/14/14 | Open | 354,000 | 355,585 |
| Barclays Capital, Inc. | 0.35% | 5/14/14 | Open | 979,000 | 983,512 |
| Barclays Capital, Inc. | 0.35% | 5/14/14 | Open | 738,000 | 741,109 |
| Barclays Capital, Inc. | 0.35% | 6/26/14 | Open | 2,981,250 | 2,993,771 |
| Barclays Capital, Inc. | 0.35% | 11/10/14 | Open | 1,076,000 | 1,079,182 |
| Barclays Capital, Inc. | 0.35% | 11/10/14 | Open | 1,032,000 | 1,034,960 |
| Barclays Capital, Inc. | 0.35% | 11/10/14 | Open | 4,796,000 | 4,809,755 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 1,409,000 | 1,412,926 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 1,550,000 | 1,554,318 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 1,447,000 | 1,451,031 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 3,614,000 | 3,624,069 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 4,265,000 | 4,276,883 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 1,369,000 | 1,372,814 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 1,360,000 | 1,363,789 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 942,000 | 944,625 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 1,212,000 | 1,215,377 |
| UBS Securities LLC | 0.34% | 11/10/14 | Open | 176,000 | 176,490 |
| RBC Capital Markets, LLC | 0.39% | 3/31/15 | Open | 3,262,500 | 3,267,943 |
| RBC Capital Markets, LLC | 0.39% | 4/23/15 | Open | 2,137,125 | 2,140,158 |
| BNP Paribas Securities Corp. | 0.42% | 4/30/15 | Open | 1,749,325 | 1,751,735 |
| RBC Capital Markets, LLC | 0.39% | 5/5/15 | Open | 1,875,000 | 1,877,417 |
| RBC Capital Markets, LLC | 0.39% | 5/5/15 | Open | 1,598,625 | 1,600,686 |
| BNP Paribas Securities Corp. | 0.20% | 5/7/15 | Open | 67,112,500 | 67,134,125 |
| Credit Suisse Securities (USA) LLC | 0.40% | 5/7/15 | Open | 966,625 | 967,882 |
| Credit Suisse Securities (USA) LLC | 0.40% | 5/7/15 | Open | 1,177,913 | 1,179,444 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

As of August 31, 2015, reverse repurchase agreements outstanding were as follows (concluded):

| Counterparty | Interest Rate | Trade Date | Maturity Date ¹ | Face Value | Face Value Including Accrued Interest |
|---|---------------|------------|----------------------------|--------------|---------------------------------------|
| Credit Suisse Securities (USA) LLC | 0.40% | 5/7/15 | Open | \$ 1,503,125 | \$ 1,505,079 |
| Credit Suisse Securities (USA) LLC | 0.40% | 5/7/15 | Open | 1,521,231 | 1,523,209 |
| HSBC Securities (USA), Inc. | 0.40% | 5/14/15 | Open | 2,301,750 | 2,304,563 |
| HSBC Securities (USA), Inc. | 0.40% | 5/14/15 | Open | 4,448,000 | 4,453,436 |
| HSBC Securities (USA), Inc. | 0.40% | 5/14/15 | Open | 2,895,000 | 2,898,538 |
| HSBC Securities (USA), Inc. | 0.40% | 5/14/15 | Open | 3,776,250 | 3,780,865 |
| RBC Capital Markets, LLC | 0.39% | 5/15/15 | Open | 1,827,000 | 1,829,157 |
| RBC Capital Markets, LLC | 0.39% | 5/21/15 | Open | 2,041,425 | 2,043,703 |
| RBC Capital Markets, LLC | 0.39% | 5/21/15 | Open | 1,932,760 | 1,934,917 |
| RBC Capital Markets, LLC | 0.39% | 5/21/15 | Open | 1,995,000 | 1,997,226 |
| RBC Capital Markets, LLC | 0.39% | 5/21/15 | Open | 2,295,000 | 2,297,561 |
| RBC Capital Markets, LLC | 0.39% | 5/21/15 | Open | 1,984,650 | 1,986,865 |
| RBC Capital Markets, LLC | 0.39% | 5/22/15 | Open | 1,827,000 | 1,829,019 |
| RBC Capital Markets, LLC | 0.39% | 5/22/15 | Open | 2,097,900 | 2,100,218 |
| RBC Capital Markets, LLC | 0.39% | 5/22/15 | Open | 1,540,000 | 1,541,702 |
| Merrill Lynch, Pierce, Fenner & Smith, Inc. | 0.22% | 6/2/15 | Open | 1,323,000 | 1,323,728 |
| Merrill Lynch, Pierce, Fenner & Smith, Inc. | 0.22% | 6/2/15 | Open | 830,000 | 830,456 |
| RBC Capital Markets, LLC | 0.39% | 6/4/15 | Open | 2,300,000 | 2,302,218 |
| BNP Paribas Securities Corp. | 0.23% | 6/10/15 | Open | 1,366,000 | 1,366,653 |
| BNP Paribas Securities Corp. | 0.23% | 6/10/15 | Open | 807,000 | 807,386 |
| BNP Paribas Securities Corp. | 0.23% | 6/10/15 | Open | 839,000 | 839,401 |
| BNP Paribas Securities Corp. | 0.23% | 6/10/15 | Open | 1,128,000 | 1,128,540 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 2,497,000 | 2,499,218 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 795,000 | 795,706 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 1,476,000 | 1,477,311 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 797,000 | 797,708 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 2,016,000 | 2,017,791 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 932,200 | 933,028 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 1,210,000 | 1,211,075 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 487,500 | 487,933 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 1,771,000 | 1,772,573 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 1,064,000 | 1,064,945 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 974,000 | 974,865 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 2,016,000 | 2,017,791 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 1,504,000 | 1,505,336 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 2,650,000 | 2,652,354 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 1,840,000 | 1,841,635 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 487,000 | 487,433 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 1,208,000 | 1,209,073 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 2,711,000 | 2,713,408 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 3,697,000 | 3,700,284 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 896,000 | 896,796 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 3,802,000 | 3,805,377 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 4,745,000 | 4,749,215 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 2,243,000 | 2,244,993 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 4,726,000 | 4,730,198 |
| BNP Paribas Securities Corp. | 0.42% | 6/10/15 | Open | 975,250 | 976,116 |
| HSBC Securities (USA), Inc. | 0.40% | 6/10/15 | Open | 7,959,000 | 7,966,252 |
| HSBC Securities (USA), Inc. | 0.40% | 6/10/15 | Open | 4,202,000 | 4,205,828 |
| HSBC Securities (USA), Inc. | 0.40% | 6/10/15 | Open | 3,978,000 | 3,981,624 |
| HSBC Securities (USA), Inc. | 0.40% | 6/10/15 | Open | 4,180,000 | 4,183,808 |
| RBC Capital Markets, LLC | 0.39% | 6/11/15 | Open | 2,284,635 | 2,286,665 |
| UBS Securities LLC | 0.34% | 6/24/15 | Open | 2,434,875 | 2,436,439 |
| RBC Capital Markets, LLC | 0.39% | 6/30/15 | Open | 1,435,225 | 1,436,205 |
| RBC Capital Markets, LLC | 0.39% | 7/22/15 | Open | 4,218,750 | 4,220,578 |

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|-----------------------------|-------|---------|---------|-----------------------|-----------------------|
| HSBC Securities (USA), Inc. | 0.35% | 8/12/15 | 9/14/15 | 48,573,000 | 48,581,973 |
| RBC Capital Markets, LLC | 0.39% | 8/31/15 | Open | 4,725,000 | 4,725,051 |
| Total | | | | \$ 303,300,389 | \$ 303,651,289 |

¹ Certain agreements have no stated maturity and can be terminated by either party at any time.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

Derivative Financial Instruments Outstanding as of August 31, 2015

Financial Futures Contracts

| Contracts Long (Short) | Issue | Exchange | Expiration | Notional Value | Unrealized Appreciation (Depreciation) |
|---------------------------|-------------------------------|------------------------|---------------|----------------|--|
| (183) | 10-Year U.S. Treasury Note | Chicago Board of Trade | December 2015 | USD 23,252,438 | \$ 55,134 |
| (387) | 2-Year U.S. Treasury Note | Chicago Board of Trade | December 2015 | USD 84,547,406 | 174,651 |
| 374 | 5-Year U.S. Treasury Note | Chicago Board of Trade | December 2015 | USD 44,669,625 | (240,327) |
| (20) | Long U.S. Treasury Bond | Chicago Board of Trade | December 2015 | USD 3,092,500 | 64,918 |
| 351 | Ultra Long U.S. Treasury Bond | Chicago Board of Trade | December 2015 | USD 55,600,594 | (1,005,208) |
| (110) | 90-Day Euro-Dollar | Chicago Mercantile | March 2016 | USD 27,329,500 | (118,427) |
| 172 | 90-Day Euro-Dollar | Chicago Mercantile | June 2016 | USD 42,658,150 | 44,873 |
| (72) | 90-Day Euro-Dollar | Chicago Mercantile | December 2016 | USD 17,785,800 | (27,116) |
| (100) | 90-Day Euro-Dollar | Chicago Mercantile | December 2017 | USD 24,551,250 | (145,752) |
| Total | | | | | \$ (1,197,254) |

Forward Foreign Currency Exchange Contracts

| Currency Purchased | Currency Sold | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|-----------------------|------------------|--|--------------------|--|
| AUD 2,070,000 | CAD 1,945,986 | Goldman Sachs International | 9/16/15 | \$ (7,007) |
| AUD 2,090,000 | CAD 1,970,841 | Morgan Stanley & Co. International PLC | 9/16/15 | (11,675) |
| CAD 1,974,273 | AUD 2,070,000 | BNP Paribas S.A. | 9/16/15 | 28,507 |
| CAD 2,026,470 | GBP 970,000 | JPMorgan Chase Bank N.A. | 9/16/15 | 51,907 |
| EUR 1,380,000 | GBP 1,014,935 | Royal Bank of Scotland PLC | 9/16/15 | (8,409) |
| EUR 1,380,000 | GBP 972,879 | Royal Bank of Scotland PLC | 9/16/15 | 56,120 |
| EUR 3,390,000 | JPY 469,606,530 | UBS AG | 9/16/15 | (69,406) |
| GBP 970,000 | CAD 1,976,497 | Goldman Sachs International | 9/16/15 | (13,925) |
| GBP 960,000 | CAD 1,963,244 | Morgan Stanley & Co. International PLC | 9/16/15 | (19,195) |
| GBP 1,261,595 | EUR 1,780,000 | Royal Bank of Scotland PLC | 9/16/15 | (62,073) |
| GBP 701,254 | EUR 980,000 | Royal Bank of Scotland PLC | 9/16/15 | (23,944) |
| GBP 960,000 | USD 1,486,776 | Citibank N.A. | 9/16/15 | (13,779) |
| GBP 1,910,000 | USD 2,973,462 | Goldman Sachs International | 9/16/15 | (42,811) |
| JPY 467,768,133 | EUR 3,390,000 | Toronto-Dominion Bank | 9/16/15 | 54,239 |
| NZD 2,340,000 | USD 1,527,669 | Royal Bank of Scotland PLC | 9/16/15 | (46,214) |
| USD 1,510,000 | CAD 1,971,060 | Barclays Bank PLC | 9/16/15 | 11,867 |
| USD 1,554,685 | EUR 1,340,000 | Morgan Stanley & Co. International PLC | 9/16/15 | 50,701 |
| USD 1,499,064 | GBP 955,000 | Citibank N.A. | 9/16/15 | 33,738 |
| USD 1,542,704 | NZD 2,340,000 | Commonwealth Bank of Australia | 9/16/15 | 61,249 |
| USD 1,733,881 | EUR 1,571,000 | UBS AG | 10/20/15 | (30,307) |
| USD 14,094,219 | GBP 9,059,000 | HSBC Bank PLC | 10/20/15 | 196,799 |
| Total | | | | \$ 196,382 |

OTC Interest Rate Swaptions Purchased

| Description | Counterparty | Put/ Call | Exercise Rate | Pay/Receive Exercise Rate | Floating Rate Index | Expiration Date | Notional Amount (000) | Value |
|---------------------------|---------------|--------------|------------------|------------------------------|------------------------|--------------------|-----------------------------|-----------|
| 5-Year Interest Rate Swap | Citibank N.A. | Call | 1.75% | Receive | 3-Month LIBOR | 2/12/16 | USD 6,000 | \$ 51,791 |

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| | | | | | | | | | |
|----------------------------|--------------------------|------|-------|---------|---------------|---------|-----|-------|-------------------|
| 5-Year Interest Rate Swap | Citibank N.A. | Call | 1.75% | Receive | 3-Month LIBOR | 3/23/16 | USD | 1,800 | 16,075 |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Call | 2.25% | Receive | 3-Month LIBOR | 2/13/17 | USD | 3,000 | 70,682 |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Call | 2.25% | Receive | 3-Month LIBOR | 2/17/17 | USD | 3,000 | 70,700 |
| Total | | | | | | | | | \$ 209,248 |

Exchange-Traded Options Written

| Description | Put/ Call | Exchange | Expiration Date | Strike | | Notional Amount (000) | Contracts | Value |
|---------------------------|--------------|--------------------|--------------------|--------|-------|-----------------------------|-----------|-------------|
| | | | | Price | | | | |
| 90 Day Euro-Dollar Future | Call | Chicago Mercantile | 12/14/15 | USD | 99.50 | | 449 | \$ (86,994) |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

OTC Interest Rate Swaptions Written

| Description | Counterparty | Put/ Call | Exercise Rate | Pay/Receive Exercise Rate | Floating Rate Index | Expiration Date | Notional Amount (000) | Value |
|----------------------------|-----------------------------|--------------|------------------|------------------------------|------------------------|--------------------|-----------------------------|----------------|
| 5-Year Interest Rate Swap | Deutsche Bank AG | Call | 1.45% | Pay | 3-Month LIBOR | 10/30/15 | USD 36,500 | \$ (68,194) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Call | 2.79% | Pay | 3-month LIBOR | 11/17/15 | USD 27,000 | (1,227,017) |
| 10-Year Interest Rate Swap | Barclays Bank PLC | Call | 2.10% | Pay | 3-month LIBOR | 12/17/15 | USD 2,000 | (16,597) |
| 10-Year Interest Rate Swap | Goldman Sachs Bank USA | Call | 2.10% | Pay | 3-month LIBOR | 1/20/16 | USD 6,400 | (63,475) |
| 10-Year Interest Rate Swap | BNP Paribas S.A. | Call | 1.55% | Pay | 3-Month LIBOR | 1/21/16 | USD 27,700 | (48,080) |
| 5-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Call | 0.44% | Pay | 3-Month LIBOR | 1/22/16 | EUR 6,680 | (14,265) |
| 5-Year Interest Rate Swap | Deutsche Bank AG | Call | 0.48% | Pay | 3-Month LIBOR | 1/22/16 | EUR 6,670 | (19,618) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Call | 2.15% | Pay | 3-month LIBOR | 1/26/16 | USD 6,300 | (73,272) |
| 5-Year Interest Rate Swap | Citibank N.A. | Call | 1.40% | Pay | 3-Month LIBOR | 2/12/16 | USD 12,000 | (38,505) |
| 7-Year Interest Rate Swap | Credit Suisse International | Call | 0.53% | Pay | 3-Month LIBOR | 3/14/16 | EUR 3,000 | (6,380) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Call | 2.50% | Pay | 3-month LIBOR | 3/17/16 | USD 12,000 | (332,990) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Call | 2.60% | Pay | 3-month LIBOR | 3/17/16 | USD 12,000 | (397,992) |
| 5-Year Interest Rate Swap | Citibank N.A. | Call | 1.40% | Pay | 3-Month LIBOR | 3/23/16 | USD 3,600 | (13,214) |
| 10-Year Interest Rate Swap | Barclays Bank PLC | Call | 2.25% | Pay | 3-month LIBOR | 3/24/16 | USD 3,000 | (50,896) |
| 10-Year Interest Rate Swap | Credit Suisse International | Call | 2.35% | Pay | 3-month LIBOR | 1/09/17 | USD 2,500 | (66,040) |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Call | 1.50% | Pay | 3-Month LIBOR | 2/13/17 | USD 4,500 | (32,871) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Call | 2.35% | Pay | 3-month LIBOR | 2/13/17 | USD 6,900 | (185,914) |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Call | 1.50% | Pay | 3-Month LIBOR | 2/17/17 | USD 4,500 | (33,020) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Call | 2.10% | Pay | 3-Month LIBOR | 3/06/17 | USD 1,800 | (34,893) |
| 10-Year Interest Rate Swap | Goldman Sachs Bank USA | Call | 2.20% | Pay | 3-month LIBOR | 8/14/17 | USD 2,800 | (68,418) |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Call | 2.51% | Pay | 3-Month LIBOR | 4/09/18 | USD 2,400 | (90,107) |
| 5-Year Interest Rate Swap | Deutsche Bank AG | Put | 2.30% | Receive | 3-Month LIBOR | 10/30/15 | USD 36,500 | (18,652) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Put | 2.79% | Receive | 3-month LIBOR | 11/17/15 | USD 27,000 | (66,657) |
| 5-Year Interest Rate Swap | Barclays Bank PLC | Put | 2.25% | Receive | 3-month LIBOR | 12/17/15 | USD 5,000 | (10,480) |
| 10-Year Interest Rate Swap | Goldman Sachs Bank USA | Put | 2.60% | Receive | 3-Month LIBOR | 1/20/16 | USD 6,400 | (70,109) |
| 10-Year Interest Rate Swap | BNP Paribas S.A. | Put | 2.55% | Receive | 3-Month LIBOR | 1/21/16 | USD 27,700 | (350,027) |
| 5-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Put | 0.44% | Receive | 3-Month LIBOR | 1/22/16 | EUR 6,680 | (60,929) |
| 5-Year Interest Rate Swap | Barclays Bank PLC | Put | 0.48% | Receive | 3-Month LIBOR | 1/22/16 | EUR 6,650 | (51,131) |
| 5-Year Interest Rate Swap | Deutsche Bank AG | Put | 0.48% | Receive | 3-Month LIBOR | 1/22/16 | EUR 6,670 | (51,284) |
| 5-Year Interest Rate Swap | Barclays Bank PLC | Put | 0.55% | Receive | 3-Month LIBOR | 1/22/16 | EUR 10,000 | (55,898) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Put | 2.60% | Receive | 3-Month LIBOR | 1/26/16 | USD 6,300 | (72,316) |
| 7-Year Interest Rate Swap | Goldman Sachs Bank USA | Put | 0.70% | Receive | 3-Month LIBOR | 3/10/16 | EUR 3,000 | (59,558) |
| 7-Year Interest Rate Swap | Credit Suisse International | Put | 0.53% | Receive | 3-Month LIBOR | 3/14/16 | EUR 3,000 | (89,808) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Put | 3.60% | Receive | 3-month LIBOR | 3/17/16 | USD 12,000 | (17,132) |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Put | 2.90% | Receive | 3-Month LIBOR | 3/17/16 | USD 12,000 | (96,357) |
| 10-Year Interest Rate Swap | Citibank N.A. | Put | 2.70% | Receive | 3-Month LIBOR | 3/21/16 | USD 5,000 | (64,839) |
| 5-Year Interest Rate Swap | Citibank N.A. | Put | 0.50% | Receive | 3-Month LIBOR | 3/21/16 | EUR 5,000 | (47,569) |
| 5-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Put | 0.60% | Receive | 3-Month LIBOR | 4/26/16 | EUR 15,000 | (120,463) |
| 10-Year Interest Rate Swap | Credit Suisse International | Put | 2.75% | Receive | 3-Month LIBOR | 1/09/17 | USD 2,500 | (76,369) |
| 10-Year Interest Rate Swap | BNP Paribas S.A. | Put | 3.50% | Receive | 3-Month LIBOR | 1/09/17 | USD 9,300 | (98,951) |
| 10-Year Interest Rate Swap | Barclays Bank PLC | Put | 3.50% | Receive | 3-Month LIBOR | 1/09/17 | USD 4,400 | (46,816) |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Put | 3.55% | Receive | 3-Month LIBOR | 1/09/17 | USD 15,000 | (147,935) |
| 10-Year Interest Rate Swap | Goldman Sachs Bank USA | Put | 3.60% | Receive | 3-Month LIBOR | 1/09/17 | USD 4,400 | (40,206) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Put | 2.75% | Receive | 3-Month LIBOR | 1/30/17 | USD 2,000 | (63,507) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Put | 2.75% | Receive | 3-Month LIBOR | 1/30/17 | USD 2,000 | (63,507) |
| 10-Year Interest Rate Swap | Barclays Bank PLC | Put | 2.75% | Receive | 3-Month LIBOR | 1/30/17 | USD 6,800 | (215,925) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Put | 2.75% | Receive | 3-Month LIBOR | 1/30/17 | USD 4,000 | (127,015) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Put | 2.90% | Receive | 3-Month LIBOR | 2/13/17 | USD 6,900 | (186,149) |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Put | 3.50% | Receive | 3-Month LIBOR | 2/13/17 | USD 3,000 | (35,559) |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Put | 3.50% | Receive | 3-Month LIBOR | 2/17/17 | USD 3,000 | (36,085) |
| 10-Year Interest Rate Swap | Deutsche Bank AG | Put | 3.10% | Receive | 3-Month LIBOR | 3/06/17 | USD 1,800 | (39,162) |
| 10-Year Interest Rate Swap | Goldman Sachs Bank USA | Put | 3.20% | Receive | 3-month LIBOR | 8/14/17 | USD 2,800 | (72,057) |
| 10-Year Interest Rate Swap | JPMorgan Chase Bank N.A. | Put | 2.51% | Receive | 3-Month LIBOR | 4/09/18 | USD 2,400 | (152,185) |
| Total | | | | | | | | \$ (5,586,395) |

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See Notes to Financial Statements.

ANNUAL REPORT

AUGUST 31, 2015

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Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

Centrally Cleared Interest Rate Swaps

| Fixed Rate | Floating Rate | Clearinghouse | Effective Date | Expiration Date | Notional Amount (000) | Value | Unrealized Appreciation (Depreciation) |
|--------------------|---------------|--------------------|-----------------------|-----------------|-----------------------|--------------|--|
| 2.27% ¹ | 3-Month LIBOR | Chicago Mercantile | 9/30/15 ² | 5/31/22 | USD 6,250 | \$ (128,055) | |
| 1.98% ¹ | 3-Month LIBOR | Chicago Mercantile | 12/31/15 ² | 6/30/22 | USD 17,600 | 35,688 | |
| 2.14% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/14/25 | USD 4,900 | (50,016) | |
| 2.20% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/21/25 | USD 1,500 | (6,939) | |
| 2.12% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/25/25 | USD 1,200 | (14,939) | |
| 2.12% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/25/25 | USD 1,000 | (11,945) | |
| 2.13% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/25/25 | USD 1,200 | (13,398) | |
| 2.14% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/25/25 | USD 400 | (4,062) | |
| 2.14% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/25/25 | USD 2,200 | (22,242) | |
| 2.16% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/25/25 | USD 2,400 | (21,291) | |
| 2.16% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/25/25 | USD 1,200 | (10,095) | |
| 2.16% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/25/25 | USD 1,200 | (9,875) | |
| 2.03% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/26/25 | USD 1,400 | (28,634) | |
| 2.05% ³ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/26/25 | USD 1,400 | (25,551) | |
| 2.21% ¹ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/28/25 | USD 1,400 | 5,470 | |
| 2.25% ¹ | 3-Month LIBOR | Chicago Mercantile | N/A | 8/28/25 | USD 1,400 | 841 | |
| 2.23% ¹ | 3-Month LIBOR | Chicago Mercantile | N/A | 9/01/25 | USD 700 | 1,281 | |
| 2.24% ¹ | 3-Month LIBOR | Chicago Mercantile | N/A | 9/01/25 | USD 700 | 1,023 | |
| 2.23% ¹ | 3-Month LIBOR | Chicago Mercantile | N/A | 9/02/25 | USD 1,900 | 4,850 | |
| 2.27% ¹ | 3-Month LIBOR | Chicago Mercantile | N/A | 9/02/25 | USD 950 | 5,044 | |
| 2.27% ¹ | 3-Month LIBOR | Chicago Mercantile | N/A | 9/02/25 | USD 950 | 4,869 | |
| Total | | | | | | \$ (287,976) | |

¹ Trust pays the fixed rate and receives the floating rate.² Forward swap.³ Trust pays the floating rate and receives the fixed rate.

OTC Credit Default Swaps Buy Protection

| Issuer | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Value | Premiums Paid | Unrealized Depreciation |
|--|----------------|-------------------|-----------------|-----------------------|-------------|---------------|-------------------------|
| The New York Times Co. | 1.00% | Barclays Bank PLC | 12/20/16 | USD 3,600 | \$ (38,021) | \$ 65,716 | \$ (103,737) |
| Australia & New Zealand Banking Group Ltd. | 1.00% | Deutsche Bank AG | 9/20/17 | USD 1 | (7) | 6 | (13) |
| Westpac Banking Corp. | 1.00% | Deutsche Bank AG | 9/20/17 | USD 1 | (7) | 6 | (13) |
| Total | | | | | \$ (38,035) | \$ 65,728 | \$ (103,763) |

OTC Credit Default Swaps Sold Protection

| Issuer | Receive Fixed Rate | Counterparty | Expiration Date | Credit Rating ¹ | Notional Amount (000) ² | Value | Premiums Received | Unrealized Appreciation |
|---------------|--------------------|-------------------------------------|-----------------|----------------------------|------------------------------------|-----------|-------------------|-------------------------|
| MetLife, Inc. | 1.00% | Morgan Stanley Capital Services LLC | 9/20/16 | A- | USD 1,810 | \$ 16,004 | \$ (31,461) | \$ 47,465 |
| MetLife, Inc. | 1.00% | Deutsche Bank AG | 9/20/16 | A- | USD 1,460 | 12,909 | (25,879) | 38,788 |
| MetLife, Inc. | 1.00% | Morgan Stanley Capital Services LLC | 9/20/16 | A- | USD 550 | 4,863 | (8,527) | 13,390 |
| MetLife, Inc. | 1.00% | Goldman Sachs Bank USA | 9/20/16 | A- | USD 1,000 | 8,842 | (17,252) | 26,094 |
| MetLife, Inc. | 1.00% | Credit Suisse International | 9/20/16 | A- | USD 1,080 | 9,550 | (20,935) | 30,485 |
| MetLife, Inc. | 1.00% | Citibank N.A. | 12/20/16 | A- | USD 595 | 6,051 | (11,312) | 17,363 |
| MetLife, Inc. | 1.00% | Citibank N.A. | 12/20/16 | A- | USD 575 | 5,855 | (11,925) | 17,780 |

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Total \$ 64,074 \$ (127,291) \$ 191,365

¹ Using Standard & Poor's (S&P's) rating of the issuer.

² The maximum potential amount the Trust may pay should a negative credit event take place as defined under the terms of the agreement.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

OTC Interest Rate Swaps

| Trust Pays | Trust Receives | Counterparty | Effective Date | Expiration Date | Notional Amount (000) | Value | Premiums Paid (Received) | Unrealized Appreciation |
|---|----------------|--------------------------|----------------------|-----------------|-----------------------|------------|--------------------------|-------------------------|
| SIFMA Municipal Swap Weekly Yield Index | 3-Month LIBOR | JPMorgan Chase Bank N.A. | 3/23/17 ¹ | 3/23/19 | USD 5,000 | \$ 16,829 | | \$ 16,829 |
| SIFMA Municipal Swap Weekly Yield Index | 3-Month LIBOR | JPMorgan Chase Bank N.A. | 9/26/17 ¹ | 9/26/19 | USD 21,000 | 80,220 | | 80,220 |
| SIFMA Municipal Swap Weekly Yield Index | 3-Month LIBOR | JPMorgan Chase Bank N.A. | 1/30/17 ¹ | 1/30/25 | USD 2,500 | 30,278 | | 30,278 |
| SIFMA Municipal Swap Weekly Yield Index | 3-Month LIBOR | JPMorgan Chase Bank N.A. | 5/19/25 ¹ | 5/19/35 | USD 5,000 | 5,719 | | 5,719 |
| SIFMA Municipal Swap Weekly Yield Index | 3-Month LIBOR | JPMorgan Chase Bank N.A. | 5/21/25 ¹ | 5/21/35 | USD 2,500 | 12,105 | | 12,105 |
| SIFMA Municipal Swap Weekly Yield Index | 3-Month LIBOR | Citibank N.A. | 6/09/25 ¹ | 6/09/35 | USD 1,500 | 7,795 | | 7,795 |
| SIFMA Municipal Swap Weekly Yield Index | 3-Month LIBOR | Citibank N.A. | 6/09/25 ¹ | 6/09/35 | USD 1,500 | 8,192 | | 8,192 |
| Total | | | | | | \$ 161,138 | | \$ 161,138 |

¹ Forward swap.

Transactions in Options Written for the Year Ended August 31, 2015

| | Calls | | Puts | |
|--|-----------|----------------|-----------|----------------|
| | Contracts | Notional (000) | Contracts | Notional (000) |
| Outstanding options, beginning of year | | \$ 57,800 | | \$ 113,600 |
| Options written | 449 | 359,000 | | 467,300 |
| Options expired | | (9,600) | | (113,100) |
| Options exercised | | (80,400) | | |
| Options closed | | (136,550) | | (203,600) |
| Outstanding options, end of year | 449 | \$ 190,250 | | \$ 264,200 |

Derivative Financial Instruments Categorized by Risk Exposure

The following is a summary of the Trust's derivative financial instruments categorized by risk exposure. For information about the Trust's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

| Statement of Assets and Liabilities Location | Commodity | Credit | Equity | Foreign | | Total |
|---|-----------|-----------|-----------|-----------|------------|------------|
| | | | | Currency | Interest | |
| | Contracts | Contracts | Contracts | Contracts | Contracts | |
| Derivative Financial Instruments - Assets | | | | | | |
| Financial futures contracts | | | | | | |
| Net unrealized appreciation (depreciation) ¹ | | | | | \$ 339,576 | \$ 339,576 |

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| | | | | | |
|---|---|------------|------------|------------|--------------|
| Forward foreign currency exchange contracts | Unrealized appreciation on forward foreign currency exchange contracts ¹ | | \$ 545,127 | | 545,127 |
| Options purchased | Investments at value unaffiliated | | | 209,248 | 209,248 |
| Swaps Centrally cleared | Net unrealized appreciation (depreciation) ¹ | | | 59,066 | 59,066 |
| Swaps OTC | Unrealized appreciation on OTC swaps; Swap premiums paid | \$ 257,093 | | 161,138 | 418,231 |
| Total | | \$ 257,093 | \$ 545,127 | \$ 769,028 | \$ 1,571,248 |

| | | Foreign | | | | | |
|--|---|-----------|--------------|-----------|--------------|----------------|----------------|
| | | | Currency | Interest | | | |
| | | Commodity | Credit | Equity | Exchange | Rate | |
| Statement of Assets and Liabilities Location | | Contracts | Contracts | Contracts | Contracts | Contracts | Total |
| Derivative Financial Instruments | Liabilities | | | | | | |
| Financial futures contracts | Net unrealized appreciation (depreciation) ¹ | | | | | \$ (1,536,830) | \$ (1,536,830) |
| Forward foreign currency exchange contracts | Unrealized depreciation on forward foreign currency exchange contracts ¹ | | | | \$ (348,745) | | (348,745) |
| Options written | Options written at value | | | | | (5,673,389) | (5,673,389) |
| Swaps Centrally cleared | Net unrealized appreciation (depreciation) ¹ | | | | | (347,042) | (347,042) |
| Swaps OTC | Unrealized depreciation on OTC swaps; Swap premiums received | | \$ (231,054) | | | | (231,054) |
| Total | | | \$ (231,054) | | \$ (348,745) | \$ (7,557,261) | \$ (8,137,060) |

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

² Includes options purchased at value as reported in the Schedules of Investments.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

For the year ended August 31, 2015, the effect of derivative financial instruments in the Statement of Operations was as follows:

| | Commodity | Credit | Equity | Foreign Currency Exchange | Interest Rate | Total |
|---------------------------------------|-----------|-------------|-----------|---------------------------------|------------------|--------------|
| | Contracts | Contracts | Contracts | Contracts | Contracts | |
| Net Realized Gain (Loss) from: | | | | | | |
| Financial futures contracts | | | | | \$ 2,335,109 | \$ 2,335,109 |
| Foreign currency transactions | | | | \$ 2,052,316 | | 2,052,316 |
| Options purchased ¹ | | | | | (493,504) | (493,504) |
| Options written | | | | | 2,847,842 | 2,847,842 |
| Swaps | | \$ (30,117) | | | (426,550) | (456,667) |
| Total | | \$ (30,117) | | \$ 2,052,316 | \$ 4,262,897 | \$ 6,285,096 |

¹ Options purchased are included in net realized gain (loss) from investments.

| | Commodity | Credit | Equity | Foreign Currency Exchange | Interest Rate | Total |
|---|-----------|-----------|-----------|---------------------------------|------------------|----------------|
| | Contracts | Contracts | Contracts | Contracts | Contracts | |
| Net Change in Unrealized Appreciation (Depreciation) on: | | | | | | |
| Financial futures contracts | | | | | \$ (1,657,158) | \$ (1,657,158) |
| Foreign currency translations | | | | \$ (193,370) | | (193,370) |
| Options purchased ¹ | | | | | 577,036 | 577,036 |
| Options written | | | | | (327,984) | (327,984) |
| Swaps | | \$ 13,674 | | | 254,815 | 268,489 |
| Total | | \$ 13,674 | | \$ (193,370) | \$ (1,153,291) | \$ (1,332,987) |

¹ Options purchased are included in the net change in unrealized appreciation (depreciation) on investments.

For the year ended August 31, 2015, the average quarterly balances of outstanding derivative financial instruments were as follows:

| | | |
|--|-------|-----------------------|
| Financial futures contracts: | | |
| Average notional value of contracts | long | \$ 177,569,759 |
| Average notional value of contracts | short | \$ 212,899,091 |
| Forward foreign currency exchange contracts: | | |
| Average notional value of contracts | long | \$ 40,187,153 |
| Average notional value of contracts | short | \$ 19,360,334 |
| Options: | | |
| Average value of option contracts purchased | | \$ 1,613 ¹ |
| Average value of option contracts written | | \$ 21,748 |
| Average notional value of swaption contracts purchased | | \$ 76,525,000 |
| Average notional value of swaption contracts written | | \$ 470,861,545 |
| Credit default swaps: | | |
| Average notional value of contracts | long | \$ 5,701,000 |

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| | |
|--|---------------|
| Average notional value of contracts – short | \$ 7,070,000 |
| Interest rate swaps: | |
| Average notional value – pays fixed rate | \$ 93,141,074 |
| Average notional value – receives fixed rate | \$ 56,834,526 |

¹ Average amounts for the period are shown due to limited outstanding derivative financial instruments as of each quarter.

Derivative Financial Instruments – Offsetting as of August 31, 2015

The Trust's derivative assets and liabilities (by type) were as follows:

| | Assets | Liabilities |
|---|----------------------|---------------------|
| Derivative Financial Instruments: | | |
| Financial futures contracts | \$ 91,288 | \$ 261,762 |
| Forward foreign currency exchange contracts | 545,127 | 348,745 |
| Options | 209,248 ¹ | 5,673,389 |
| Swaps – Centrally cleared | 36,061 | 19,444 |
| Swaps – OTC | 418,231 | 231,054 |
| Total derivative assets and liabilities in the Statement of Assets and Liabilities | 1,299,955 | 6,534,394 |
| Derivatives not subject to a Master Netting Agreement or similar agreement (MNA) | (127,349) | (368,200) |
| Total derivative assets and liabilities subject to an MNA | \$ 1,172,606 | \$ 6,166,194 |

¹ Includes options purchased at value which is included in Investments at value – unaffiliated in the Statement of Assets and Liabilities and reported in the Schedule of Investments.

² Includes unrealized appreciation (depreciation) on OTC swaps and swap premiums paid/received in the Statement of Assets and Liabilities.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Core Bond Trust (BHK)

The following table presents the Trust's derivative assets and liabilities by counterparty net of amounts available for offset under an Master Netting Agreement (MNA) and net of the related collateral received and pledged by the Trust:

| Counterparty | Derivative Assets Subject to an MNA by Counterparty | Derivatives Available for Offset ¹ | Non-cash Collateral Received | Cash Collateral Received | Net Amount of Derivative Assets ² |
|--|---|---|---------------------------------|-----------------------------|---|
| Barclays Bank PLC | \$ 77,583 | \$ (77,583) | | | |
| BNP Paribas S.A. | 28,507 | (28,507) | | | |
| Citibank N.A. | 152,734 | (152,734) | | | |
| Commonwealth Bank of Australia | 61,249 | | | | \$ 61,249 |
| Credit Suisse International | 30,485 | (30,485) | | | |
| Deutsche Bank AG | 38,800 | (38,800) | | | |
| Goldman Sachs Bank USA | 26,094 | (26,094) | | | |
| HSBC Bank PLC | 196,799 | | | | 196,799 |
| JPMorgan Chase Bank N.A. | 338,440 | (338,440) | | | |
| Morgan Stanley & Co. International PLC | 50,701 | (30,870) | | | 19,831 |
| Morgan Stanley Capital Services LLC | 60,855 | (39,988) | | | 20,867 |
| Royal Bank of Scotland PLC | 56,120 | (56,120) | | | |
| Toronto-Dominion Bank | 54,239 | | | | 54,239 |
| Total | \$ 1,172,606 | \$ (819,621) | | | \$ 352,985 |

| Counterparty | Derivative Liabilities Subject to an MNA by Counterparty | Derivatives Available for Offset ¹ | Non-cash Collateral Pledged | Cash Collateral Pledged ³ | Net Amount of Derivative Liabilities ⁴ |
|--|--|---|--------------------------------|---|--|
| Barclays Bank PLC | \$ 551,480 | \$ (77,583) | | \$ (473,897) | |
| BNP Paribas S.A. | 497,058 | (28,507) | | (468,551) | |
| Citibank N.A. | 201,143 | (152,734) | | | \$ 48,409 |
| Credit Suisse International | 259,532 | (30,485) | | (229,047) | |
| Deutsche Bank AG | 3,071,176 | (38,800) | | (3,032,376) | |
| Goldman Sachs Bank USA | 391,075 | (26,094) | | | 364,981 |
| Goldman Sachs International | 63,743 | | | | 63,743 |
| JPMorgan Chase Bank N.A. | 819,776 | (338,440) | | (440,000) | 41,336 |
| Morgan Stanley & Co. International PLC | 30,870 | (30,870) | | | |
| Morgan Stanley Capital Services LLC | 39,988 | (39,988) | | | |
| Royal Bank of Scotland PLC | 140,640 | (56,120) | | | 84,520 |
| UBS AG | 99,713 | | | | 99,713 |
| Total | \$ 6,166,194 | \$ (819,621) | | \$ (4,643,871) | \$ 702,702 |

¹ The amount of derivatives available for offset is limited to the amount of derivative assets and/or liabilities that are subject to an MNA.

² Net amount represents the net amount receivable from the counterparty in the event of default.

³ Excess of collateral pledged to the individual counterparty is not shown for financial reporting purposes.

⁴ Net amount represents the net amount payable due to the counterparty in the event of default.

Fair Value Hierarchy as of August 31, 2015

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

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

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| | Level 1 | Level 2 | Level 3 | Total |
|---|---------------|------------------|---------------|------------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Asset-Backed Securities | | \$ 91,851,528 | \$ 22,613,310 | \$ 114,464,838 |
| Corporate Bonds | | 514,325,148 | 5,716,325 | 520,041,473 |
| Foreign Agency Obligations | | 20,566,023 | | 20,566,023 |
| Municipal Bonds | | 23,804,991 | | 23,804,991 |
| Non-Agency Mortgage-Backed Securities | | 126,141,065 | 8 | 126,141,073 |
| Preferred Securities | \$ 13,666,848 | 93,586,685 | | 107,253,533 |
| U.S. Government Sponsored Agency Securities | | 78,933,944 | 357 | 78,934,301 |
| U.S. Treasury Obligations | | 66,114,063 | | 66,114,063 |
| Short-Term Securities | 9,920,365 | | | 9,920,365 |
| Options Purchased: | | | | |
| Interest Rate Contracts | | 209,248 | | 209,248 |
| Total | \$ 23,587,213 | \$ 1,015,532,695 | \$ 28,330,000 | \$ 1,067,449,908 |

See Notes to Financial Statements.

Schedule of Investments (concluded)

BlackRock Core Bond Trust (BHK)

| | Level 1 | Level 2 | Level 3 | Total |
|---|----------------|----------------|---------|----------------|
| Derivative Financial Instruments ¹ | | | | |
| Assets: | | | | |
| Credit contracts | | \$ 191,365 | | \$ 191,365 |
| Foreign currency exchange contracts | | 545,127 | | 545,127 |
| Interest rate contracts | \$ 339,576 | 220,204 | | 559,780 |
| Liabilities: | | | | |
| Credit contracts | | (103,763) | | (103,763) |
| Foreign currency exchange contracts | | (348,745) | | (348,745) |
| Interest rate contracts | (1,623,824) | (5,933,437) | | (7,557,261) |
| Total | \$ (1,284,248) | \$ (5,429,249) | | \$ (6,713,497) |

¹ Derivative financial instruments are swaps, financial futures contracts, forward foreign currency exchange contracts and options written. Swaps, financial futures contracts and forward foreign currency exchange contracts are valued at the unrealized appreciation (depreciation) on the instrument and options written are shown at value.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount or face value, including accrued interest, for financial statement purposes. As of August 31, 2015, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|--|--------------|------------------|---------|------------------|
| Assets: | | | | |
| Cash pledged for centrally cleared swaps | \$ 109,150 | | | \$ 109,150 |
| Cash pledged as collateral for OTC derivatives | 5,660,000 | | | 5,660,000 |
| Cash pledged for financial futures contracts | 1,435,050 | | | 1,435,050 |
| Cash pledged as collateral for reverse repurchase agreements | 2,140,000 | | | 2,140,000 |
| Foreign currency at value | 371,446 | | | 371,446 |
| Liabilities: | | | | |
| Reverse repurchase agreements | | \$ (303,651,289) | | (303,651,289) |
| Total | \$ 9,715,646 | \$ (303,651,289) | | \$ (293,935,643) |

During the year ended August 31, 2015, there were no transfers between Level 1 and Level 2.

A reconciliation of Level 3 investments is presented when the Trust had a significant amount of Level 3 investments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

| | Asset-Backed Securities | Corporate Bonds | Non-Agency Mortgage-Backed Securities | U.S. Government Sponsored Agency Securities | Total |
|---|-------------------------|-----------------|---------------------------------------|---|---------------|
| Assets: | | | | | |
| Opening Balance, as of August 31, 2014 | \$ 6,755,839 | \$ 8,777,320 | | | \$ 15,533,159 |
| Transfers into Level 3 | | | | | |
| Transfers out of Level 3 ¹ | (6,237,350) | (2,409,020) | | | (8,646,370) |
| Accrued discounts/premiums | (206,054) | | | | (206,054) |
| Net realized gain | (337,055) | (1,680,461) | \$ 6 | \$ 3 | (2,017,507) |
| Net change in unrealized appreciation (depreciation) ^{2,3} | (252,173) | 323,159 | 8 | 356 | 71,350 |
| Purchases ⁴ | 22,910,178 | 13,099,327 | | 1 | 36,009,506 |
| Sales | (20,075) | (12,394,000) | (6) | (3) | (12,414,084) |
| Closing Balance, as of August 31, 2015 | \$ 22,613,310 | \$ 5,716,325 | \$ 8 | \$ 357 | \$ 28,330,000 |
| Net change in unrealized appreciation (depreciation) on investments still held at | \$ (252,173) | \$ 16,323 | \$ 8 | \$ 356 | \$ (235,486) |

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August 31, 2015³

¹ As of August 31, 2014, the Trust used significant unobservable inputs in determining the value of certain investments. As of August 31, 2015, the Trust used observable inputs in determining the value of the same investments. As a result, investments with a beginning of period value of \$8,646,370 transferred from Level 3 to Level 2 in the disclosure hierarchy.

² Included in the related net change in unrealized appreciation (depreciation) in the Statement of Operations.

³ Any difference between net change in unrealized appreciation (depreciation) and Net change in unrealized appreciation (depreciation) on investments held as of August 31, 2015 is generally due to investments no longer held or categorized as Level 3 at period end.

⁴ Includes investments acquired in the reorganization.

The Trust's investments that are categorized as Level 3 were valued utilizing third party pricing information without adjustment. Such valuations are based on unobservable inputs. A significant change in third party information could result in a significantly lower or higher value of such Level 3 instruments.

See Notes to Financial Statements.

Consolidated Schedule of Investments August 31, 2015

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| Common Stocks | Shares | Value |
|--|---------------|------------|
| Air Freight & Logistics 0.1% | | |
| XPO Logistics, Inc. | 24,164 | \$ 848,156 |
| Capital Markets 1.3% | | |
| American Capital Ltd. (a) | 1,329,067 | 18,487,322 |
| E*Trade Financial Corp. (a) | 52,950 | 1,392,056 |
| Uranium Participation Corp. (a) | 176,860 | 701,740 |
| | | 20,581,118 |
| Chemicals 0.1% | | |
| Advanced Emissions Solutions, Inc. (a) | 168,580 | 1,561,051 |
| Communications Equipment 0.1% | | |
| Nokia OYJ ADR | 231,190 | 1,442,626 |
| Consumer Finance 1.6% | | |
| Ally Financial, Inc. | 1,101,275 | 24,073,871 |
| Ally Financial, Inc. (a) | 25,002 | 546,544 |
| | | 24,620,415 |
| Diversified Consumer Services 0.3% | | |
| Cengage Thomson Learning | 100,086 | 2,614,747 |
| Houghton Mifflin Harcourt Co. (a) | 64,068 | 1,446,655 |
| | | 4,061,402 |
| Diversified Financial Services 0.1% | | |
| Concrete Investments II S.C.A. | 4,997 | |
| Kcad Holdings I Ltd. (a) | 2,223,465,984 | 1,734,303 |
| | | 1,734,303 |
| Diversified Telecommunication Services 0.2% | | |
| Broadview Networks Holdings, Inc. (a) | 192,400 | 288,599 |
| Level 3 Financing, Inc. | 2,917,000 | 2,942,524 |
| | | 3,231,123 |
| Energy Equipment & Services (b) 0.1% | | |
| Laricina Energy Ltd. (a) | 211,764 | 19,316 |
| Osum Oil Sands Corp. (a) | 400,000 | 1,985,406 |
| | | 2,004,722 |
| Hotels, Restaurants & Leisure 0.5% | | |
| Amaya, Inc. (a) | 259,108 | 5,400,381 |
| Amaya, Inc. | 118,172 | 2,462,965 |
| | | 7,863,346 |
| Insurance 0.4% | | |
| American International Group, Inc. | 113,160 | 6,828,074 |
| Media 0.1% | | |
| Time Warner Cable, Inc. | 7,968 | 1,482,207 |
| Metals & Mining 0.1% | | |
| African Minerals Ltd. (a) | 225,302 | 3 |
| Peninsula Energy Ltd. (a) | 82,076,776 | 1,401,839 |
| | | 1,401,842 |
| Oil, Gas & Consumable Fuels 0.9% | | |
| General Maritime Corp., (Acquired 12/11/13, cost \$17,637,549) (c) | 953,381 | 11,774,256 |
| Seven Generations Energy Ltd. (a)(b) | 216,000 | 2,255,883 |
| | | 14,030,139 |
| Paper & Forest Products 0.0% | | |

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| | | | |
|--|-------------|--------------|--------------|
| Western Forest Products, Inc. | | 240,265 | 341,176 |
| Semiconductors & Semiconductor Equipment | 0.0% | | |
| SunPower Corp. (a) | | 1,025 | 24,867 |
| Wireless Telecommunication Services | 0.2% | | |
| T-Mobile U.S., Inc. (a) | | 59,550 | 2,358,775 |
| Total Common Stocks | 6.1% | | 94,415,342 |
| | | Par | |
| | | (000) | Value |
| Asset-Backed Securities | | | |
| ALM Loan Funding, Series 2013-7RA (d)(e): | | | |
| Class C, 3.74%, 4/24/24 | USD | 2,840 | \$ 2,770,278 |
| Class D, 5.29%, 4/24/24 | | 2,360 | 2,295,967 |
| ALM XII Ltd., Series 2015-12A, Class C1, 4.04%, 4/16/27 (d)(e) | | 1,500 | 1,441,875 |
| ALM XIV Ltd., Series 2014-14A (d)(e): | | | |
| Class C, 3.74%, 7/28/26 | | 750 | 718,413 |
| Class D, 5.14%, 7/28/26 | | 250 | 222,830 |
| AMMC CLO 15 Ltd., Series 2014-15A (d)(e): | | | |
| Class C1, 3.74%, 12/09/26 | | 1,000 | 1,002,500 |
| Class D, 4.48%, 12/09/26 | | 1,000 | 992,500 |
| Apidos CLO XVIII, Series 2014-18A, Class C, 3.95%, 7/22/26 (d)(e) | | 550 | 534,058 |
| Ares CLO Ltd., Series 2014-32A, Class C, 4.47%, 11/15/25 (d)(e) | | 1,250 | 1,242,153 |
| Atlas Senior Loan Fund V Ltd., Series 2014-1A (d)(e): | | | |
| Class C, 3.29%, 7/16/26 | | 250 | 249,998 |
| Class D, 3.74%, 7/16/26 | | 250 | 237,345 |
| Avalon IV Capital Ltd., Series 2012-1AR, Class CR, 3.14%, 4/17/23 (d)(e) | | 850 | 851,485 |
| Benefit Street Partners CLO Ltd., Series 2014-IVA, Class C, 3.79%, 7/20/26 (d)(e) | | 500 | 475,869 |
| BlueMountain CLO 2014-1 Ltd., Series 2014-1A, Class C, 3.05%, 4/30/26 (d)(e) | | 1,000 | 974,151 |
| Carlyle Global Market Strategies CLO 2012-2 Ltd., Series 2012-2AR, Class ER, 6.38%, 7/20/23 (d)(e) | | 580 | 579,968 |
| Carlyle Global Market Strategies CLO Ltd., Series 2014-5A, Class C, 4.44%, 10/16/25 (d)(e) | | 1,000 | 999,920 |
| Cedar Funding Ltd., Series 2014-3A, Class D, 3.88%, 5/20/26 (d)(e) | | 535 | 492,015 |
| CIFC Funding 2014-II Ltd., Series 2014-2A, Class A3L, 3.18%, 5/24/26 (d)(e) | | 500 | 491,863 |
| CIFC Funding 2014-V Ltd., Series 2014-5A, Class C, 3.64%, 1/17/27 (d)(e) | | 1,000 | 998,625 |
| CIFC Funding Ltd., Series 2014-3A (d)(e): | | | |
| Class C1, 3.10%, 7/22/26 | | 500 | 486,270 |
| Class D, 3.70%, 7/22/26 | | 250 | 232,762 |
| Dryden Senior Loan Fund, Series 2014-36A, Class D, 4.06%, 11/09/25 (d)(e) | | 1,000 | 965,093 |
| Highbridge Loan Management 4-2014 Ltd., Series 4A-2014, Class B, 3.29%, 7/28/25 (d)(e) | | 820 | 795,860 |
| ING IM CLO 2012-4 Ltd., Series 2012-4A, Class C, 4.79%, 10/15/23 (d)(e) | | 1,000 | 1,002,520 |
| LCM X LP, Series 10AR, Class ER, 5.79%, 4/15/22 (d)(e) | | 1,000 | 989,514 |
| Madison Park Funding Ltd. (d)(e): | | | |
| Series 2012-8AR, Class CR, 3.10%, 4/22/22 | | 500 | 500,037 |
| Series 2012-8AR, Class DR, 4.15%, 4/22/22 | | 250 | 249,497 |
| Series 2014-14A, Class D, 3.89%, 7/20/26 | | 500 | 483,592 |
| Neuberger Berman CLO XVII Ltd., Series 2014-17A, Class D, 3.86%, 8/04/25 (d)(e) | | 500 | 473,755 |
| Neuberger Berman CLO XVIII Ltd., Series 2014-18A, Class C, 4.03%, 11/14/25 (d)(e) | | 1,500 | 1,428,420 |
| Neuberger Berman CLO XVIII Ltd., Series 2014-18A, Class B, 3.43%, 11/14/25 (d)(e) | | 1,250 | 1,249,225 |
| Oaktree EIF II Series A2 Ltd., Series 2014-A2, Class C, 3.47%, 11/15/25 (d)(e) | | 2,000 | 1,965,628 |
| Octagon Investment Partners XII Ltd., Series 2012-1AR, Class ER, 5.78%, 5/05/23 (d)(e) | | 1,200 | 1,189,747 |
| Octagon Investment Partners XXII Ltd., Series 2014-1A, Class C1, 3.55%, 11/22/25 (d)(e) | | 1,000 | 988,835 |

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | Par | |
|---|-----------|-------------------|
| | (000) | Value |
| Asset-Backed Securities | | |
| Octagon Investment Partners XXII Ltd., Series 2014-1A, Class D1, 4.20%, 11/22/25 (d)(e) | USD 1,000 | \$ 974,448 |
| OneMain Financial Issuance Trust, Series 2015-2A (e): | | |
| Class C, 4.32%, 7/18/25 | 200 | 199,994 |
| Class D, 5.64%, 7/18/25 | 200 | 199,958 |
| OZLM IX Ltd., Series 2014-9A, Class C, 3.89%, 1/20/27 (d)(e) | 1,250 | 1,194,763 |
| Palmer Square CLO Ltd., Series 2014-1A (d)(e): | | |
| Class B, 2.84%, 10/17/22 | 1,100 | 1,093,187 |
| Class C, 4.14%, 10/17/22 | 845 | 832,100 |
| Sound Point CLO Ltd., Series 2014-3A, Class D, 3.89%, 1/23/27 (d)(e) | 1,500 | 1,433,257 |
| TICP CLO III Ltd., Series 2014-3A, Class C, 3.54%, 1/20/27 (d)(e) | 1,000 | 997,887 |
| Venture CDO Ltd., Series 2014-17A, Class C, 3.14%, 7/15/26 (d)(e) | 500 | 487,055 |
| Venture XIII CLO Ltd., Series 2013-13A, Class D, 3.81%, 6/10/25 (d)(e) | 1,000 | 962,048 |
| Venture XIX CLO Ltd., Series 2014-19A, Class C, 3.59%, 1/15/27 (d)(e) | 1,000 | 1,000,000 |
| Voya CLO Ltd., Series 2014-4A (d)(e): | | |
| Class C, 4.29%, 10/14/26 | 1,750 | 1,717,826 |
| Class D, 5.79%, 10/14/26 | 1,000 | 928,662 |
| WhiteHorse IX Ltd., Series 2014-9A, Class C, 2.99%, 7/17/26 (d)(e) | 250 | 233,957 |
| Total Asset-Backed Securities 2.8% | | 42,827,710 |
| Corporate Bonds | | |
| Aerospace & Defense 1.5% | | |
| Accudyne Industries Borrower/Accudyne Industries LLC, 7.75%, 12/15/20 (e) | 2,285 | 1,987,950 |
| Bombardier, Inc., 7.50%, 3/15/25 (e) | 1,450 | 1,098,375 |
| Meccanica Holdings USA, Inc., 6.25%, 7/15/19 (e) | 1,140 | 1,225,660 |
| Oshkosh Corp., 5.38%, 3/01/25 | 566 | 566,000 |
| TransDigm, Inc.: | | |
| 5.50%, 10/15/20 | 2,490 | 2,440,573 |
| 6.00%, 7/15/22 | 9,680 | 9,536,252 |
| 6.50%, 7/15/24 | 6,048 | 5,911,920 |
| | | 22,766,730 |
| Air Freight & Logistics 0.8% | | |
| Air Medical Merger Sub Corp., 6.38%, 5/15/23 (e) | 1,321 | 1,228,530 |
| National Air Cargo Group, Inc.: | | |
| 11.88%, 5/02/18 | 856 | 855,983 |
| 11.88%, 5/08/18 | 875 | 874,591 |
| WFS Global Holding SAS, 9.50%, 7/15/22 | EUR 486 | 565,871 |
| XPO Logistics, Inc.: | | |
| 7.88%, 9/01/19 (e) | USD 3,163 | 3,352,780 |
| 5.75%, 6/15/21 | EUR 250 | 270,883 |
| 6.50%, 6/15/22 (e) | USD 5,230 | 5,151,550 |
| | | 12,300,188 |
| Airlines 2.6% | | |
| American Airlines Pass-Through Trust, Series 2013-2, Class C, 6.00%, 1/15/17 (e) | 6,336 | 6,494,317 |
| Continental Airlines Pass-Through Trust: | | |
| Series 1997-4, Class B, 6.90%, 7/02/18 | 222 | 228,383 |
| Series 2012-3, Class C, 6.13%, 4/29/18 | 5,145 | 5,337,937 |
| Delta Air Lines Pass-Through Trust, Class B: | | |
| Series 2009-1, 9.75%, 6/17/18 | 785 | 841,994 |
| Series 2010-1, 6.38%, 7/02/17 (e) | 2,647 | 2,680,088 |
| US Airways Pass-Through Trust: | | |

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| | | | |
|---|--|------------|-----------|
| Series 2012-1, Class C, 9.13%, 10/01/15 | | 989 | 993,422 |
| Series 2012-2, Class C, 5.45%, 6/03/18 | | 5,720 | 5,762,900 |
| Series 2013-1, Class B, 5.38%, 5/15/23 | | 5,081 | 5,258,928 |
| | | Par | |

| Corporate Bonds | | (000) | Value |
|--|-----|--------------|--------------|
| Airlines (concluded) | | | |
| Virgin Australia Trust, Series 2013-1 (e): | | | |
| Class C, 7.13%, 10/23/18 | USD | 6,493 | \$ 6,590,796 |
| Class D, 8.50%, 10/23/16 | | 5,477 | 5,607,010 |
| | | | 39,795,775 |

| | | | |
|---|-----|--------|------------|
| Auto Components 3.3% | | | |
| Affinia Group, Inc., 7.75%, 5/01/21 | | 3,109 | 3,295,540 |
| Autodis SA, 6.50%, 2/01/19 | EUR | 147 | 171,554 |
| CNH Industrial Finance Europe SA, 2.75%, 3/18/19 | | 1,422 | 1,586,922 |
| Dana Holding Corp., 6.75%, 2/15/21 | USD | 200 | 208,000 |
| Goodyear Tire & Rubber Co., 6.50%, 3/01/21 | | 1,510 | 1,598,335 |
| Icahn Enterprises LP/Icahn Enterprises Finance Corp.: | | | |
| 3.50%, 3/15/17 | | 352 | 350,240 |
| 6.00%, 8/01/20 | | 10,743 | 11,117,394 |
| 5.88%, 2/01/22 | | 2,797 | 2,825,669 |
| Jaguar Land Rover Automotive PLC, 5.00%, 2/15/22 | GBP | 1,053 | 1,619,868 |
| Rhino Bondco SpA, 7.25%, 11/15/20 | EUR | 390 | 467,486 |
| Schaeffler Finance BV: | | | |
| 4.75%, 5/15/23 (e) | USD | 1,440 | 1,386,000 |
| 3.25%, 5/15/25 | EUR | 217 | 230,284 |
| Schaeffler Holding Finance BV (f): | | | |
| (5.75% Cash or 6.50% PIK), 5.75%, 11/15/21 | | 800 | 964,349 |
| (6.25% Cash), 6.25%, 11/15/19 (e) | USD | 2,130 | 2,241,825 |
| (6.75% Cash), 6.75%, 11/15/22 (e) | | 6,753 | 7,208,827 |
| (6.88% Cash or 7.63% PIK), 6.88%, 8/15/18 (e) | | 2,400 | 2,476,800 |
| (6.88% Cash), 6.88%, 8/15/18 | EUR | 1,660 | 1,929,737 |
| UCI International, Inc., 8.63%, 2/15/19 | USD | 7,080 | 5,805,600 |
| ZF North America Capital, Inc.: | | | |
| 2.25%, 4/26/19 | EUR | 100 | 111,093 |
| 4.50%, 4/29/22 (e) | USD | 1,121 | 1,085,969 |
| 2.75%, 4/27/23 | EUR | 1,400 | 1,480,678 |
| 4.75%, 4/29/25 (e) | USD | 1,965 | 1,861,837 |
| | | | 50,024,007 |

| | | | |
|--|-----|-------|------------|
| Banks 1.4% | | | |
| Banca Monte dei Paschi di Siena SpA, 3.63%, 4/01/19 | EUR | 120 | 136,758 |
| Banco Espirito Santo SA: | | | |
| 4.75%, 1/15/18 | | 1,900 | 2,160,106 |
| 4.00%, 1/21/19 | | 100 | 110,354 |
| Banco Popolare, 2.75%, 7/27/20 | | 275 | 307,066 |
| Bankia SA, 4.00%, 5/22/24 (d) | | 1,000 | 1,105,794 |
| CIT Group, Inc.: | | | |
| 5.25%, 3/15/18 | USD | 4,320 | 4,487,400 |
| 6.63%, 4/01/18 (e) | | 1,400 | 1,498,000 |
| 5.50%, 2/15/19 (e) | | 6,919 | 7,273,599 |
| 5.00%, 8/01/23 | | 560 | 567,000 |
| 6.00%, 4/01/36 | | 2,800 | 2,632,000 |
| HSH Nordbank AG, 0.78%, 2/14/17 (d) | EUR | 665 | 506,675 |
| Ibercaja Banco SA, 5.00%, 7/28/25 (d) | | 600 | 659,414 |
| | | | 21,444,166 |

| | | | |
|--|--|-----|---------|
| Beverages 0.0% | | | |
| Horizon Holdings I SASU, 7.25%, 8/01/23 | | 300 | 343,766 |
| Hydra Dutch Holdings 2BV, 5.48%, 4/15/19 (d) | | 388 | 414,255 |
| | | | 758,021 |

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Building Products 1.5%

| | | | |
|--|-----|-------|-----------|
| American Builders & Contractors Supply Co., Inc., 5.63%, 4/15/21 (e) | USD | 1,315 | 1,311,713 |
| Builders FirstSource, Inc., 10.75%, 8/15/23 (e) | | 902 | 915,530 |
| Building Materials Corp. of America, 6.75%, 5/01/21 (e) | | 2,490 | 2,605,163 |
| Cemex SAB de CV, 4.38%, 3/05/23 | EUR | 455 | 484,682 |

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | | Par | |
|---|-----|--------|--------------|
| | | (000) | Value |
| Corporate Bonds | | | |
| Building Products (concluded) | | | |
| CPG Merger Sub LLC, 8.00%, 10/01/21 (e) | USD | 3,590 | \$ 3,652,825 |
| LSF9 Balta Issuer SA, 7.75%, 9/15/22 | EUR | 450 | 508,124 |
| Masonite International Corp., 5.63%, 3/15/23 (e) | USD | 1,520 | 1,527,600 |
| Momentive Performance Materials, Inc., 3.88%, 10/24/21 | | 3,738 | 3,188,981 |
| Ply Gem Industries, Inc., 6.50%, 2/01/22 | | 3,550 | 3,501,187 |
| USG Corp.: | | | |
| 9.75%, 1/15/18 | | 3,935 | 4,426,875 |
| 5.50%, 3/01/25 (e) | | 1,234 | 1,227,830 |
| | | | 23,350,510 |
| Capital Markets 2.1% | | | |
| American Capital Ltd., 6.50%, 9/15/18 (e) | | 3,840 | 3,945,600 |
| Blackstone CQP Holdco LP, 9.30%, 3/19/19 | | 19,048 | 18,524,109 |
| E*Trade Financial Corp.: | | | |
| 0.00%, 8/31/19 (e)(g)(h) | | 1,206 | 3,060,490 |
| 5.38%, 11/15/22 | | 2,857 | 2,985,565 |
| 4.63%, 9/15/23 | | 2,549 | 2,549,000 |
| Series A, 0.00%, 8/31/19 (g)(h) | | 373 | 946,570 |
| | | | 32,011,334 |
| Chemicals 1.4% | | | |
| Axalta Coating Systems US Holdings, Inc./Axalta Coating Systems Dutch Holding BV, 7.38%, 5/01/21 (e) | | 1,760 | 1,883,024 |
| Axiall Corp., 4.88%, 5/15/23 | | 629 | 610,130 |
| Celanese US Holdings LLC: | | | |
| 5.88%, 6/15/21 | | 1,848 | 1,935,780 |
| 4.63%, 11/15/22 | | 1,565 | 1,523,919 |
| Chemours Co. (e): | | | |
| 6.63%, 5/15/23 | | 2,186 | 1,901,820 |
| 7.00%, 5/15/25 | | 1,501 | 1,283,355 |
| Huntsman International LLC: | | | |
| 8.63%, 3/15/21 | | 381 | 398,111 |
| 5.13%, 4/15/21 | EUR | 1,779 | 2,031,241 |
| INEOS Group Holdings SA: | | | |
| 6.13%, 8/15/18 (e) | USD | 1,015 | 1,016,269 |
| 6.50%, 8/15/18 | EUR | 378 | 430,536 |
| 5.75%, 2/15/19 | | 400 | 444,461 |
| 5.88%, 2/15/19 (e) | USD | 413 | 409,386 |
| Montichem Holdco SA, 5.25%, 6/15/21 | EUR | 311 | 341,384 |
| NOVA Chemicals Corp., 5.00%, 5/01/25 (c)(e) | USD | 415 | 415,000 |
| Platform Specialty Products Corp., 6.50%, 2/01/22 (e) | | 6,728 | 6,514,924 |
| PSPC Escrow Corp., 6.00%, 2/01/23 | EUR | 394 | 415,600 |
| | | | 21,554,940 |
| Commercial Services & Supplies 2.2% | | | |
| AA Bond Co. Ltd., 5.50%, 7/31/43 | GBP | 500 | 755,741 |
| Abengoa Finance SAU, 7.00%, 4/15/20 | EUR | 931 | 653,516 |
| Abengoa Greenfield SA, 6.50%, 10/01/19 (e) | USD | 2,579 | 1,508,715 |
| ADS Waste Holdings, Inc., 8.25%, 10/01/20 | | 1,546 | 1,600,110 |
| ARAMARK Corp., 5.75%, 3/15/20 | | 3,123 | 3,238,161 |
| Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 5.50%, 4/01/23 | | 720 | 713,923 |
| Bilbao Luxembourg SA, (10.50% Cash or 11.25% PIK), 10.50%, 12/01/18 (f) | EUR | 428 | 501,785 |
| Brand Energy & Infrastructure Services, Inc., 8.50%, 12/01/21 (e) | USD | 1,558 | 1,394,410 |
| Covanta Holding Corp., 5.88%, 3/01/24 | | 1,180 | 1,150,500 |
| Jurassic Holdings III, Inc., 6.88%, 2/15/21 (e) | | 2,738 | 1,923,445 |
| Mobile Mini, Inc., 7.88%, 12/01/20 | | 2,040 | 2,126,700 |

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|--|-----|------------|-----------|
| Mustang Merger Corp., 8.50%, 8/15/21 (e) | | 2,688 | 2,808,960 |
| Silk Bidco, 7.50%, 2/01/22 | EUR | 667 | 774,671 |
| United Rentals North America, Inc.: | | | |
| 7.38%, 5/15/20 | USD | 1,890 | 2,005,763 |
| 8.25%, 2/01/21 | | 1,001 | 1,058,558 |
| | | Par | |

| Corporate Bonds | | (000) | Value |
|---|-----|--------------|--------------|
| Commercial Services & Supplies (concluded) | | | |
| United Rentals North America, Inc. (concluded): | | | |
| 7.63%, 4/15/22 | USD | 5,555 | \$ 5,985,512 |
| 6.13%, 6/15/23 | | 1,055 | 1,076,100 |
| 5.75%, 11/15/24 | | 3,826 | 3,768,610 |
| Verisure Holding AB, 8.75%, 12/01/18 | EUR | 673 | 799,009 |
| | | | 33,844,189 |

| Communications Equipment 2.9% | | | |
|--------------------------------------|-----|-------|------------|
| Alcatel-Lucent USA, Inc.: | | | |
| 6.75%, 11/15/20 (e) | USD | 5,690 | 6,074,075 |
| 6.45%, 3/15/29 | | 6,018 | 6,292,541 |
| Avaya, Inc. (e): | | | |
| 7.00%, 4/01/19 | | 2,949 | 2,646,727 |
| 10.50%, 3/01/21 | | 1,480 | 980,500 |
| CommScope Technologies Finance LLC, | | | |
| 6.00%, 6/15/25 (e) | | 2,257 | 2,194,933 |
| CommScope, Inc. (e): | | | |
| 4.38%, 6/15/20 | | 2,278 | 2,297,932 |
| 5.50%, 6/15/24 | | 636 | 617,715 |
| Nokia OYJ: | | | |
| 5.00%, 10/26/17 (h) | EUR | 800 | 2,094,023 |
| 6.63%, 5/15/39 | USD | 1,961 | 2,108,075 |
| Zayo Group LLC/Zayo Capital, Inc.: | | | |
| 10.13%, 7/01/20 | | 7,677 | 8,444,700 |
| 6.00%, 4/01/23 (c)(e) | | 7,430 | 7,420,341 |
| 6.38%, 5/15/25 (e) | | 2,765 | 2,737,350 |
| | | | 43,908,912 |

| Construction & Engineering 0.8% | | | |
|---|-----|-------|------------|
| AECOM Technology Corp. (e): | | | |
| 5.75%, 10/15/22 | | 716 | 716,000 |
| 5.88%, 10/15/24 | | 2,662 | 2,681,965 |
| Aldesa Financial Services SA, 7.25%, 4/01/21 | EUR | 960 | 937,220 |
| Astaldi SpA, 7.13%, 12/01/20 | | 1,336 | 1,577,751 |
| BlueLine Rental Finance Corp., 7.00%, 2/01/19 (e) | USD | 2,187 | 2,066,715 |
| Novafives SAS, 4.50%, 6/30/21 | EUR | 320 | 334,131 |
| Safway Group Holding LLC/Safway Finance Corp., 7.00%, 5/15/18 (e) | USD | 2,412 | 2,459,975 |
| Weekley Homes LLC/Weekley Finance Corp., | | | |
| 6.00%, 2/01/23 | | 862 | 801,660 |
| | | | 11,575,417 |

| Construction Materials 2.9% | | | |
|--|-----|--------|------------|
| American Tire Distributors, Inc., 10.25%, 3/01/22 (e) | | | |
| | | 4,805 | 4,925,125 |
| HD Supply, Inc.: | | | |
| 11.00%, 4/15/20 | | 9,123 | 10,137,934 |
| 7.50%, 7/15/20 | | 15,985 | 17,063,987 |
| 5.25%, 12/15/21 (e) | | 10,257 | 10,539,068 |
| Kerneos Tech Group SAS, 5.75%, 3/01/21 | EUR | 262 | 293,915 |
| Officine MaccaFerri SpA, 5.75%, 6/01/21 | | 780 | 855,634 |
| | | | 43,815,663 |

| Consumer Finance 1.8% | | | |
|------------------------------|-----|--------|------------|
| Ally Financial, Inc.: | | | |
| 5.13%, 9/30/24 | USD | 2,366 | 2,389,660 |
| 4.63%, 3/30/25 | | 2,029 | 1,957,985 |
| 8.00%, 11/01/31 | | 19,308 | 22,860,093 |
| IVS F. SpA, 7.13%, 4/01/20 | EUR | 262 | 309,438 |

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| | | | |
|---|-----|-------|------------|
| | | | 27,517,176 |
| Containers & Packaging 1.0% | | | |
| Ardagh Packaging Finance PLC/Ardagh Holdings USA, Inc.: | | | |
| 6.25%, 1/31/19 (e) | USD | 1,504 | 1,534,080 |
| 6.00%, 6/30/21 (e) | | 1,825 | 1,810,947 |
| 4.25%, 1/15/22 | EUR | 1,855 | 2,083,130 |

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | | Par | |
|---|-----|-------|--------------|
| | | (000) | Value |
| Corporate Bonds | | | |
| Containers & Packaging (concluded) | | | |
| Ball Corp., 4.00%, 11/15/23 | USD | 1,374 | \$ 1,294,995 |
| Beverage Packaging Holdings Luxembourg II SA (e): | | | |
| 5.63%, 12/15/16 | | 483 | 480,585 |
| 6.00%, 6/15/17 | | 2,137 | 2,126,315 |
| Crown Americas LLC/Crown Americas Capital Corp. III, 6.25%, 2/01/21 | | 93 | 96,836 |
| Crown European Holdings SA, 4.00%, 7/15/22 | EUR | 758 | 875,470 |
| JH-Holding Finance SA, (8.25% Cash), 8.25%, 12/01/22 (f) | | 300 | 348,774 |
| Sealed Air Corp.: | | | |
| 4.88%, 12/01/22 (e) | USD | 709 | 709,000 |
| 4.50%, 9/15/23 | EUR | 776 | 896,477 |
| 5.13%, 12/01/24 (e) | USD | 1,941 | 1,964,040 |
| SGD Group SAS, 5.63%, 5/15/19 | EUR | 405 | 461,970 |
| | | | 14,682,619 |
| Distributors 0.3% | | | |
| VWR Funding, Inc., 7.25%, 9/15/17 | USD | 4,254 | 4,379,493 |
| Diversified Consumer Services 0.3% | | | |
| Cognita Financing PLC, 7.75%, 8/15/21 | GBP | 325 | 503,700 |
| Laureate Education, Inc., 10.00%, 9/01/19 (e) | USD | 2,655 | 2,226,881 |
| Service Corp. International, 5.38%, 5/15/24 | | 1,350 | 1,404,000 |
| | | | 4,134,581 |
| Diversified Financial Services 3.0% | | | |
| AerCap Ireland Capital Ltd./AerCap Global Aviation Trust: | | | |
| 4.50%, 5/15/21 | | 780 | 792,675 |
| 5.00%, 10/01/21 | | 4,340 | 4,486,475 |
| 4.63%, 7/01/22 | | 691 | 696,183 |
| Aircastle Ltd.: | | | |
| 7.63%, 4/15/20 | | 128 | 145,280 |
| 5.13%, 3/15/21 | | 1,387 | 1,418,207 |
| 5.50%, 2/15/22 | | 880 | 910,800 |
| DFC Finance Corp., 10.50%, 6/15/20 (e) | | 2,745 | 1,537,200 |
| Gala Group Finance PLC, 8.88%, 9/01/18 | GBP | 2,437 | 3,912,741 |
| Horizon Pharma Financing, Inc., 6.63%, 5/01/23 (e) | USD | 1,893 | 1,954,522 |
| HRG Group, Inc., 7.88%, 7/15/19 (e) | | 2,745 | 2,889,112 |
| HSH Nordbank AG, 0.82%, 2/14/17 (d) | EUR | 313 | 238,839 |
| International Lease Finance Corp.: | | | |
| 5.88%, 4/01/19 | USD | 160 | 170,200 |
| 8.25%, 12/15/20 | | 150 | 177,750 |
| 4.63%, 4/15/21 | | 687 | 699,023 |
| 5.88%, 8/15/22 | | 4,010 | 4,325,787 |
| Jarden Corp., 1.88%, 9/15/18 (h) | | 100 | 167,625 |
| Jefferies Finance LLC/JFIN Co-Issuer Corp. (e): | | | |
| 7.38%, 4/01/20 | | 2,695 | 2,634,901 |
| 6.88%, 4/15/22 | | 2,987 | 2,804,793 |
| Lehman Brother Holding Escrow, 1.00%, 9/22/18 (a)(i) | | 430 | 44,849 |
| Lehman Brothers Holdings, Inc. (a)(i): | | | |
| 4.75%, 1/16/2015 | EUR | 1,890 | 281,015 |
| 5.38%, 10/17/15 | | 350 | 52,040 |
| 1.00%, 2/05/16 | | 3,950 | 576,224 |
| 1.00%, 12/31/49 | USD | 1,535 | 160,101 |
| Leucadia National Corp., 8.13%, 9/15/15 | | 4,503 | 4,511,443 |
| MSCI, Inc., 5.75%, 8/15/25 (e) | | 1,667 | 1,700,340 |
| Pershing Square Holdings Ltd., | | | |
| 5.50%, 7/15/22 (e) | | 2,100 | 2,058,000 |
| ProGroup AG, 5.13%, 5/01/22 | EUR | 206 | 237,520 |
| Reynolds Group Issuer, Inc.: | | | |

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| | | | |
|--|------------|--------------|--------------|
| 9.88%, 8/15/19 | USD | 899 | 945,074 |
| 5.75%, 10/15/20 | | 4,884 | 5,036,625 |
| UniCredit SpA, 6.95%, 10/31/22 | EUR | 275 | 360,494 |
| | | | 45,925,838 |
| | Par | | |
| Corporate Bonds | | (000) | Value |
| Diversified Telecommunication Services 2.6% | | | |
| CenturyLink, Inc.: | | | |
| 6.45%, 6/15/21 | USD | 1,125 | \$ 1,123,425 |
| Series V, 5.63%, 4/01/20 | | 5,420 | 5,406,504 |
| Cequel Communications Holdings I LLC/Cequel Capital Corp., 5.13%, 12/15/21 (e) | | 1,025 | 939,156 |
| Frontier Communications Corp.: | | | |
| 8.50%, 4/15/20 | | 2,275 | 2,337,563 |
| 6.25%, 9/15/21 | | 2,750 | 2,510,475 |
| 7.13%, 1/15/23 | | 955 | 862,365 |
| 7.63%, 4/15/24 | | 422 | 376,635 |
| 6.88%, 1/15/25 | | 670 | 566,988 |
| Level 3 Financing, Inc.: | | | |
| 7.00%, 6/01/20 | | 2,395 | 2,520,738 |
| 5.13%, 5/01/23 (e) | | 2,932 | 2,858,700 |
| 5.38%, 5/01/25 (e) | | 7,632 | 7,374,420 |
| Telecom Italia Capital SA: | | | |
| 6.38%, 11/15/33 | | 745 | 756,175 |
| 6.00%, 9/30/34 | | 2,890 | 2,832,200 |
| Telecom Italia Finance SA, 7.75%, 1/24/33 | EUR | 380 | 563,915 |
| Telecom Italia SpA: | | | |
| 6.38%, 6/24/19 | GBP | 900 | 1,506,273 |
| 3.25%, 1/16/23 | EUR | 500 | 560,605 |
| 5.88%, 5/19/23 | GBP | 1,900 | 3,107,761 |
| Telenet Finance V Luxembourg SCA: | | | |
| 6.25%, 8/15/22 | EUR | 1,362 | 1,653,695 |
| 6.75%, 8/15/24 | | 1,982 | 2,432,963 |
| | | | 40,290,556 |
| Electric Utilities 0.5% | | | |
| Homer City Generation LP (f): | | | |
| (8.14% Cash), 8.14%, 10/01/19 | USD | 747 | 747,405 |
| (8.73% Cash), 8.73%, 10/01/26 | | 2,079 | 2,058,044 |
| Mirant Mid Atlantic Pass-Through Trust: | | | |
| Series B, 9.13%, 6/30/17 | | 743 | 772,572 |
| Series C, 10.06%, 12/30/28 | | 2,237 | 2,309,682 |
| Talen Energy Supply LLC, 6.50%, 6/01/25 (e) | | 1,096 | 1,016,540 |
| Viridian Group FundCo II Ltd., 7.50%, 3/01/20 | EUR | 624 | 693,220 |
| | | | 7,597,463 |
| Electrical Equipment 0.4% | | | |
| Areva SA, 4.88%, 9/23/24 | | 50 | 58,256 |
| Belden, Inc., 5.50%, 4/15/23 | | 1,602 | 1,788,697 |
| International Wire Group Holdings, Inc., 8.50%, 10/15/17 (e) | USD | 1,421 | 1,463,630 |
| Techem Energy Metering Service GmbH & Co., 7.88%, 10/01/20 | EUR | 210 | 254,268 |
| Trionista Holdco GmbH, 5.00%, 4/30/20 | | 1,405 | 1,624,709 |
| Trionista TopCo GmbH, 6.88%, 4/30/21 | | 418 | 493,849 |
| | | | 5,683,409 |
| Energy Equipment & Services 1.1% | | | |
| Calfrac Holdings LP, 7.50%, 12/01/20 (e) | USD | 3,862 | 2,587,540 |
| Gates Global LLC/Gates Global Co., | | | |
| 5.75%, 7/15/22 | EUR | 110 | 100,008 |
| Genesis Energy LP/Genesis Energy Finance Corp.: | | | |
| 5.75%, 2/15/21 | USD | 283 | 266,020 |
| 6.75%, 8/01/22 | | 1,096 | 1,063,120 |
| MEG Energy Corp. (e): | | | |
| 6.50%, 3/15/21 | | 4,781 | 3,994,526 |
| 6.38%, 1/30/23 | | 575 | 462,875 |
| Peabody Energy Corp., 6.00%, 11/15/18 | | 1,000 | 332,500 |
| Precision Drilling Corp., 5.25%, 11/15/24 | | 4,147 | 3,255,395 |

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| | | |
|-------------------|-------|------------|
| Transocean, Inc.: | | |
| 3.00%, 10/15/17 | 1,914 | 1,760,880 |
| 6.00%, 3/15/18 | 2,520 | 2,406,600 |
| 6.50%, 11/15/20 | 1,019 | 839,401 |
| 4.30%, 10/15/22 | 346 | 239,605 |
| | | 17,308,470 |

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | | Par | |
|---|-----|--------|--------------|
| | | (000) | Value |
| Corporate Bonds | | | |
| Food & Staples Retailing 2.2% | | | |
| Bakkavor Finance 2 PLC: | | | |
| 8.25%, 2/15/18 | GBP | 825 | \$ 1,313,611 |
| 8.75%, 6/15/20 | | 795 | 1,329,380 |
| Brakes Capital, 7.13%, 12/15/18 | | 830 | 1,314,417 |
| Family Dollar Stores, Inc., 5.00%, 2/01/21 | USD | 1,344 | 1,399,987 |
| Family Tree Escrow LLC (e): | | | |
| 5.25%, 3/01/20 | | 817 | 855,808 |
| 5.75%, 3/01/23 | | 13,489 | 14,129,727 |
| R&R Ice Cream PLC: | | | |
| 4.75%, 5/15/20 | EUR | 745 | 848,542 |
| (9.25% Cash or 10.00% PIK), 9.25%, 5/15/18 (f) | | 823 | 932,199 |
| Rite Aid Corp.: | | | |
| 9.25%, 3/15/20 | USD | 2,080 | 2,239,900 |
| 6.75%, 6/15/21 | | 1,536 | 1,620,480 |
| 6.13%, 4/01/23 (e) | | 7,882 | 8,088,902 |
| | | | 34,072,953 |
| Food Products 0.8% | | | |
| Anna Merger Sub, Inc., 7.75%, 10/01/22 (e) | | 2,155 | 2,134,786 |
| Boparan Finance PLC: | | | |
| 4.38%, 7/15/21 | EUR | 249 | 257,062 |
| 5.50%, 7/15/21 | GBP | 522 | 729,678 |
| Findus Bondco SA, 9.13%, 7/01/18 | EUR | 437 | 513,585 |
| Post Holdings, Inc. (e): | | | |
| 7.75%, 3/15/24 | USD | 4,269 | 4,407,742 |
| 8.00%, 7/15/25 | | 1,826 | 1,885,345 |
| Smithfield Foods, Inc.: | | | |
| 6.63%, 8/15/22 | | 1,516 | 1,612,645 |
| 5.88%, 8/01/21 (e) | | 891 | 924,413 |
| The WhiteWave Foods Co., 5.38%, 10/01/22 | | 950 | 982,062 |
| | | | 13,447,318 |
| Forest Products 0.1% | | | |
| Darling Global Finance BV, 4.75%, 5/30/22 | EUR | 100 | 107,558 |
| JBS USA LLC/JBS USA Finance, Inc., 5.75%, 6/15/25 (e) | USD | 1,280 | 1,241,600 |
| | | | 1,349,158 |
| Health Care Equipment & Supplies 0.8% | | | |
| 3AB Optique Development SAS, 5.63%, 4/15/19 | EUR | 900 | 970,801 |
| Crimson Merger Sub, Inc., 6.63%, 5/15/22 (e) | USD | 3,373 | 3,014,619 |
| DJO Finance LLC/DJO Finance Corp., 8.13%, 6/15/21 (e) | | 4,447 | 4,600,421 |
| Fresenius Medical Care US Finance, Inc., | | | |
| 5.75%, 2/15/21 (e) | | 1,580 | 1,710,350 |
| IDH Finance PLC: | | | |
| 6.00%, 12/01/18 | GBP | 614 | 951,209 |
| 6.00%, 12/01/18 (e) | | 200 | 309,840 |
| | | | 11,557,240 |
| Health Care Providers & Services 6.9% | | | |
| Acadia Healthcare Co., Inc.: | | | |
| 5.13%, 7/01/22 | USD | 1,145 | 1,150,725 |
| 5.63%, 2/15/23 | | 468 | 477,097 |
| Alere, Inc.: | | | |
| 7.25%, 7/01/18 | | 2,449 | 2,559,205 |
| 8.63%, 10/01/18 | | 2,834 | 2,905,927 |
| 6.38%, 7/01/23 (e) | | 1,635 | 1,675,875 |

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| | | | |
|--|-----|--------------|--------------|
| Amsurg Corp., 5.63%, 7/15/22 | | 5,428 | 5,539,980 |
| Care UK Health & Social Care PLC, 5.58%, 7/15/19 (d) | GBP | 851 | 1,259,789 |
| Centene Corp., 4.75%, 5/15/22 | USD | 2,427 | 2,458,842 |
| CHS/Community Health Systems, Inc.: | | | |
| 5.13%, 8/15/18 | | 2,125 | 2,175,469 |
| 6.88%, 2/01/22 | | 3,948 | 4,195,974 |
| | | Par | |
| Corporate Bonds | | (000) | Value |
| Health Care Providers & Services (concluded) | | | |
| DaVita HealthCare Partners, Inc.: | | | |
| 5.13%, 7/15/24 | USD | 3,576 | \$ 3,560,355 |
| 5.00%, 5/01/25 | | 6,156 | 6,032,880 |
| ExamWorks Group, Inc., 5.63%, 4/15/23 | | 1,741 | 1,782,349 |
| HCA Holdings, Inc., 6.25%, 2/15/21 | | 1,390 | 1,508,150 |
| HCA, Inc.: | | | |
| 3.75%, 3/15/19 | | 2,911 | 2,925,555 |
| 6.50%, 2/15/20 | | 4,735 | 5,232,175 |
| 7.50%, 2/15/22 | | 4,261 | 4,888,177 |
| 5.88%, 3/15/22 | | 2,105 | 2,289,187 |
| 4.75%, 5/01/23 | | 1,487 | 1,507,431 |
| 5.88%, 5/01/23 | | 4,096 | 4,331,520 |
| 5.00%, 3/15/24 | | 1,955 | 2,001,431 |
| 5.38%, 2/01/25 | | 6,636 | 6,735,540 |
| HealthSouth Corp.: | | | |
| 5.13%, 3/15/23 | | 2,840 | 2,811,600 |
| 5.75%, 11/01/24 (e) | | 1,428 | 1,447,849 |
| 5.75%, 11/01/24 | | 2,442 | 2,475,944 |
| Hologic, Inc., 5.25%, 7/15/22 (e) | | 2,190 | 2,231,062 |
| Kindred Healthcare, Inc., 6.38%, 4/15/22 | | 931 | 954,275 |
| MPH Acquisition Holdings LLC, 6.63%, 4/01/22 (e) | | 1,280 | 1,315,200 |
| Omnicare, Inc.: | | | |
| 4.75%, 12/01/22 | | 793 | 842,563 |
| 5.00%, 12/01/24 | | 631 | 678,325 |
| Sterigenics-Nordion Holdings LLC, 6.50%, 5/15/23 (e) | | 424 | 432,472 |
| Surgical Care Affiliates, Inc., 6.00%, 4/01/23 (e) | | 1,161 | 1,172,610 |
| Tenet Healthcare Corp.: | | | |
| 6.25%, 11/01/18 | | 1,308 | 1,417,545 |
| 4.75%, 6/01/20 | | 1,805 | 1,839,972 |
| 3.79%, 6/15/20 (d)(e) | | 1,432 | 1,439,876 |
| 6.00%, 10/01/20 | | 3,835 | 4,103,450 |
| 4.50%, 4/01/21 | | 74 | 74,370 |
| 4.38%, 10/01/21 | | 4,005 | 4,005,000 |
| 8.13%, 4/01/22 | | 3,258 | 3,608,235 |
| 6.75%, 6/15/23 | | 4,858 | 5,003,740 |
| Voyage Care Bondco PLC, 6.50%, 8/01/18 | GBP | 786 | 1,241,396 |
| WellCare Health Plans, Inc., 5.75%, 11/15/20 | USD | 1,066 | 1,117,967 |
| | | | 105,407,084 |
| Health Care Technology 0.1% | | | |
| IMS Health, Inc., 6.00%, 11/01/20 (e) | | 795 | 816,863 |
| Hotels, Restaurants & Leisure 4.5% | | | |
| Boyd Gaming Corp., 6.88%, 5/15/23 | | 4,254 | 4,370,985 |
| Caesars Entertainment Resort Properties LLC/Caesars Entertainment Resort Property, | | | |
| 8.00%, 10/01/20 | | 5,870 | 5,796,625 |
| Carlson Travel Holdings, Inc., (7.50% Cash or 8.25% PIK), 7.50%, 8/15/19 (e)(f) | | 654 | 662,175 |
| CDW LLC/CDW Finance Corp.: | | | |
| 5.00%, 9/01/23 | | 4,354 | 4,299,575 |
| 5.50%, 12/01/24 | | 4,652 | 4,605,480 |
| Cedar Fair LP/Canada s Wonderland Co., 5.38%, 6/01/24 | | 1,070 | 1,086,050 |
| Cirsar Funding Luxembourg SA, 5.88%, 5/15/23 | EUR | 1,175 | 1,173,621 |
| CPUK Finance Ltd., 7.00%, 2/28/42 | GBP | 375 | 577,470 |
| Enterprise Funding Ltd., Series ETI, 3.50%, 9/10/20 (h) | | 400 | 563,929 |
| ESH Hospitality, Inc., 5.25%, 5/01/25 (e) | USD | 1,708 | 1,656,760 |
| Gategroup Finance Luxembourg SA, 6.75%, 3/01/19 | EUR | 1,507 | 1,758,301 |
| International Game Technology PLC: | | | |
| 4.13%, 2/15/20 | | 355 | 396,372 |
| 6.25%, 2/15/22 (e) | USD | 400 | 384,752 |
| 4.75%, 2/15/23 | EUR | 710 | 752,413 |

See Notes to Financial Statements.

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AUGUST 31, 2015

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Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | | Par | |
|---|-----|-------|------------|
| | | (000) | Value |
| Corporate Bonds | | | |
| Hotels, Restaurants & Leisure (concluded) | | | |
| Intralot Capital Luxembourg SA, 6.00%, 5/15/21 | EUR | 613 | \$ 591,575 |
| Intralot Finance Luxembourg SA, 9.75%, 8/15/18 | | 2,140 | 2,440,785 |
| Merlin Entertainments PLC, 2.75%, 3/15/22 | | 161 | 172,762 |
| MGM Resorts International: | | | |
| 6.75%, 10/01/20 | USD | 5,110 | 5,442,150 |
| 6.00%, 3/15/23 | | 4,607 | 4,676,105 |
| New Red Finance, Inc., 6.00%, 4/01/22 (e) | | 3,735 | 3,847,050 |
| Pinnacle Entertainment, Inc., 6.38%, 8/01/21 | | 2,405 | 2,561,325 |
| PortAventura Entertainment Barcelona BV, 7.25%, 12/01/20 | EUR | 339 | 391,687 |
| Regal Entertainment Group, 5.75%, 2/01/25 | USD | 489 | 474,330 |
| RHP Hotel Properties LP/RHP Finance Corp., 5.00%, 4/15/23 (e) | | 1,534 | 1,518,660 |
| Sabre GBLB, Inc., 5.38%, 4/15/23 (e) | | 1,436 | 1,407,280 |
| Six Flags Entertainment Corp., 5.25%, 1/15/21 (e) | | 3,247 | 3,295,705 |
| Snai SpA, 7.63%, 6/15/18 | EUR | 866 | 986,359 |
| Station Casinos LLC, 7.50%, 3/01/21 | USD | 5,095 | 5,390,001 |
| Tropicana Entertainment LLC/Tropicana Finance Corp., 1.00%, 12/15/15 (a)(i) | | 1,850 | |
| The Unique Pub Finance Co. PLC: | | | |
| Series A3, 6.54%, 3/30/21 | GBP | 1,938 | 3,093,169 |
| Series A4, 5.66%, 6/30/27 | | 818 | 1,270,432 |
| Series N, 6.46%, 3/30/32 | | 1,000 | 1,350,360 |
| Vougeot Bidco PLC, 7.88%, 7/15/20 | | 920 | 1,503,503 |
| | | | 68,497,746 |
| Household Durables 3.1% | | | |
| Ashton Woods USA LLC/Ashton Woods Finance Co., 6.88%, 2/15/21 (e) | USD | 1,262 | 1,179,970 |
| Beazer Homes USA, Inc.: | | | |
| 6.63%, 4/15/18 | | 215 | 221,450 |
| 5.75%, 6/15/19 | | 3,638 | 3,501,575 |
| 7.50%, 9/15/21 | | 2,710 | 2,657,480 |
| Brookfield Residential Properties, Inc./Brookfield Residential US Corp., 6.13%, 7/01/22 (e) | | 1,604 | 1,555,880 |
| DR Horton, Inc., 4.00%, 2/15/20 | | 2,408 | 2,420,040 |
| K. Hovnanian Enterprises, Inc., 7.25%, 10/15/20 (e) | | 1,042 | 1,010,417 |
| Lennar Corp., 4.50%, 11/15/19 | | 2,482 | 2,542,809 |
| NCR Corp., 6.38%, 12/15/23 | | 860 | 882,575 |
| Project Homestake Merger Co., 8.88%, 3/01/23 (e) | | 3,574 | 3,252,340 |
| PulteGroup, Inc., 6.38%, 5/15/33 | | 2,805 | 2,917,200 |
| The Ryland Group, Inc., 6.63%, 5/01/20 | | 1,160 | 1,270,200 |
| Shea Homes LP/Shea Homes Funding Corp. (e): | | | |
| 5.88%, 4/01/23 | | 2,283 | 2,334,367 |
| 6.13%, 4/01/25 | | 2,308 | 2,359,930 |
| Standard Pacific Corp.: | | | |
| 10.75%, 9/15/16 | | 3,420 | 3,727,800 |
| 8.38%, 1/15/21 | | 4,270 | 5,017,250 |
| 5.88%, 11/15/24 | | 1,480 | 1,517,000 |
| Taylor Morrison Communities, Inc./Monarch Communities, Inc., 5.25%, 4/15/21 (e) | | 744 | 747,720 |
| TRI Pointe Holdings, Inc.: | | | |
| 4.38%, 6/15/19 | | 2,270 | 2,250,138 |
| 5.88%, 6/15/24 | | 1,540 | 1,516,900 |
| William Lyon Homes, Inc., 8.50%, 11/15/20 | | 4,579 | 4,945,320 |
| | | | 47,828,361 |
| Household Products 0.5% | | | |
| Spectrum Brands, Inc.: | | | |
| 6.38%, 11/15/20 | | 2,125 | 2,249,844 |
| 6.63%, 11/15/22 | | 1,385 | 1,487,116 |
| 6.13%, 12/15/24 (e) | | 1,290 | 1,341,600 |
| 5.75%, 7/15/25 (e) | | 2,521 | 2,596,630 |

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| | | Par | 7,675,190 |
|---|-----|-------|------------|
| | | (000) | Value |
| Corporate Bonds | | | |
| Independent Power and Renewable Electricity Producers 1.4% | | | |
| Abengoa Yield PLC, 7.00%, 11/15/19 (e) | USD | 200 | \$ 187,000 |
| Calpine Corp.: | | | |
| 6.00%, 1/15/22 (e) | | 1,321 | 1,405,214 |
| 5.38%, 1/15/23 | | 2,089 | 2,015,258 |
| 5.88%, 1/15/24 (e) | | 1,999 | 2,098,950 |
| 5.50%, 2/01/24 | | 2,344 | 2,261,960 |
| 5.75%, 1/15/25 | | 1,299 | 1,258,406 |
| Dynergy, Inc.: | | | |
| 6.75%, 11/01/19 | | 4,785 | 4,961,447 |
| 7.38%, 11/01/22 | | 1,235 | 1,278,225 |
| MPM Escrow LLC, 8.88%, 10/15/20 (a)(i) | | 3,738 | |
| NRG Energy, Inc.: | | | |
| 7.88%, 5/15/21 | | 1,190 | 1,228,675 |
| 6.25%, 5/01/24 | | 900 | 855,000 |
| NRG REMA LLC: | | | |
| Series B, 9.24%, 7/02/17 | | 82 | 84,532 |
| Series C, 9.68%, 7/02/26 | | 1,400 | 1,428,000 |
| QEP Resources, Inc.: | | | |
| 5.38%, 10/01/22 | | 1,843 | 1,589,587 |
| 5.25%, 5/01/23 | | 800 | 692,160 |
| TerraForm Power Operating LLC, | | | |
| 6.13%, 6/15/25 (e) | | 709 | 668,233 |
| | | | 22,012,647 |
| Insurance 0.8% | | | |
| CNO Financial Group, Inc.: | | | |
| 4.50%, 5/30/20 | | 593 | 610,790 |
| 5.25%, 5/30/25 | | 1,470 | 1,515,938 |
| Genworth Holdings, Inc., 4.80%, 2/15/24 | | 1,120 | 901,600 |
| Hockey Merger Sub 2, Inc., 7.88%, 10/01/21 (e) | | 3,920 | 3,910,200 |
| MPL 2 Acquisition Canco, Inc., 9.88%, 8/15/18 (e) | | 3,650 | 3,814,250 |
| Pension Insurance Corp. PLC, 6.50%, 7/03/24 | GBP | 775 | 1,201,126 |
| TMF Group Holding BV, 9.88%, 12/01/19 | EUR | 570 | 687,649 |
| UNIQA Insurance Group AG, 6.00%, 7/27/46 (d) | | 200 | 231,292 |
| | | | 12,872,845 |
| Internet Software & Services 0.9% | | | |
| Blue Coat Holdings, Inc., 8.38%, 6/01/23 (e) | USD | 1,593 | 1,596,186 |
| Cerved Group SpA: | | | |
| 6.38%, 1/15/20 | EUR | 601 | 706,110 |
| 8.00%, 1/15/21 | | 400 | 483,647 |
| Equinix, Inc.: | | | |
| 5.38%, 1/01/22 | USD | 1,110 | 1,121,100 |
| 5.75%, 1/01/25 | | 1,172 | 1,172,000 |
| Interactive Data Corp., 5.88%, 4/15/19 (e) | | 5,276 | 5,341,950 |
| Netflix, Inc. (e): | | | |
| 5.50%, 2/15/22 | | 1,992 | 2,041,800 |
| 5.88%, 2/15/25 | | 960 | 997,200 |
| | | | 13,459,993 |
| IT Services 2.3% | | | |
| Ceridian HCM Holding, Inc., 11.00%, 3/15/21 (e) | | 4,249 | 4,195,887 |
| First Data Corp.: | | | |
| 6.75%, 11/01/20 (e) | | 8,600 | 9,051,500 |
| 8.25%, 1/15/21 (e) | | 1,394 | 1,467,185 |
| 10.63%, 6/15/21 | | 2,111 | 2,335,294 |
| 11.75%, 8/15/21 | | 3,318 | 3,737,727 |
| 5.38%, 8/15/23 (e) | | 6,115 | 6,191,437 |
| (8.75% Cash or 10.00% PIK), 8.75%, 1/15/22 (e)(f) | | 365 | 384,163 |
| Open Text Corp., 5.63%, 1/15/23 (e) | | 2,731 | 2,731,000 |
| SunGard Data Systems, Inc., 6.63%, 11/01/19 | | 2,227 | 2,310,513 |
| WEX, Inc., 4.75%, 2/01/23 (e) | | 2,728 | 2,646,160 |

35,050,866

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | | Par | |
|---|-----|--------|------------|
| | | (000) | Value |
| Corporate Bonds | | | |
| Machinery 0.1% | | | |
| Selecta Group BV, 6.50%, 6/15/20 | EUR | 322 | \$ 338,338 |
| SPX Corp., 6.88%, 9/01/17 | USD | 980 | 1,043,700 |
| Trinseo Materials Operating SCA/Trinseo Materials Finance, Inc., 6.38%, 5/01/22 | EUR | 439 | 495,087 |
| | | | 1,877,125 |
| Media 14.0% | | | |
| Altice Financing SA: | | | |
| 6.50%, 1/15/22 (e) | USD | 1,945 | 1,949,862 |
| 5.25%, 2/15/23 | EUR | 585 | 662,760 |
| 6.63%, 2/15/23 (e) | USD | 3,450 | 3,432,750 |
| Altice Finco SA, 7.63%, 2/15/25 (e) | | 2,328 | 2,281,440 |
| Altice SA: | | | |
| 7.25%, 5/15/22 | EUR | 1,958 | 2,208,157 |
| 7.75%, 5/15/22 (e) | USD | 2,525 | 2,461,875 |
| 6.25%, 2/15/25 | EUR | 942 | 992,321 |
| 7.63%, 2/15/25 (e) | USD | 2,576 | 2,447,200 |
| Altice US Finance I Corp., 5.38%, 7/15/23 (e) | | 8,100 | 8,019,000 |
| Altice US Finance II Corp., 7.75%, 7/15/25 (e) | | 2,704 | 2,636,400 |
| Altice US Finance SA, 7.75%, 7/15/25 (e) | | 3,325 | 3,183,687 |
| AMC Networks, Inc.: | | | |
| 7.75%, 7/15/21 | | 480 | 512,400 |
| 4.75%, 12/15/22 | | 1,613 | 1,589,773 |
| CCO Holdings LLC/CCO Holdings Capital Corp. (e): | | | |
| 5.13%, 5/01/23 | | 560 | 560,000 |
| 5.88%, 5/01/27 | | 6,267 | 6,141,660 |
| CCO Safari II LLC (e): | | | |
| 4.91%, 7/23/25 | | 5,240 | 5,190,189 |
| 6.48%, 10/23/45 | | 5,450 | 5,543,991 |
| Cengage Learning Acquisitions, Inc., 11.50%, 4/15/20 (a)(i) | | 3,439 | |
| Clear Channel Worldwide Holdings, Inc.: | | | |
| 7.63%, 3/15/20 | | 4,069 | 4,211,415 |
| 6.50%, 11/15/22 | | 11,724 | 12,046,834 |
| Clearwire Communications LLC/Clearwire Finance, Inc., 8.25%, 12/01/40 (e)(h) | | 4,132 | 4,379,920 |
| Columbus International, Inc., 7.38%, 3/30/21 (e) | | 2,647 | 2,785,967 |
| Consolidated Communications, Inc., 6.50%, 10/01/22 (e) | | 1,020 | 943,500 |
| CSC Holdings LLC, 5.25%, 6/01/24 | | 3,070 | 2,848,960 |
| DISH DBS Corp.: | | | |
| 4.25%, 4/01/18 | | 3,209 | 3,199,341 |
| 5.00%, 3/15/23 | | 5,022 | 4,435,079 |
| 5.88%, 11/15/24 | | 6,239 | 5,685,289 |
| DreamWorks Animation SKG, Inc., | | | |
| 6.88%, 8/15/20 (e) | | 541 | 508,540 |
| Gannett Co., Inc.: | | | |
| 5.13%, 10/15/19 | | 857 | 884,853 |
| 4.88%, 9/15/21 (e) | | 1,827 | 1,804,162 |
| 5.50%, 9/15/24 (e) | | 1,308 | 1,294,920 |
| Gray Television, Inc., 7.50%, 10/01/20 | | 1,318 | 1,362,878 |
| Harron Communications LP/Harron Finance Corp., 9.13%, 4/01/20 (e) | | 4,510 | 4,848,250 |
| iHeartCommunications, Inc.: | | | |
| 9.00%, 12/15/19 | | 3,789 | 3,566,396 |
| 9.00%, 3/01/21 | | 2,047 | 1,814,154 |
| 9.00%, 9/15/22 | | 3,845 | 3,345,150 |
| Inmarsat Finance PLC, 4.88%, 5/15/22 (e) | | 2,805 | 2,726,179 |
| Intelsat Jackson Holdings SA: | | | |
| 6.63%, 12/15/22 | | 595 | 520,625 |
| 5.50%, 8/01/23 | | 7,130 | 6,274,400 |
| LIN Television Corp., 6.38%, 1/15/21 | | 1,570 | 1,589,625 |

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| | | | |
|---|-----|--------------|--------------|
| Live Nation Entertainment, Inc., 7.00%, 9/01/20 (e) | | 987 | 1,046,220 |
| Midcontinent Communications & Midcontinent Finance Corp., 6.25%, 8/01/21 (e) | | 3,901 | 3,930,257 |
| | | Par | |
| Corporate Bonds | | (000) | Value |
| Media (concluded) | | | |
| NAI Entertainment Holdings/NAI Entertainment Holdings Finance Corp., 5.00%, 8/01/18 (e) | USD | 2,039 | \$ 2,079,780 |
| Nielsen Finance LLC/Nielsen Finance Co., 5.00%, 4/15/22 (e) | | 2,947 | 2,906,479 |
| Numericable Group SA: | | | |
| 5.38%, 5/15/22 | EUR | 590 | 681,746 |
| 6.00%, 5/15/22 (e) | USD | 9,215 | 9,215,000 |
| 5.63%, 5/15/24 | EUR | 1,785 | 2,042,979 |
| 6.25%, 5/15/24 (e) | USD | 2,275 | 2,274,295 |
| Outfront Media Capital LLC/Outfront Media Capital Corp.: | | | |
| 5.25%, 2/15/22 | | 650 | 654,472 |
| 5.63%, 2/15/24 | | 568 | 581,490 |
| 5.63%, 2/15/24 (e) | | 496 | 510,880 |
| Play Finance 2 SA, 5.25%, 2/01/19 | EUR | 1,070 | 1,232,220 |
| Radio One, Inc., 7.38%, 4/15/22 (e) | USD | 805 | 773,806 |
| RCN Telecom Services LLC/RCN Capital Corp., 8.50%, 8/15/20 (e) | | 1,130 | 1,194,975 |
| Sirius XM Radio, Inc. (e): | | | |
| 4.25%, 5/15/20 | | 2,204 | 2,199,856 |
| 5.75%, 8/01/21 | | 1,811 | 1,874,385 |
| 4.63%, 5/15/23 | | 345 | 328,613 |
| 5.38%, 4/15/25 | | 4,340 | 4,285,750 |
| Sterling Entertainment Corp., 9.75%, 12/15/19 | | 4,810 | 4,906,200 |
| Townsquare Media, Inc., 6.50%, 4/01/23 (e) | | 517 | 491,150 |
| Tribune Media Co., 5.88%, 7/15/22 (e) | | 3,238 | 3,262,285 |
| Unitymedia Hessen GmbH & Co. KG/Unitymedia NRW GmbH: | | | |
| 5.50%, 1/15/23 (e) | | 2,757 | 2,832,817 |
| 5.63%, 4/15/23 | EUR | 187 | 225,004 |
| 4.00%, 1/15/25 | | 1,611 | 1,806,353 |
| 3.50%, 1/15/27 | | 100 | 107,278 |
| Univision Communications, Inc. (e): | | | |
| 8.50%, 5/15/21 | USD | 1,597 | 1,667,060 |
| 5.13%, 5/15/23 | | 10,242 | 10,088,370 |
| 5.13%, 2/15/25 | | 9,535 | 9,248,950 |
| Virgin Media Finance PLC, 5.75%, 1/15/25 (e) | | 2,405 | 2,415,522 |
| Virgin Media Secured Finance PLC: | | | |
| 6.00%, 4/15/21 | GBP | 4,935 | 7,820,853 |
| 6.25%, 3/28/29 | | 829 | 1,314,080 |
| WaveDivision Escrow LLC/WaveDivision Escrow Corp., 8.13%, 9/01/20 (e) | USD | 4,428 | 4,383,720 |
| Ziggo Bond Finance BV: | | | |
| 4.63%, 1/15/25 | EUR | 902 | 961,571 |
| 5.88%, 1/15/25 (e) | USD | 3,773 | 3,640,945 |
| | | | 213,875,263 |
| Metals & Mining 3.9% | | | |
| Alcoa, Inc.: | | | |
| 6.15%, 8/15/20 | | 1,330 | 1,413,125 |
| 5.13%, 10/01/24 | | 8,691 | 8,517,180 |
| 5.90%, 2/01/27 | | 215 | 215,000 |
| 6.75%, 1/15/28 | | 477 | 508,005 |
| 5.95%, 2/01/37 | | 264 | 256,410 |
| Constellium NV: | | | |
| 4.63%, 5/15/21 | EUR | 184 | 177,528 |
| 8.00%, 1/15/23 (e) | USD | 6,525 | 5,774,625 |
| 5.75%, 5/15/24 (e) | | 3,385 | 2,606,450 |
| Eco-Bat Finance PLC, 7.75%, 2/15/17 | EUR | 1,754 | 1,926,565 |
| First Quantum Minerals Ltd. (e): | | | |
| 7.00%, 2/15/21 | USD | 392 | 276,360 |
| 7.25%, 5/15/22 | | 1,883 | 1,313,393 |
| Global Brass & Copper, Inc., 9.50%, 6/01/19 | | 4,660 | 5,015,325 |
| Kaiser Aluminum Corp., 8.25%, 6/01/20 | | 1,240 | 1,320,600 |
| Novelis, Inc., 8.75%, 12/15/20 | | 12,789 | 12,757,027 |
| Ovako AB, 6.50%, 6/01/19 | EUR | 496 | 531,819 |

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See Notes to Financial Statements.

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Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | | Par | |
|--|-----|--------|------------|
| | | (000) | Value |
| Corporate Bonds | | | |
| Metals & Mining (concluded) | | | |
| Ryerson, Inc./Joseph T Ryerson & Son, Inc., 9.00%, 10/15/17 | USD | 1,070 | \$ 976,375 |
| Steel Dynamics, Inc.: | | | |
| 5.13%, 10/01/21 | | 3,085 | 3,024,842 |
| 6.38%, 8/15/22 | | 1,345 | 1,388,712 |
| 5.25%, 4/15/23 | | 501 | 486,596 |
| 5.50%, 10/01/24 | | 75 | 72,844 |
| Wise Metals Group LLC/Wise Alloys Finance Corp., 8.75%, 12/15/18 (e) | | 10,804 | 10,236,790 |
| | | | 58,795,571 |
| Multi-Utilities 0.0% | | | |
| CE Energy AS, 7.00%, 2/01/21 | EUR | 532 | 608,924 |
| Multiline Retail 0.6% | | | |
| CST Brands, Inc., 5.00%, 5/01/23 | USD | 653 | 647,286 |
| Debenhams PLC, 5.25%, 7/15/21 | GBP | 914 | 1,382,105 |
| Dufry Finance SCA, 5.50%, 10/15/20 (e) | USD | 1,927 | 2,003,346 |
| Hema Bondco I BV, 6.25%, 6/15/19 | EUR | 1,192 | 829,314 |
| The Neiman Marcus Group Ltd., 8.00%, 10/15/21 (e) | USD | 4,727 | 4,986,985 |
| | | | 9,849,036 |
| Oil, Gas & Consumable Fuels 11.5% | | | |
| Antero Resources Corp., 5.13%, 12/01/22 | | 899 | 813,784 |
| Antero Resources Finance Corp., 5.38%, 11/01/21 | | 1,167 | 1,073,640 |
| Berry Petroleum Co., 6.38%, 9/15/22 | | 650 | 331,500 |
| Bonanza Creek Energy, Inc.: | | | |
| 6.75%, 4/15/21 | | 1,414 | 1,046,360 |
| 5.75%, 2/01/23 | | 3,254 | 2,212,720 |
| California Resources Corp.: | | | |
| 5.00%, 1/15/20 | | 148 | 116,520 |
| 5.50%, 9/15/21 | | 8,046 | 6,238,707 |
| 6.00%, 11/15/24 | | 13,339 | 9,890,868 |
| Carrizo Oil & Gas, Inc., 6.25%, 4/15/23 | | 2,472 | 2,224,800 |
| Chesapeake Energy Corp., 4.88%, 4/15/22 | | 980 | 710,500 |
| Concho Resources, Inc.: | | | |
| 6.50%, 1/15/22 | | 222 | 226,487 |
| 5.50%, 10/01/22 | | 1,501 | 1,474,732 |
| 5.50%, 4/01/23 | | 1,452 | 1,434,445 |
| CONSOL Energy, Inc., 5.88%, 4/15/22 | | 11,028 | 7,885,020 |
| CrownRock LP/CrownRock Finance, Inc. (e): | | | |
| 7.13%, 4/15/21 | | 3,710 | 3,617,250 |
| 7.75%, 2/15/23 | | 1,064 | 1,053,360 |
| Denbury Resources, Inc.: | | | |
| 5.50%, 5/01/22 | | 3,220 | 2,294,250 |
| 4.63%, 7/15/23 | | 196 | 131,320 |
| Diamondback Energy, Inc., 7.63%, 10/01/21 | | 2,877 | 3,020,850 |
| El Paso LLC: | | | |
| 7.80%, 8/01/31 | | 2,547 | 2,768,686 |
| 7.75%, 1/15/32 | | 1,377 | 1,480,457 |
| Energy Transfer Equity LP: | | | |
| 7.50%, 10/15/20 | | 695 | 744,533 |
| 5.88%, 1/15/24 | | 7,432 | 7,171,880 |
| EP Energy LLC/EP Energy Finance, Inc., 9.38%, 5/01/20 | | 2,690 | 2,605,265 |
| EP Energy LLC/Everest Acquisition Finance, Inc., 6.38%, 6/15/23 | | 1,867 | 1,586,950 |
| Genesis Energy LP/Genesis Energy Finance Corp., 6.00%, 5/15/23 | | 1,906 | 1,743,990 |
| Gulfport Energy Corp., 7.75%, 11/01/20 | | 1,517 | 1,475,282 |
| Halcon Resources Corp.: | | | |

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| | | | |
|---|-----|--------------|--------------|
| 8.63%, 2/01/20 (e) | | 340 | 298,350 |
| 8.88%, 5/15/21 | | 744 | 245,520 |
| 9.25%, 2/15/22 | | 1,257 | 414,810 |
| | | Par | |
| | | (000) | Value |
| Corporate Bonds | | | |
| Oil, Gas & Consumable Fuels (continued) | | | |
| Hilcorp Energy I LP/Hilcorp Finance Co., 5.00%, 12/01/24 (e) | USD | 1,758 | \$ 1,520,846 |
| Jones Energy Holdings LLC/Jones Energy Finance Corp., 6.75%, 4/01/22 | | 1,254 | 1,065,900 |
| Laredo Petroleum, Inc., 7.38%, 5/01/22 | | 813 | 792,675 |
| Legacy Reserves LP/Legacy Reserves Finance Corp., 6.63%, 12/01/21 | | 1,390 | 973,000 |
| Linn Energy LLC/Linn Energy Finance Corp.: | | | |
| 6.25%, 11/01/19 | | 1,045 | 407,550 |
| 8.63%, 4/15/20 | | 58 | 23,345 |
| 7.75%, 2/01/21 | | 1,971 | 773,618 |
| MarkWest Energy Partners LP/MarkWest Energy Finance Corp.: | | | |
| 4.50%, 7/15/23 | | 1,720 | 1,591,000 |
| 4.88%, 6/01/25 | | 2,430 | 2,247,750 |
| Matador Resources Co., 6.88%, 4/15/23 (e) | | 629 | 606,985 |
| MEG Energy Corp., 7.00%, 3/31/24 (e) | | 8,954 | 7,319,895 |
| Memorial Production Partners LP/Memorial Production Finance Corp.: | | | |
| 7.63%, 5/01/21 | | 635 | 425,450 |
| 6.88%, 8/01/22 | | 1,212 | 760,530 |
| Memorial Resource Development Corp., | | | |
| 5.88%, 7/01/22 | | 6,313 | 5,744,830 |
| NGPL PipeCo LLC (e): | | | |
| 7.12%, 12/15/17 | | 1,565 | 1,455,450 |
| 9.63%, 6/01/19 | | 891 | 828,630 |
| 7.77%, 12/15/37 | | 3,380 | 2,906,800 |
| Oasis Petroleum, Inc.: | | | |
| 6.50%, 11/01/21 | | 2,153 | 1,733,165 |
| 6.88%, 3/15/22 | | 1,310 | 1,087,300 |
| 6.88%, 1/15/23 | | 355 | 280,450 |
| Offshore Group Investment Ltd., 7.50%, 11/01/19 | | 1,370 | 637,050 |
| ONEOK, Inc., 7.50%, 9/01/23 | | 1,215 | 1,215,000 |
| Pacific Drilling SA, 5.38%, 6/01/20 (e) | | 826 | 594,720 |
| Paramount Resources Ltd., 6.88%, 6/30/23 (e) | | 1,612 | 1,442,740 |
| Parsley Energy LLC/Parsley Finance Corp., 7.50%, 2/15/22 (e) | | 4,536 | 4,445,280 |
| PBF Logistics LP/PBF Logistics Finance Corp., 6.88%, 5/15/23 (e) | | 776 | 748,840 |
| PDC Energy, Inc., 7.75%, 10/15/22 | | 995 | 995,000 |
| Petrobras Global Finance BV, 4.75%, 1/14/25 | EUR | 410 | 385,669 |
| Petroleum Geo-Services ASA, | | | |
| 7.38%, 12/15/18 (e) | USD | 3,816 | 3,195,900 |
| Range Resources Corp.: | | | |
| 5.75%, 6/01/21 | | 568 | 545,280 |
| 5.00%, 8/15/22 | | 530 | 488,925 |
| 5.00%, 3/15/23 | | 1,193 | 1,091,595 |
| Regency Energy Partners LP/Regency Energy Finance Corp., 5.50%, 4/15/23 | | 2,059 | 2,001,616 |
| Rockies Express Pipeline LLC (e): | | | |
| 6.00%, 1/15/19 | | 2,524 | 2,524,000 |
| 6.88%, 4/15/40 | | 2,350 | 2,232,500 |
| Rose Rock Midstream LP/Rose Rock Finance Corp.: | | | |
| 5.63%, 7/15/22 | | 1,747 | 1,589,770 |
| 5.63%, 11/15/23 (e) | | 1,041 | 931,695 |
| RSP Permian, Inc., 6.63%, 10/01/22 (e) | | 2,402 | 2,353,960 |
| Sabine Pass Liquefaction LLC: | | | |
| 5.63%, 2/01/21 | | 1,590 | 1,566,150 |
| 5.63%, 4/15/23 | | 3,087 | 2,998,249 |
| 5.75%, 5/15/24 | | 5,625 | 5,498,437 |
| 5.63%, 3/01/25 (e) | | 1,618 | 1,564,404 |
| Sanchez Energy Corp.: | | | |
| 7.75%, 6/15/21 | | 547 | 462,215 |
| 6.13%, 1/15/23 | | 7,602 | 5,701,500 |

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | Par | | Value |
|--|-------|-------|-------------|
| | (000) | | |
| Corporate Bonds | | | |
| Oil, Gas & Consumable Fuels (concluded) | | | |
| SandRidge Energy, Inc. (h): | | | |
| 8.13%, 10/16/22 | USD | 141 | \$ 43,974 |
| 7.50%, 2/16/23 | | 655 | 199,366 |
| Seven Generations Energy Ltd. (e): | | | |
| 8.25%, 5/15/20 | | 6,541 | 6,508,295 |
| 6.75%, 5/01/23 | | 995 | 915,400 |
| Seventy Seven Energy, Inc., 6.50%, 7/15/22 | | 1,133 | 526,845 |
| Seventy Seven Operating LLC, 6.63%, 11/15/19 | | 1,112 | 733,920 |
| SM Energy Co.: | | | |
| 6.50%, 11/15/21 | | 1,365 | 1,324,050 |
| 6.13%, 11/15/22 | | 5,130 | 4,924,800 |
| 6.50%, 1/01/23 | | 951 | 914,387 |
| 5.00%, 1/15/24 | | 135 | 115,425 |
| 5.63%, 6/01/25 | | 324 | 287,550 |
| Summit Midstream Holdings LLC/Summit Midstream Finance Corp.: | | | |
| 7.50%, 7/01/21 | | 1,566 | 1,566,000 |
| 5.50%, 8/15/22 | | 1,711 | 1,514,235 |
| Sunoco LP/Sunoco Finance Corp., 6.38%, 4/01/23 (e) | | 1,007 | 1,012,035 |
| Targa Resources Partners LP/Targa Resources Partners Finance Corp., 6.38%, 8/01/22 | | 3,593 | 3,575,035 |
| Tesoro Logistics LP/Tesoro Logistics Finance Corp., 6.25%, 10/15/22 (e) | | 3,154 | 3,154,000 |
| Whiting Petroleum Corp.: | | | |
| 5.00%, 3/15/19 | | 830 | 742,850 |
| 5.75%, 3/15/21 | | 458 | 409,910 |
| 6.25%, 4/01/23 | | 2,223 | 1,956,240 |
| WPX Energy, Inc., 5.25%, 9/15/24 | | 380 | 312,018 |
| | | | 174,824,835 |
| Paper & Forest Products 0.2% | | | |
| Clearwater Paper Corp., 4.50%, 2/01/23 | | 197 | 187,150 |
| Norbord, Inc., 6.25%, 4/15/23 (e) | | 1,605 | 1,613,025 |
| Pfleiderer GmbH, 7.88%, 8/01/19 | EUR | 530 | 600,687 |
| Unifrax I LLC/Unifrax Holding Co., 7.50%, 2/15/19 (e) | USD | 1,335 | 1,331,663 |
| | | | 3,732,525 |
| Pharmaceuticals 5.6% | | | |
| Concordia Healthcare Corp., 7.00%, 4/15/23 (e) | | 1,919 | 1,981,559 |
| Endo Finance LLC/Endo Finco, Inc. (e): | | | |
| 7.25%, 12/15/20 | | 628 | 654,690 |
| 7.75%, 1/15/22 | | 696 | 742,980 |
| 6.00%, 7/15/23 | | 4,074 | 4,236,960 |
| 6.00%, 2/01/25 | | 6,477 | 6,655,117 |
| Ephios Bondco PLC, 6.25%, 7/01/22 | EUR | 1,525 | 1,734,202 |
| Ephios Holdco II PLC, 8.25%, 7/01/23 | | 450 | 508,691 |
| Grifols Worldwide Operations Ltd., 5.25%, 4/01/22 | USD | 4,047 | 4,112,764 |
| Jaguar Holding Co. II/Pharmaceutical Product Development LLC, 6.38%, 8/01/23 (e) | | 5,326 | 5,278,066 |
| JLL/Delta Dutch Newco BV, 7.50%, 2/01/22 (e) | | 2,050 | 2,137,125 |
| Mallinckrodt International Finance SA, 5.75%, 8/01/22 (c)(e) | | 1,690 | 1,726,335 |
| Mallinckrodt International Finance SA/Mallinckrodt CB LLC, 4.88%, 4/15/20 (e) | | 980 | 989,800 |
| Pinnacle Merger Sub, Inc., 9.50%, 10/01/23 (e) | | 453 | 505,095 |
| Valeant Pharmaceuticals International, Inc.: | | | |
| 6.75%, 8/15/18 (e) | | 1,443 | 1,509,739 |
| 5.38%, 3/15/20 (e) | | 5,597 | 5,694,948 |
| 7.00%, 10/01/20 (e) | | 4,393 | 4,546,755 |
| 6.38%, 10/15/20 (e) | | 7,390 | 7,704,075 |
| 7.50%, 7/15/21 (e) | | 2,110 | 2,265,613 |
| 6.75%, 8/15/21 (e) | | 2,793 | 2,897,738 |
| 5.50%, 3/01/23 (e) | | 2,372 | 2,404,615 |

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| | | Par | |
|--|-----|--------|--------------|
| | | (000) | Value |
| Corporate Bonds | | | |
| Pharmaceuticals (concluded) | | | |
| Valeant Pharmaceuticals International, Inc. (concluded): | | | |
| 4.50%, 5/15/23 | EUR | 1,950 | \$ 2,105,655 |
| 5.88%, 5/15/23 (e) | USD | 12,533 | 12,783,660 |
| 6.13%, 4/15/25 (e) | | 11,460 | 11,803,800 |
| | | | 84,979,982 |
| Professional Services 0.2% | | | |
| Truven Health Analytics, Inc., 10.63%, 6/01/20 | | 2,840 | 2,971,350 |
| Real Estate Investment Trusts (REITs) 0.7% | | | |
| Aroundtown Property Holdings PLC, 3.00%, 12/09/21 | EUR | 1,200 | 1,253,370 |
| Corrections Corp. of America, 4.63%, 5/01/23 | USD | 1,550 | 1,519,000 |
| Felcor Lodging LP, 6.00%, 6/01/25 (e) | | 2,295 | 2,332,294 |
| Hilton Worldwide Finance LLC/Hilton Worldwide Finance Corp., 5.63%, 10/15/21 | | 2,811 | 2,930,467 |
| Host Hotels & Resorts LP, 2.50%, 10/15/29 (e)(h) | | 815 | 1,132,341 |
| iStar Financial, Inc.: | | | |
| 4.00%, 11/01/17 | | 685 | 669,451 |
| 5.00%, 7/01/19 | | 480 | 465,600 |
| | | | 10,302,523 |
| Real Estate Management & Development 1.4% | | | |
| Crescent Resources LLC/Crescent Ventures, Inc., 10.25%, 8/15/17 (e) | | 4,515 | 4,650,450 |
| Punch Taverns Finance B Ltd., Series A6, 5.94%, 9/30/22 | GBP | 532 | 783,700 |
| Punch Taverns Finance PLC, Series M3, 6.08%, 10/15/27 (d)(e) | | 1,202 | 1,696,912 |
| Realogy Corp. (e): | | | |
| 7.63%, 1/15/20 | USD | 2,646 | 2,781,607 |
| 9.00%, 1/15/20 | | 1,269 | 1,345,140 |
| Realogy Group LLC/Realogy Co-Issuer Corp. (e): | | | |
| 4.50%, 4/15/19 | | 2,421 | 2,436,131 |
| 5.25%, 12/01/21 | | 3,700 | 3,769,375 |
| Rialto Holdings LLC/Rialto Corp., 7.00%, 12/01/18 (e) | | 1,065 | 1,096,950 |
| Woodside Homes Co. LLC/Woodside Homes Finance, Inc., 6.75%, 12/15/21 (e) | | 2,305 | 2,132,125 |
| | | | 20,692,390 |
| Road & Rail 0.9% | | | |
| Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 5.25%, 3/15/25 (e) | | 1,570 | 1,487,575 |
| EC Finance PLC, 5.13%, 7/15/21 | EUR | 675 | 776,388 |
| Florida East Coast Holdings Corp., 6.75%, 5/01/19 (e) | USD | 2,037 | 2,052,277 |
| The Hertz Corp.: | | | |
| 7.50%, 10/15/18 | | 3,220 | 3,288,425 |
| 5.88%, 10/15/20 | | 370 | 373,833 |
| 7.38%, 1/15/21 | | 2,360 | 2,460,300 |
| 6.25%, 10/15/22 | | 1,490 | 1,516,075 |
| United Rentals North America, Inc., 5.50%, 7/15/25 | | 1,483 | 1,431,095 |
| Watco Cos. LLC/Watco Finance Corp., 6.38%, 4/01/23 (e) | | 1,093 | 1,112,565 |
| | | | 14,498,533 |
| Semiconductors & Semiconductor Equipment 1.2% | | | |
| Advanced Micro Devices, Inc.: | | | |
| 7.50%, 8/15/22 | | 665 | 428,925 |
| 7.00%, 7/01/24 | | 440 | 283,800 |
| Micron Technology, Inc.: | | | |
| 5.25%, 1/15/24 (e) | | 4,745 | 4,400,987 |
| 5.50%, 2/01/25 | | 830 | 771,900 |

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | Par | | Value |
|---|-------|-------|--------------|
| | (000) | | |
| Corporate Bonds | | | |
| Semiconductors & Semiconductor Equipment (concluded) | | | |
| NXP BV/NXP Funding LLC (e): | | | |
| 4.13%, 6/15/20 | USD | 2,975 | \$ 2,978,719 |
| 5.75%, 2/15/21 | | 2,065 | 2,155,344 |
| 4.63%, 6/15/22 | | 1,319 | 1,305,810 |
| 5.75%, 3/15/23 | | 2,180 | 2,256,300 |
| Sensata Technologies BV (e): | | | |
| 5.63%, 11/01/24 | | 903 | 925,575 |
| 5.00%, 10/01/25 | | 2,673 | 2,592,810 |
| | | | 18,100,170 |
| Software 1.7% | | | |
| Audatex North America, Inc., 6.13%, 11/01/23 (e) | | | |
| | | 6,910 | 6,848,777 |
| Iglou Holdings Corp., (8.25% Cash or 9.00% PIK), 8.25%, 12/15/17 (e)(f) | | | |
| | | 881 | 890,867 |
| Infor Software Parent LLC/Infor Software Parent, Inc., (7.13% Cash or 7.88% PIK), 7.13%, 5/01/21 (e)(f) | | | |
| | | 2,816 | 2,552,000 |
| Infor US, Inc. (e): | | | |
| 5.75%, 8/15/20 | | 1,221 | 1,224,053 |
| 6.50%, 5/15/22 | | 6,333 | 5,937,188 |
| Italics Merger Sub, Inc., 7.13%, 7/15/23 (e) | | | |
| | | 1,419 | 1,372,585 |
| Nuance Communications, Inc., 5.38%, 8/15/20 (e) | | | |
| | | 2,430 | 2,434,568 |
| Sophia LP/Sophia Finance, Inc., 9.75%, 1/15/19 (e) | | | |
| | | 2,437 | 2,604,544 |
| SS&C Technologies Holdings, Inc., 5.88%, 7/15/23 (e) | | | |
| | | 1,472 | 1,517,926 |
| | | | 25,382,508 |
| Specialty Retail 1.5% | | | |
| Asbury Automotive Group, Inc., 6.00%, 12/15/24 | | | |
| | | 1,168 | 1,217,640 |
| The Hillman Group, Inc., 6.38%, 7/15/22 (e) | | | |
| | | 1,438 | 1,348,125 |
| L Brands, Inc., 8.50%, 6/15/19 | | | |
| | | 3,925 | 4,621,687 |
| Magnolia BC SA, 9.00%, 8/01/20 | | | |
| | EUR | 752 | 904,826 |
| New Look Secured Issuer PLC, 6.50%, 7/01/22 | | | |
| | GBP | 1,390 | 2,058,302 |
| Party City Holdings, Inc.: | | | |
| 8.88%, 8/01/20 | USD | 1,745 | 1,860,606 |
| 6.13%, 8/15/23 (e) | | 1,020 | 1,027,013 |
| Penske Automotive Group, Inc.: | | | |
| 5.75%, 10/01/22 | | 3,575 | 3,682,250 |
| 5.38%, 12/01/24 | | 2,475 | 2,481,187 |
| Sally Holdings LLC/Sally Capital, Inc., 5.75%, 6/01/22 | | | |
| | | 1,599 | 1,658,963 |
| THOM Europe SAS, 7.38%, 7/15/19 | | | |
| | EUR | 1,190 | 1,398,789 |
| TUI AG, 4.50%, 10/01/19 | | | |
| | | 204 | 240,937 |
| Twin Set-Simona Barbieri SpA, 5.86%, 7/15/19 (d) | | | |
| | | 415 | 431,485 |
| | | | 22,931,810 |
| Textiles, Apparel & Luxury Goods 0.5% | | | |
| Levi Strauss & Co.: | | | |
| 6.88%, 5/01/22 | USD | 2,430 | 2,618,325 |
| 5.00%, 5/01/25 | | 1,456 | 1,425,060 |
| Polymer Group, Inc., 6.88%, 6/01/19 (e) | | | |
| | | 900 | 913,500 |
| Springs Industries, Inc., 6.25%, 6/01/21 | | | |
| | | 1,744 | 1,730,920 |
| The William Carter Co., 5.25%, 8/15/21 | | | |
| | | 788 | 813,610 |
| | | | 7,501,415 |
| Thriffs & Mortgage Finance 0.2% | | | |
| Radian Group, Inc.: | | | |
| 3.00%, 11/15/17 (h) | | 330 | 529,650 |

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| | | | | |
|---|-----|--------|--------------|---------------|
| 2.25%, 3/01/19 (h) | | 712 | | 1,208,620 |
| 5.25%, 6/15/20 | | 991 | | 987,531 |
| | | | | 2,725,801 |
| | | | Par | |
| Corporate Bonds | | | (000) | Value |
| Trading Companies & Distributors 0.3% | | | | |
| Ashtead Capital, Inc. (e): | | | | |
| 6.50%, 7/15/22 | USD | 2,451 | \$ | 2,549,040 |
| 5.63%, 10/01/24 | | 779 | | 773,648 |
| Travis Perkins PLC, 4.38%, 9/15/21 | GBP | 729 | | 1,129,040 |
| | | | | 4,451,728 |
| Transportation Infrastructure 0.3% | | | | |
| Aguila 3 SA, 7.88%, 1/31/18 (c)(e) | USD | 2,496 | | 2,533,440 |
| CEVA Group PLC, 7.00%, 3/01/21 (e) | | 550 | | 508,750 |
| JCH Parent, Inc., (10.50% Cash or 11.25% PIK), 10.50%, 3/15/19 (e)(f) | | 2,522 | | 1,840,772 |
| | | | | 4,882,962 |
| Wireless Telecommunication Services 5.4% | | | | |
| Communications Sales & Leasing, Inc. (e): | | | | |
| 6.00%, 4/15/23 | | 689 | | 647,660 |
| 8.25%, 10/15/23 | | 3,115 | | 2,834,650 |
| Crown Castle International Corp.: | | | | |
| 4.88%, 4/15/22 | | 215 | | 220,644 |
| 5.25%, 1/15/23 | | 3,571 | | 3,736,159 |
| Digicel Group Ltd., 7.13%, 4/01/22 (e) | | 2,085 | | 1,816,556 |
| Digicel Ltd., 6.00%, 4/15/21 (e) | | 7,669 | | 7,023,347 |
| The Geo Group, Inc.: | | | | |
| 5.88%, 1/15/22 | | 2,220 | | 2,308,800 |
| 5.88%, 10/15/24 | | 2,030 | | 2,085,825 |
| SBA Communications Corp., 4.88%, 7/15/22 | | 3,775 | | 3,741,969 |
| Sprint Capital Corp., 8.75%, 3/15/32 | | 1,330 | | 1,258,512 |
| Sprint Communications, Inc. (e): | | | | |
| 9.00%, 11/15/18 | | 13,529 | | 15,067,924 |
| 7.00%, 3/01/20 | | 6,812 | | 7,235,706 |
| Sprint Corp.: | | | | |
| 7.88%, 9/15/23 | | 7,009 | | 6,737,401 |
| 7.13%, 6/15/24 | | 6,142 | | 5,679,446 |
| 7.63%, 2/15/25 | | 1,620 | | 1,511,662 |
| T-Mobile USA, Inc.: | | | | |
| 6.63%, 4/28/21 | | 1,897 | | 1,982,365 |
| 6.13%, 1/15/22 | | 367 | | 378,469 |
| 6.73%, 4/28/22 | | 1,227 | | 1,288,350 |
| 6.00%, 3/01/23 | | 2,244 | | 2,287,736 |
| 6.50%, 1/15/24 | | 2,638 | | 2,710,545 |
| 6.38%, 3/01/25 | | 7,145 | | 7,302,190 |
| Wind Acquisition Finance SA, 4.00%, 7/15/20 | EUR | 4,549 | | 5,150,605 |
| | | | | 83,006,521 |
| Total Corporate Bonds 109.0% | | | | 1,664,708,693 |
| Floating Rate Loan Interests (d) | | | | |
| Air Freight & Logistics 0.2% | | | | |
| CEVA Group PLC, Synthetic LC, 6.50%, 3/19/21 | USD | 1,149 | | 1,032,868 |
| CEVA Intercompany BV, Dutch Term Loan, 6.50%, 3/19/21 | | 1,196 | | 1,075,591 |
| CEVA Logistics Canada ULC, Canadian Term Loan, 6.50%, 3/19/21 | | 206 | | 185,447 |
| CEVA Logistics US Holdings, Inc., Term Loan, 6.50%, 3/19/21 | | 1,650 | | 1,483,574 |
| | | | | 3,777,480 |
| Airlines 1.0% | | | | |
| Delta Air Lines, Inc., 2018 Term Loan B1, 3.25%, 10/18/18 | | 2,331 | | 2,324,987 |
| Gol LuxCo SA, 1st Lien Term Loan, 6.00%, 8/19/20 | | 3,885 | | 3,860,719 |

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Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | Par | |
|--|-----------|--------------|
| | (000) | Value |
| Floating Rate Loan Interests (d) | | |
| Airlines (concluded) | | |
| Northwest Airlines, Inc.: | | |
| 2.25%, 3/10/17 | USD 3,543 | \$ 3,463,825 |
| 1.63%, 9/10/18 | 3,774 | 3,613,206 |
| 1.64%, 9/10/18 | 1,909 | 1,828,107 |
| | | 15,090,844 |
| Auto Components 0.5% | | |
| Gates Global, Inc., Term Loan B, 4.25%, 7/05/21 | 7,404 | 7,079,702 |
| Building Products 0.2% | | |
| Hanson Building Products Ltd., 1st Lien Term Loan, 6.50%, 2/18/22 | 1,042 | 1,034,136 |
| Wilsonart LLC, Term Loan B, 4.00%, 10/31/19 | 2,291 | 2,269,784 |
| | | 3,303,920 |
| Capital Markets 0.2% | | |
| American Capital Holdings, Inc., 2017 Term Loan, 3.50%, 8/22/17 | 2,953 | 2,945,847 |
| Chemicals 0.1% | | |
| Axalta Coating Systems US Holdings, Inc., Term Loan, 3.75%, 2/01/20 | 235 | 234,350 |
| OXEA Finance LLC, 2nd Lien Term Loan, 8.25%, 7/15/20 | 1,615 | 1,507,328 |
| | | 1,741,678 |
| Commercial Services & Supplies 0.3% | | |
| Brand Energy & Infrastructure Services, Inc., Term Loan B, 4.75%, 11/26/20 | 2,801 | 2,516,085 |
| Spin Holdco, Inc., Term Loan B, 4.25%, 11/14/19 | 2,607 | 2,568,579 |
| | | 5,084,664 |
| Communications Equipment 0.5% | | |
| Avaya, Inc., Term Loan B7, 6.25%, 5/29/20 | 5,460 | 4,680,360 |
| CommScope, Inc., Term Loan B5, 3.75%, 12/29/22 | 1,235 | 1,229,344 |
| Riverbed Technology, Inc., Term Loan B, 6.00%, 4/24/22 | 1,441 | 1,440,782 |
| | | 7,350,486 |
| Diversified Financial Services 0.1% | | |
| AlixPartners LLP, 2015 Term Loan B, 4.50%, 7/28/22 | 861 | 860,170 |
| Diversified Telecommunication Services 0.2% | | |
| Hawaiian Telcom Communications, Inc., Term Loan B, 5.00%, 6/06/19 | 1,421 | 1,422,396 |
| Level 3 Financing, Inc., 2019 Term Loan, 4.00%, 8/01/19 | 1,785 | 1,782,322 |
| | | 3,204,718 |
| Electrical Equipment 0.4% | | |
| Texas Competitive Electric Holdings Co. LLC, DIP Term Loan, 3.75%, 5/05/16 | 5,613 | 5,612,525 |
| Energy Equipment & Services 0.1% | | |
| Dyegy Holdings, Inc., Term Loan B2, 4.00%, 4/23/20 | 985 | 982,024 |
| Food & Staples Retailing 0.0% | | |
| Rite Aid Corp., 2nd Lien Term Loan, 5.75%, 8/21/20 | 600 | 605,628 |
| Health Care Equipment & Supplies 0.2% | | |
| Alere, Inc., 2015 Term Loan B, 4.25%, 6/18/22 | 804 | 803,445 |
| DJO Finance LLC, 2015 Term Loan, 4.25%, 6/08/20 | 2,110 | 2,097,340 |
| | | 2,900,785 |
| Health Care Providers & Services 0.3% | | |
| Air Medical Group Holdings, Inc., Term Loan B, 4.50%, 4/06/22 | 1,670 | 1,638,687 |
| Health Care Providers & Services (concluded) | | |

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| | | | |
|--|-----|--------|--------------|
| Genesis HealthCare Corp., Term Loan B, 10.00%, 12/04/17 | USD | 1,219 | \$ 1,236,977 |
| Sterigenics-Nordion Holdings LLC, Term Loan B, 4.25%, 5/15/22 | | 885 | 877,814 |
| Surgery Center Holdings, Inc., 1st Lien Term Loan, 5.25%, 11/03/20 | | 961 | 960,102 |
| | | | 4,713,580 |
| Hotels, Restaurants & Leisure 2.2% | | | |
| Amaya Holdings BV: | | | |
| 1st Lien Term Loan, 5.00%, 8/01/21 | | 2,427 | 2,401,180 |
| 2nd Lien Term Loan, 8.00%, 8/01/22 | | 2,567 | 2,567,830 |
| Boyd Gaming Corp., Term Loan B, 4.00%, 8/14/20 | | 2,137 | 2,131,267 |
| Bronco Midstream Funding LLC, Term Loan B, 5.00%, 8/15/20 | | 5,791 | 5,559,070 |
| Caesars Entertainment Resort Properties LLC, Term Loan B, 7.00%, 10/11/20 | | 8,313 | 7,920,926 |
| MGM Resorts International, Term Loan B, 3.50%, 12/20/19 | | 1,756 | 1,740,075 |
| Pinnacle Entertainment, Inc., Term Loan B2, 3.75%, 8/13/20 | | 1,845 | 1,840,589 |
| Station Casinos LLC, Term Loan B, 4.25%, 3/02/20 | | 1,880 | 1,875,758 |
| Travelport Finance (Luxembourg) Sarl, 2014 Term Loan B, 5.75%, 9/02/21 | | 6,928 | 6,924,186 |
| | | | 32,960,881 |
| Independent Power and Renewable Electricity Producers 0.3% | | | |
| Energy Future Intermediate Holding Co. LLC, DIP Term Loan, 4.25%, 6/19/16 | | 5,103 | 5,102,887 |
| Industrial Conglomerates 0.0% | | | |
| Sequa Corp., Term Loan B, 5.25%, 6/19/17 | | 804 | 681,209 |
| Internet Software & Services 0.1% | | | |
| Interactive Data Corp., 2014 Term Loan, 4.75%, 5/02/21 | | 1,400 | 1,398,005 |
| IT Services 1.0% | | | |
| Blue Coat Holdings Inc., 2015 Term Loan, 4.50%, 5/20/22 | | 555 | 550,837 |
| Epicor Software Corp., 1st Lien Term Loan, 4.75%, 6/01/22 | | 2,695 | 2,684,409 |
| First Data Corp.: | | | |
| 2018 Extended Term Loan, 3.70%, 3/24/18 | | 11,942 | 11,843,010 |
| 2018 Term Loan, 3.70%, 9/24/18 | | 200 | 198,350 |
| | | | 15,276,606 |
| Machinery 0.4% | | | |
| Rexnord LLC, 1st Lien Term Loan B, 4.00%, 8/21/20 | | 2,865 | 2,834,542 |
| Silver II US Holdings LLC, Term Loan, 4.00%, 12/13/19 | | 3,375 | 3,140,960 |
| | | | 5,975,502 |
| Media 0.8% | | | |
| Cengage Learning Acquisitions, Inc.: | | | |
| 1st Lien Term Loan, 7.00%, 3/31/20 | | 4,001 | 3,991,403 |
| Term Loan, 0.00%, 7/03/16 (a)(i) | | 10,469 | 1 |
| Clear Channel Communications, Inc., Term Loan D, 6.95%, 1/30/19 | | 4,098 | 3,611,679 |
| Houghton Mifflin Harcourt Publishing Co., 2015 Term Loan B, 4.00%, 5/31/21 | | 3,390 | 3,347,625 |
| Tribune Media Co., Term Loan, 3.75%, 12/27/20 | | 225 | 224,190 |
| Univision Communications, Inc., Term Loan C4, 4.00%, 3/01/20 | | 1,781 | 1,767,019 |
| | | | 12,941,917 |

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | Par | Value |
|--|-----------|--------------|
| | (000) | |
| Floating Rate Loan Interests (d) | | |
| Metals & Mining 0.1% | | |
| Novelis, Inc., 2015 Term Loan B, 4.00%, 6/02/22 | USD 1,579 | \$ 1,560,215 |
| Multiline Retail 0.1% | | |
| BJ's Wholesale Club, Inc., 2nd Lien Term Loan, 8.50%, 3/26/20 | 1,065 | 1,054,350 |
| Oil, Gas & Consumable Fuels 0.3% | | |
| CITGO Holding Inc., 2015 Term Loan B, 9.50%, 5/12/18 | 4,366 | 4,375,295 |
| Obsidian Natural Gas Trust, Term Loan, 7.00%, 11/02/15 | 418 | 415,797 |
| | | 4,791,092 |
| Pharmaceuticals 1.1% | | |
| Grifols Worldwide Operations USA, Inc., Term Loan B, 3.20%, 2/27/21 | 4,725 | 4,714,981 |
| Jaguar Holding Co. II, 2015 Term Loan B, 4.25%, 8/18/22 | 4,211 | 4,182,725 |
| Mallinckrodt International Finance SA, Term Loan B, 3.25%, 3/19/21 | 1,797 | 1,782,656 |
| Par Pharmaceutical Cos., Inc., Term Loan B2, 4.00%, 9/30/19 | 4,589 | 4,581,196 |
| Valeant Pharmaceuticals International, Inc., Term Loan B F1, 4.00%, 4/01/22 | 1,516 | 1,515,165 |
| | | 16,776,723 |
| Professional Services 0.3% | | |
| Advantage Sales & Marketing, Inc.: 2014 1st Lien Term Loan, 4.25%, 7/23/21 | 1,687 | 1,666,801 |
| 2014 2nd Lien Term Loan, 7.50%, 7/25/22 | 2,495 | 2,418,902 |
| | | 4,085,703 |
| Real Estate Management & Development 0.0% | | |
| Realogy Corp., Extended Letter of Credit, 0.05%, 10/10/16 | 228 | 225,318 |
| Road & Rail 0.2% | | |
| The Hertz Corp., Term Loan B2, 3.00%, 3/11/18 | 3,352 | 3,318,530 |
| Software 0.8% | | |
| GCA Services Group, Inc., 2nd Lien Term Loan, 9.25%, 10/22/20 | 260 | 258,700 |
| Infor US, Inc., Term Loan B5, 3.75%, 6/03/20 | 2,692 | 2,612,588 |
| Informatica Corp., Term Loan, 4.50%, 8/05/22 | 3,033 | 3,011,526 |
| Kronos, Inc., 2nd Lien Term Loan, 9.75%, 4/30/20 | 3,445 | 3,499,163 |
| SS&C Technologies, Inc.: 2015 Term Loan B1, 4.00%, 7/08/22 | 1,487 | 1,488,442 |
| 2015 Term Loan B2, 4.00%, 7/08/22 | 241 | 241,144 |
| Tibco Software, Inc., Term Loan B, 6.50%, 12/04/20 | 925 | 922,750 |
| | | 12,034,313 |
| Specialty Retail 0.1% | | |
| Party City Holdings Inc., 2015 Term Loan B, 4.25%, 7/28/22 | 1,544 | 1,541,113 |
| Textiles, Apparel & Luxury Goods 0.4% | | |
| Ascend Performance Materials LLC, Term Loan B, 6.75%, 4/10/18 | 6,071 | 5,372,890 |
| Wireless Telecommunication Services 0.2% | | |
| Lightsquared LP, Term Loan B, 17.00%, 1/01/16 | 1,889 | 2,984,816 |
| Total Floating Rate Loan Interests 12.7% | | 193,336,121 |
| Collateralized Mortgage Obligations 0.3% | | |
| Hilton USA Trust, Series 2013-HLT, Class EFX, 4.60%, 11/05/30 (d)(e) | USD 3,829 | \$ 3,840,996 |
| Commercial Mortgage-Backed Securities 0.1% | | |
| GAHR Commercial Mortgage Trust 2015-NRF, Series 2015-NRF, Class FFX, 3.49%, 12/15/19 (d)(e) | 1,925 | 1,768,043 |
| Total Non-Agency Mortgage-Backed Securities 0.4% | | 5,609,039 |

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| | Beneficial Interest (000) | |
|-----------------------------------|--|--------|
| Other Interests (j) | | |
| Auto Components 0.0% | | |
| Lear Corp. Escrow | 1,250 | 10,938 |
| Media 0.0% | | |
| Adelphia Escrow (a) | 4,000 | 40 |
| Adelphia Recovery Trust (a) | 5,016 | 502 |
| | | 542 |
| Total Other Interests 0.0% | | 11,480 |

| | Par (000) | |
|---|----------------------|------------|
| Preferred Securities | | |
| Capital Trusts | | |
| Banks 3.9% | | |
| Banco Bilbao Vizcaya Argentaria SA (d)(k): | | |
| 6.75% | 400 | 448,411 |
| 7.00% | 1,000 | 1,135,953 |
| Bank of America Corp. (d)(k): | | |
| Series AA, 6.10% | 5,579 | 5,446,499 |
| Series V, 5.13% | 3,440 | 3,375,500 |
| Series X, 6.25% | 6,416 | 6,351,840 |
| Series Z, 6.50% | 3,230 | 3,326,900 |
| Bank of Ireland, 7.38% (d)(k) | 250 | 286,608 |
| Citigroup, Inc. (d)(k): | | |
| 5.88% | 2,405 | 2,382,453 |
| 5.95% | 2,675 | 2,622,838 |
| Series D, 5.95% | 5,555 | 5,311,969 |
| Series Q, 5.95% | 1,165 | 1,155,382 |
| JPMorgan Chase & Co. (d)(k): | | |
| 6.75% | 5,324 | 5,616,820 |
| Series Q, 5.15% | 850 | 803,250 |
| Series U, 6.13% | 4,228 | 4,228,000 |
| Series V, 5.00% | 5,615 | 5,474,625 |
| RBS Capital Funding Trust VII, 6.08%, 12/31/49 | 122 | 2,657,272 |
| Santander UK Group Holdings PLC, 7.38% (d)(k) | 450 | 702,638 |
| Wells Fargo & Co., (d)(k): | | |
| Series S, 5.90% | 2,615 | 2,624,806 |
| Series U, 5.88% | 5,215 | 5,338,856 |
| | | 59,290,620 |
| Capital Markets 1.1% | | |
| The Goldman Sachs Group, Inc., Series L, 5.70% (d)(k) | 7,888 | 7,937,300 |
| Morgan Stanley (d)(k): | | |
| Series H, 5.45% | 3,810 | 3,781,425 |
| Series J, 5.55% | 2,475 | 2,471,906 |
| State Street Corp., Series F, 5.25% (d)(k) | 184 | 184,230 |
| UBS Group AG (d)(k): | | |
| 5.75% | 800 | 928,358 |
| 7.00% | 725 | 749,469 |
| | | 16,052,688 |

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

(Percentages shown are based on Net Assets)

| | Par | | Value |
|---|---------------|------------|---------------|
| | (000) | | |
| Preferred Securities | | | |
| Consumer Finance 0.3% | | | |
| American Express Co., Series C, 4.90% (d)(k) | USD | 4,295 | \$ 4,155,412 |
| Diversified Financial Services 0.2% | | | |
| Barclays PLC, 7.88% (d)(k) | | 350 | 538,305 |
| BNP Paribas SA, 7.38% (d)(e)(k) | | 725 | 742,400 |
| Orange SA, 4.00% (d)(k) | | 1,225 | 1,416,740 |
| Telefonica Europe BV, 4.20% (d)(k) | | 700 | 797,877 |
| | | | 3,495,322 |
| Media 0.0% | | | |
| NBCUniversal Enterprise, Inc., 5.25% (e)(k) | | 400 | 422,116 |
| Total Capital Trusts 5.5% | | | 83,416,158 |
| | | | |
| Preferred Stocks | Shares | | |
| Air Freight & Logistics 0.0% | | | |
| XPO Logistics, Inc., 0.00% | | 711 | 554,524 |
| Banks 0.2% | | | |
| RBS Capital Funding Trust, Series F, 6.25% | | 93,975 | 2,350,316 |
| Capital Markets 0.0% | | | |
| CF-B L2 (D) LLC, 0.00% | | | |
| (Acquired 4/08/15, cost \$551,905) (c) | | 551,905 | 555,106 |
| Consumer Finance 0.0% | | | |
| Ally Financial, Inc., Series A, 8.50% (d)(k) | | 17,386 | 452,036 |
| Diversified Financial Services 0.1% | | | |
| Concrete Investments II, 0.00% | | 4,997 | 661,672 |
| Hotels, Restaurants & Leisure 1.3% | | | |
| Amaya, Inc., 0.00% | | 19,851 | 19,798,189 |
| Media 0.0% | | | |
| Emmis Communications Corp., Series A, 6.25% (h) | | 10,300 | 30,900 |
| Total Preferred Stocks 1.6% | | | 24,402,743 |
| | | | |
| Preferred Securities | Shares | | Value |
| Trust Preferred 0.4% | | | |
| Diversified Financial Services 0.4% | | | |
| GMAC Capital Trust I, Series 2, 2/15/40, 8.13% (d) | USD | 256,246 | \$ 6,518,827 |
| Total Preferred Securities 7.5% | | | 114,337,728 |
| | | | |
| Warrants | | | |
| Metals & Mining 0.0% | | | |
| Peninsula Energy Ltd. (Expires 12/31/15) | | 20,061,773 | 28,553 |
| Peninsula Energy Ltd. (Expires 12/31/17) | | 11,552,784 | 18,910 |
| Peninsula Energy Ltd. (Expires 12/31/18) | | 20,615,151 | 88,025 |
| | | | 135,488 |
| Software 0.0% | | | |
| HMH Holdings/EduMedia (Issued/exercisable 3/09/10, 19 Shares for 1 Warrant, Expires 6/22/19, Strike Price \$42.27) | | 6,494 | 55,823 |
| Total Warrants 0.0% | | | 191,311 |
| Total Long-Term Investments | | | |
| (Cost \$2,218,666,684) 138.5% | | | 2,115,437,424 |

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Options Purchased

(Cost \$38,133) 0.0%

| | |
|--|---------------|
| Total Investments (Cost \$2,218,704,817) 138.5% | 2,115,437,424 |
| Liabilities in Excess of Other Assets (38.5)% | (588,130,889) |

| | |
|--------------------------|-------------------------|
| Net Assets 100.0% | \$ 1,527,306,535 |
|--------------------------|-------------------------|

Notes to Consolidated Schedule of Investments

- (a) Non-income producing security.

- (b) All or a portion of Security is held by a wholly owned subsidiary. See Note 1 of the Notes to Financial Statements for details on the wholly owned subsidiary.

- (c) Restricted security as to resale, excluding 144A securities. As of report date, the Trust held restricted securities with a current value of \$12,329,362 and an original cost of \$18,189,454 which was 0.81% of its net assets.

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

- (e) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.

- (f) Represents a payment-in-kind security which may pay interest/dividends in additional par/shares and/or in cash. Rates shown are the current rate and possible payment rates.

- (g) Zero-coupon bond.

- (h) Convertible security.

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

- (j) Other interests represent beneficial interests in liquidation trusts and other reorganization or private entities.

- (k) Security is perpetual in nature and has no stated maturity date.
 During the year ended August 31, 2015, investments in issuers considered to be an affiliate of the Trusts for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at August 31, 2014 | Net Activity | Shares Held at August 31, 2015 | Income |
|---|--------------------------------------|-----------------|--------------------------------------|--------|
| BlackRock Liquidity Funds, TempFund, Institutional Class ¹ | 3,602,081 | (3,602,081) | | \$ 956 |

¹ No longer held by the Trust as of report date.

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

See Notes to Financial Statements.

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Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

Derivative Financial Instruments as of August 31, 2015

Financial Futures Contracts

| Contracts | Issue | Exchange | Expiration | Notional Value | Unrealized Appreciation (Depreciation) |
|--------------|----------------------------|------------------------|----------------|-----------------|--|
| Short | | | | | |
| (46) | German Euro BOBL Futures | Eurex | September 2015 | USD 6,712,009 | \$ 28,326 |
| (21) | German Euro-Bund Futures | Eurex | September 2015 | USD 3,607,591 | 52,384 |
| (1,119) | S&P 500 E-Mini Index | Chicago Mercantile | September 2015 | USD 110,176,740 | 6,215,370 |
| (13) | 10-Year U.S. Treasury Note | Chicago Board of Trade | December 2015 | USD 1,651,812 | 1,609 |
| (30) | U.S. Ultra Long-Term Bond | Chicago Board of Trade | December 2015 | USD 4,752,187 | (7,053) |
| (34) | Long Gilt Future | NYSE Liffe | December 2015 | USD 6,114,155 | 20,308 |
| Total | | | | | \$ 6,310,944 |

Forward Foreign Currency Exchange Contracts

| Currency Purchased | Currency Sold | Counterparty | Settlement Date | Unrealized Appreciation (Depreciation) |
|--------------------|----------------|---------------------------------|-----------------|--|
| CAD 1,440,000 | USD 1,093,247 | BNP Paribas S.A. | 10/20/15 | \$ 1,175 |
| CAD 2,945,000 | USD 2,242,357 | Goldman Sachs International | 10/20/15 | (4,113) |
| CAD 1,965,000 | USD 1,475,336 | Goldman Sachs International | 10/20/15 | 18,093 |
| CAD 588,000 | USD 451,861 | State Street Bank and Trust Co. | 10/20/15 | (4,972) |
| EUR 326,000 | USD 361,026 | Barclays Bank PLC | 10/20/15 | 5,063 |
| EUR 359,000 | USD 393,531 | Citibank N.A. | 10/20/15 | 9,616 |
| EUR 676,000 | USD 741,093 | Citibank N.A. | 10/20/15 | 18,035 |
| EUR 429,000 | USD 476,553 | Goldman Sachs International | 10/20/15 | 5,202 |
| EUR 859,000 | USD 948,122 | Goldman Sachs International | 10/20/15 | 16,511 |
| EUR 970,000 | USD 1,070,608 | Goldman Sachs International | 10/20/15 | 18,674 |
| EUR 103,000 | USD 116,981 | Goldman Sachs International | 10/20/15 | (1,315) |
| EUR 400,000 | USD 441,146 | UBS AG | 10/20/15 | 8,043 |
| GBP 447,000 | USD 696,023 | Goldman Sachs International | 10/20/15 | (10,280) |
| GBP 534,000 | USD 835,769 | State Street Bank and Trust Co. | 10/20/15 | (16,559) |
| USD 1,199,834 | AUD 1,605,000 | UBS AG | 10/20/15 | 60,448 |
| USD 41,796,838 | CAD 53,970,000 | Westpac Banking Corp. | 10/20/15 | 778,826 |
| USD 693,079 | EUR 632,000 | Barclays Bank PLC | 10/20/15 | (16,639) |
| USD 102,396 | EUR 93,000 | Goldman Sachs International | 10/20/15 | (2,041) |
| USD 326,961 | EUR 300,000 | HSBC Bank PLC | 10/20/15 | (9,930) |
| USD 379,446 | EUR 343,000 | Standard Chartered Bank | 10/20/15 | (5,733) |
| USD 109,453 | EUR 98,000 | Toronto-Dominion Bank | 10/20/15 | (598) |
| USD 96,150,394 | EUR 87,118,000 | UBS AG | 10/20/15 | (1,680,635) |
| USD 449,751 | GBP 289,000 | Goldman Sachs International | 10/20/15 | 6,396 |
| USD 47,631,582 | GBP 30,615,000 | HSBC Bank PLC | 10/20/15 | 665,086 |
| USD 303,040 | GBP 194,000 | State Street Bank and Trust Co. | 10/20/15 | 5,424 |
| USD 604,867 | GBP 390,000 | UBS AG | 10/20/15 | 6,567 |
| Total | | | | \$ (129,656) |

OTC Options Purchased

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| Description | Put/ Call | Counterparty | Expiration Date | Strike Price | Contracts | Value |
|--|--------------|---------------------|--------------------|-----------------|-----------|-------|
| Marsico Parent Superholdco LLC Centrally Cleared Credit Default Swaps Sold Protection | Call | Goldman Sachs & Co. | 12/14/19 | USD 942.86 | 39 | |

| Index | Receive Fixed Rate | Clearinghouse | Expiration Date | Credit Rating ¹ | Notional Amount (000) ² | Unrealized Depreciation |
|--|-----------------------|-----------------------------|--------------------|-------------------------------|--|----------------------------|
| Dow Jones CDX North America High Yield Index, Series 24, Version 2 | 5.00% | Chicago Mercantile Exchange | 6/20/20 | B | USD 9,558 | \$ (148,142) |

¹ Using Standard & Poor's (S&P's) rating of the issuer or the underlying securities of the index, as applicable.

² The maximum potential amount the Trust may pay should a negative credit event take place as defined under the terms of the agreement.

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

OTC Credit Default Swaps Buy Protection

| Issuer | Pay Fixed Rate | Counterparty | Expiration Date | Notional Amount (000) | Value | Premiums Paid (Received) | Unrealized Appreciation (Depreciation) |
|------------------------------|-------------------|-----------------------------|--------------------|-----------------------------|-----------|--------------------------------|--|
| Abengoa SA | 5.00% | Citibank N.A. | 9/20/20 | EUR 38 | \$ 21,767 | \$ 22,500 | \$ (733) |
| Abengoa SA | 5.00% | Citibank N.A. | 9/20/20 | EUR 23 | 13,174 | 13,618 | (444) |
| Abengoa SA | 5.00% | Goldman Sachs International | 9/20/20 | EUR 38 | 21,767 | 22,091 | (324) |
| Abengoa SA | 5.00% | Goldman Sachs International | 9/20/20 | EUR 70 | 40,096 | 42,200 | (2,104) |
| Louis Dreyfus Commodities BV | 5.00% | Goldman Sachs International | 9/20/20 | EUR 50 | (4,721) | (5,228) | 507 |
| Total | | | | | \$ 92,083 | \$ 95,181 | \$ (3,098) |

OTC Credit Default Swaps Sold Protection

| Issuer | Receive Fixed Rate | Counterparty | Expiration Date | Credit Rating ¹ | Notional Amount (000) ² | Value | Premiums Received | Unrealized Appreciation (Depreciation) |
|---------------------------|-----------------------|-----------------------------|--------------------|-------------------------------|--|--------------|----------------------|--|
| CCO Holdings LLC | 8.00% | Deutsche Bank AG | 9/20/17 | NR | USD 8,180 | \$ 1,196,704 | | \$ 1,196,704 |
| Glencore International AG | 1.00% | Citibank N.A. | 9/20/20 | BBB | EUR 200 | (27,037) | \$ (19,515) | (7,522) |
| Glencore International AG | 1.00% | Citibank N.A. | 9/20/20 | BBB | EUR 200 | (27,036) | (19,514) | (7,522) |
| Glencore International AG | 1.00% | Credit Suisse International | 9/20/20 | BBB | EUR 70 | (9,462) | (7,127) | (2,335) |
| Total | | | | | | \$ 1,133,169 | \$ (46,156) | \$ 1,179,325 |

¹ Using S&P's rating of the issuer or the underlying securities of the index, as applicable.² The maximum potential amount the Trust may pay should a negative credit event take place as defined under the terms of the agreement.

OTC Total Return Swaps

| Reference Entity | Fixed Rate/Floating Rate | Counterparty | Expiration Date | Notional Amount (000) | Value | Premiums Received | Unrealized Depreciation |
|---------------------------------------|---------------------------|--------------------------|--------------------|-----------------------------|--------------|----------------------|----------------------------|
| IBoxx USD Liquid High Yield Index | 3-month LIBOR | JPMorgan Chase Bank N.A. | 9/20/15 | 234,500 | \$ (46,700) | | \$ (46,700) |
| IBoxx USD Liquid High Yield Index | 3-month LIBOR | JPMorgan Chase Bank N.A. | 3/20/16 | 468,000 | (83,400) | | (83,400) |
| IBoxx USD Liquid High Yield Index | 3-month LIBOR | JPMorgan Chase Bank N.A. | 3/20/16 | 466,750 | (70,900) | | (70,900) |
| Ishare Iboxx High Yield Corp Bond ETF | 1-month LIBOR minus 1.50% | Citibank N.A. | 9/25/15 | 37,229 | (274,248) | | (274,248) |
| IBoxx USD Liquid High Yield Index | 3-month LIBOR | JPMorgan Chase Bank N.A. | 6/20/16 | 231,500 | (16,700) | | (16,700) |
| Total | | | | | \$ (491,948) | | \$ (491,948) |

Transactions in Options Written for the Year Ended August 31, 2015

| | Calls | | Puts | |
|-----------|-------------------|----------------------|-------------------|----------------------|
| Contracts | Notional (000) | Premiums Received | Notional (000) | Premiums Received |

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| | | |
|--|-----------|--------------|
| Outstanding options, beginning of year | | |
| Options written | \$ 13,827 | \$ 1,309,730 |
| Options expired | (2,400) | (119,906) |
| Options closed | (11,427) | (1,189,824) |
| Outstanding options, end of year | | |

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

Derivative Financial Instruments Categorized by Risk Exposure

The following is a summary of the Trust's derivative financial instruments categorized by risk exposure. For information about the Trust's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

| | | | | | | | Foreign | |
|---|--|---|--------------|--------------|--------------|------------|--------------|----------|
| | | | | | | | Currency | Interest |
| | | Commodity | Credit | Equity | Exchange | Rate | | |
| | | Contracts | Contracts | Contracts | Contracts | Contracts | Total | |
| | | Consolidated Statement of Assets and Liabilities Location | | | | | | |
| Derivative Financial Instruments | Assets | | | | | | | |
| Financial futures contracts | Net unrealized appreciation (depreciation) ¹ | | | \$ 6,215,370 | | \$ 102,627 | \$ 6,317,997 | |
| Forward foreign currency exchange contracts | Unrealized appreciation on forward foreign currency exchange contracts | | | | \$ 1,623,159 | | 1,623,159 | |
| Swaps OTC | Unrealized appreciation on OTC swaps; Swap premiums paid | | \$ 1,297,620 | | | | 1,297,620 | |
| Total | | | \$ 1,297,620 | \$ 6,215,370 | \$ 1,623,159 | \$ 102,627 | \$ 9,238,776 | |

| | | | | | | | Foreign | |
|---|--|---|------------|------------|--------------|------------|--------------|----------|
| | | | | | | | Currency | Interest |
| | | Commodity | Credit | Equity | Exchange | Rate | | |
| | | Contracts | Contracts | Contracts | Contracts | Contracts | Total | |
| | | Consolidated Statement of Assets and Liabilities Location | | | | | | |
| Derivative Financial Instruments | Liabilities | | | | | | | |
| Financial futures contracts | Net unrealized appreciation (depreciation) ¹ | | | | | \$ 7,053 | \$ 7,053 | |
| Forward foreign currency exchange contracts | Unrealized depreciation on forward foreign currency exchange contracts | | | | \$ 1,752,815 | | 1,752,815 | |
| Swaps Centrally cleared | Net unrealized appreciation (depreciation) | | \$ 148,142 | | | | 148,142 | |
| Swaps OTC | Unrealized depreciation on OTC swaps; Swap premiums received | | 72,368 | \$ 274,248 | | 217,700 | 564,316 | |
| Total | | | \$ 220,510 | \$ 274,248 | \$ 1,752,815 | \$ 224,753 | \$ 2,472,326 | |

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

For the year ended August 31, 2015, the effect of derivative financial instruments in the Consolidated Statement of Operations was as follows:

| | | | | | | | Foreign | |
|---------------------------------------|--|-----------|-----------|-----------|-----------|-----------|----------|----------|
| | | | | | | | Currency | Interest |
| | | Commodity | Credit | Equity | Exchange | Rate | | |
| | | Contracts | Contracts | Contracts | Contracts | Contracts | Total | |
| Net Realized Gain (Loss) from: | | | | | | | | |

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| | | | | | |
|--------------------------------|--------------|-----------------|---------------|------------|-----------------|
| Financial futures contracts | | \$ (11,465,060) | | \$ 446,046 | \$ (11,019,014) |
| Foreign currency transactions | | | \$ 45,006,799 | | 45,006,799 |
| Options purchased ¹ | | (602,636) | | | (602,636) |
| Options written | | 420,152 | | | 420,152 |
| Swaps | \$ 1,459,066 | 44,649 | | 42,914 | 1,546,629 |
| Total | \$ 1,459,066 | \$ (11,602,895) | \$ 45,006,799 | \$ 488,960 | \$ 35,351,930 |

| | | | | Foreign | | |
|---|------------------|------------------|------------------|------------------|------------------|----------------|
| | | | | Currency | Interest | |
| | Commodity | Credit | Equity | Exchange | Rate | |
| | Contracts | Contracts | Contracts | Contracts | Contracts | |
| Net Change in Unrealized Appreciation (Depreciation) on: | | | | | Total | |
| Financial futures contracts | | | \$ 7,102,151 | | \$ 95,574 | \$ 7,197,725 |
| Foreign currency translations | | | | \$ (7,072,502) | | (7,072,502) |
| Swaps | | \$ (1,629,664) | (274,248) | | (217,700) | (2,121,612) |
| Total | | \$ (1,629,664) | \$ 6,827,903 | \$ (7,072,502) | \$ (122,126) | \$ (1,996,389) |

¹ Options purchased are included in net realized gain (loss) from investments.

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

For the year ended August 31, 2015, the average quarterly balances of outstanding derivative financial instruments were as follows:

| | | |
|--|---------------------|----------------|
| Financial futures contracts: | | |
| Average notional value of contracts | short | \$ 146,374,074 |
| Foreign currency exchange contracts: | | |
| Average USD amounts purchased | | \$ 227,846,533 |
| Average USD amounts sold | | \$ 15,166,022 |
| Options: | | |
| Average market value of option contracts purchased | | \$ 342,942 |
| Average market value of option contracts written | | \$ 91,481 |
| Credit default swaps: | | |
| Average notional value | buy protection | \$ 61,438 |
| Average notional value | sell protection | \$ 19,006,248 |
| Interest rate swaps: | | |
| Average notional amount | received fixed rate | \$ 3,501,875 |
| Total return swaps: | | |
| Average notional amount | | \$ 12,809,156 |

Derivative Financial Instruments Offsetting as of August 31, 2015

The Trust's derivative assets and liabilities (by type) were as follows:

| | Assets | Liabilities |
|---|--------------|--------------|
| Derivative Financial Instruments: | | |
| Financial futures contracts | \$ 1,193,120 | \$ 73 |
| Forward foreign currency exchange contracts | 1,623,159 | 1,752,815 |
| Swaps Centrally cleared | | 24,343 |
| Swaps OTC | 1,297,620 | 564,316 |
| Total derivative assets and liabilities in the Consolidated Statement of Assets and Liabilities | 4,113,899 | 2,341,547 |
| Derivatives not subject to a Master Netting Agreement or similar agreement (MNA) | (1,193,120) | (24,416) |
| Total derivative assets and liabilities subject to an MNA | \$ 2,920,779 | \$ 2,317,131 |

¹ Includes unrealized appreciation (depreciation) on OTC swaps and swap premiums paid/received in the Consolidated Statement of Assets and Liabilities.

The following table presents the Trust's derivative assets and liabilities by counterparty net of amounts available for offset under an Master Netting Agreement (MNA) and net of the related collateral received and pledged by the Trust:

| Counterparty | Derivative Assets Subject to an MNA by Counterparty | Derivatives Available for Offset ¹ | Non-cash Collateral Received | Cash Collateral Received ² | Net Amount of Derivative Assets ³ |
|-------------------|--|---|---------------------------------|--|---|
| Barclays Bank PLC | \$ 5,063 | \$ (5,063) | | | |
| BNP Paribas S.A. | 1,175 | | | | \$ 1,175 |
| Citibank N.A. | 63,769 | (63,769) | | | |

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| | | | | |
|---------------------------------|--------------|--------------|----------------|--------------|
| Deutsche Bank AG | 1,196,704 | | \$ (1,196,704) | |
| Goldman Sachs International | 129,674 | (25,405) | (100,000) | 4,269 |
| HSBC Bank PLC | 665,086 | (9,930) | | 655,156 |
| State Street Bank and Trust Co. | 5,424 | (5,424) | | |
| UBS AG | 75,058 | (75,058) | | |
| Westpac Banking Corp. | 778,826 | | | 778,826 |
| Total | \$ 2,920,779 | \$ (184,649) | \$ (1,296,704) | \$ 1,439,426 |

| Counterparty | Derivative Liabilities Subject to an MNA by Counterparty | Derivatives Available for Offset ¹ | Non-cash Collateral Pledged | Cash Collateral Pledged | Net Amount of Derivative Liabilities ⁴ |
|---------------------------------|---|---|--------------------------------|----------------------------|--|
| Barclays Bank PLC | \$ 16,639 | \$ (5,063) | | | \$ 11,576 |
| Citibank N.A. | 329,498 | (63,769) | | \$ (80,000) | 185,729 |
| Credit Suisse International | 9,462 | | | | 9,462 |
| Goldman Sachs International | 25,405 | (25,405) | | | |
| HSBC Bank PLC | 9,930 | (9,930) | | | |
| JPMorgan Chase Bank N.A. | 217,700 | | | | 217,700 |
| Standard Chartered Bank | 5,733 | | | | 5,733 |
| State Street Bank and Trust Co. | 21,531 | (5,424) | | | 16,107 |
| Toronto-Dominion Bank | 598 | | | | 598 |
| UBS AG | 1,680,635 | (75,058) | | | 1,605,577 |
| Total | \$ 2,317,131 | \$ (184,649) | | \$ (80,000) | \$ 2,052,482 |

¹ The amount of derivatives available for offset is limited to the amount of derivative assets and/or liabilities that are subject to an MNA.

² Excess of collateral received from the individual counterparty is not shown for financial reporting purposes.

³ Net amount represents the net amount receivable from the counterparty in the event of default.

⁴ Net amount represents the net amount payable due to the counterparty in the event of default.

See Notes to Financial Statements.

Consolidated Schedule of Investments (continued)

BlackRock Corporate High Yield Fund, Inc. (HYT)

Fair Value Hierarchy as of August 31, 2015

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

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

| | Level 1 | Level 2 | Level 3 | Total |
|---------------------------------------|----------------------|-------------------------|----------------------|-------------------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Common Stocks | \$ 45,959,795 | \$ 44,716,519 | \$ 3,739,028 | \$ 94,415,342 |
| Asset-Backed Securities | | 36,891,612 | 5,936,098 | 42,827,710 |
| Corporate Bonds | | 1,639,547,810 | 25,160,883 | 1,664,708,693 |
| Floating Rate Loan Interests | | 167,778,906 | 25,557,215 | 193,336,121 |
| Non-Agency Mortgage-Backed Securities | | 5,609,039 | | 5,609,039 |
| Other Interests | | 502 | 10,978 | 11,480 |
| Preferred Securities | 12,009,351 | 81,313,410 | 21,014,967 | 114,337,728 |
| Warrants | 116,579 | | 74,732 | 191,311 |
| Total | \$ 58,085,725 | \$ 1,975,857,798 | \$ 81,493,901 | \$ 2,115,437,424 |

| | Level 1 | Level 2 | Level 3 | Total |
|---|---------------------|-------------------|---------|---------------------|
| Derivative Financial Instruments¹ | | | | |
| Assets: | | | | |
| Credit contracts | | \$ 1,197,211 | | \$ 1,197,211 |
| Equity contracts | \$ 6,215,370 | | | 6,215,370 |
| Forward foreign currency contracts | | 1,623,159 | | 1,623,159 |
| Interest rate contracts | 102,627 | | | 102,627 |
| Liabilities: | | | | |
| Credit contracts | | (169,126) | | (169,126) |
| Equity contracts | | (274,248) | | (274,248) |
| Forward foreign currency contracts | | (1,752,815) | | (1,752,815) |
| Interest rate contracts | (7,053) | (217,700) | | (224,753) |
| Total | \$ 6,310,944 | \$ 406,481 | | \$ 6,717,425 |

¹ Derivative financial instruments are swaps, financial futures contracts and forward foreign currency contracts, which are valued at the unrealized appreciation (depreciation) on the instrument.

The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount for financial statement purposes. As of August 31, 2015, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|--|--------------|---------|---------|--------------|
| Assets: | | | | |
| Cash | \$ 3,717,546 | | | \$ 3,717,546 |
| Cash pledged for financial futures contracts | 5,554,390 | | | 5,554,390 |
| Cash pledged for centrally cleared swaps | 522,750 | | | 522,750 |
| Cash pledged as collateral for OTC derivatives | 80,000 | | | 80,000 |
| Foreign currency at value | 259,072 | | | 259,072 |
| Liabilities: | | | | |

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| | | | |
|---|---------------|------------------|------------------|
| Bank borrowings payable | | \$ (631,000,000) | (631,000,000) |
| Cash received as collateral for OTC derivatives | | (1,600,000) | (1,600,000) |
| Total | \$ 10,133,758 | \$ (632,600,000) | \$ (622,466,242) |

See Notes to Financial Statements.

Consolidated Schedule of Investments (concluded)

BlackRock Corporate High Yield Fund, Inc. (HYT)

During the year ended August 31, 2015, there were no transfers between Level 1 and Level 2.

A reconciliation of Level 3 investments is presented when the Trust had a significant amount of Level 3 investments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

| | Common Stocks | Asset- Backed Securities | Corporate Bonds | Floating Rate Loan Interests | Other Interests | Preferred Securities | Warrants | Total |
|--|------------------------|--------------------------------|----------------------|------------------------------------|--------------------|-------------------------|--------------------|------------------------|
| Assets: | | | | | | | | |
| Opening Balance, as of August 31, 2014 | \$ 56,896,277 | \$ 6,775,056 | \$ 29,135,018 | \$ 38,229,343 | \$ 10,978 | \$ 1,011,134 | \$ 4,857 | \$ 132,062,663 |
| Transfers into Level 3 ¹ | 115,217 | 246,282 | | 6,682,862 | | | 118,682 | 7,163,043 |
| Transfers out of Level 3 ^{2,3} | (34,568,221) | (4,058,431) | | (9,369,064) | | | | (47,995,716) |
| Accrued discounts/premiums | (9,007) | 8,557 | (19,174) | 247,598 | | 6,594 | | 234,568 |
| Net realized gain (loss) | (7,831,416) | 28,099 | (10,299,788) | 174,262 | | | (26,001) | (17,954,844) |
| Net change in unrealized appreciation (depreciation) ^{4,5} | (11,703,580) | 119,783 | 9,567,015 | (1,041,265) | | 1,151,144 | (16,594) | (1,923,497) |
| Purchases | 839,758 | 5,562,958 | 4,670,662 | 10,289,736 | | 18,846,095 | | 40,209,209 |
| Sales | | (2,746,206) | (7,892,850) | (19,656,257) | | | (6,212) | (30,301,525) |
| Closing Balance, as of August 31, 2015 | \$ 3,739,028 | \$ 5,936,098 | \$ 25,160,883 | \$ 25,557,215 | \$ 10,978 | \$ 21,014,967 | \$ 74,732 | \$ 81,493,901 |
| Net change in unrealized appreciation (depreciation) on investments still held at August 31, 2015⁵ | \$ (19,534,992) | \$ 120,039 | \$ (839,897) | \$ (472,024) | | \$ 1,151,144 | \$ (43,950) | \$ (19,619,680) |

¹ As of August 31, 2014, the Trust used observable inputs in determining the value of certain investments. As of August 31, 2015, the Trust used significant unobservable inputs in determining the value of the same investments. As a result, investments with a beginning of period value of \$7,163,043 transferred from Level 2 to Level 3 in the disclosure hierarchy.

² As of August 31, 2014, the Trust used significant unobservable inputs in determining the value of certain investments. As of August 31, 2015, the Trust used observable inputs in determining the value of the same investments. As a result, investments with a beginning of period value of \$45,512,500 transferred from Level 3 to Level 2 in the disclosure hierarchy.

³ As of August 31, 2014, the Trust used significant unobservable inputs in determining the value of certain investments. As of August 31, 2015, the Trust used observable inputs in determining the value of the same investments. As a result, investments with a beginning of period value of \$2,483,216 transferred from Level 3 to Level 1 in the disclosure hierarchy.

⁴ Included in the related net change in unrealized appreciation (depreciation) in the Consolidated Statement of Operations.

⁵ Any difference between net change in unrealized appreciation (depreciation) on investments still held at August 31, 2015 is generally due to investments no longer held or categorized as Level 3 at period end.

The following table summarizes the valuation techniques used and unobservable inputs utilized by the BlackRock Global Valuation Methodologies Committee (the Global Valuation Committee) to determine the value of certain of the Trust's Level 3 investments as of August 31, 2015. The table does not include Level 3 investments with values based upon unadjusted third party pricing information in the amount of \$52,519,260. A significant change in third party pricing information could result in a significantly lower or higher value of such Level 3 investments.

| | Value | Valuation Techniques | Unobservable Inputs | Range of Unobservable Inputs Utilized |
|----------------|--------------|-----------------------------|--|--|
| Assets: | | | | |
| Common Stocks | \$ 3,739,025 | Market Comparable Companies | 2P (Proved and Probable) Reserves + 2C (Contingent) Resources Multiple ⁶ Current Fiscal Year EBITDA Multiple ⁶ | CAD \$0.021x - CAD \$0.22x 4.63x - 4.88x \$70 ⁸ |

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| | | | | Discontinued Operations Expected Sale Proceeds ⁶ | |
|-----------------|----------------------|----------------------|----------|---|--|
| | | | | Last 12 Months EBITDA Multiple ⁶ | |
| | | | | 4.63x | |
| | | | | PV-10 Multiple ^{6,9} | |
| | | | | 0.01x 0.08x | |
| Corporate Bonds | 25,160,883 | Discounted Cash Flow | | Internal Rate of Return ¹⁰ | |
| | | | | 10.0% 10.5% | |
| | | | | Call Price ⁶ | |
| Warrants | 74,733 | Last Dealer Mark | Adjusted | Delta Adjustment Based on Daily Movement in the Common Equity ¹⁰ | |
| | | | | 120.0% | |
| | | | | Black-Scholes | |
| | | | | Implied Volatility ¹⁰ | |
| | | | | 47.66% | |
| Total | \$ 28,974,641 | | | | |

⁶ Increase in unobservable input may result in a significant increase to value, while a decrease in the unobservable input may result in a significant decrease to value.

⁷ The weighted average of unobservable inputs are as follows: CAD \$0.22x for 2P+2C and 0.08x for PV-10 Multiple.

⁸ Amount is stated in millions.

⁹ Present value of estimated future oil and gas revenues, net of estimated direct expenses discounted at an annual discount rate of 10%.

¹⁰ Decrease in unobservable input may result in a significant increase to value, while an increase in the unobservable input may result in a significant decrease to value.

See Notes to Financial Statements.

Schedule of Investments August 31, 2015

BlackRock Income Trust, Inc. (BKT)

(Percentages shown are based on Net Assets)

| | Par | |
|---|------------|------------------|
| | (000) | Value |
| Asset-Backed Securities | | |
| Asset-Backed Securities 0.4% | | |
| Securitized Asset Backed Receivables LLC Trust, Series 2005-OP2, Class M1, 0.63%, 10/25/35 (a) | \$ 1,875 | \$ 1,646,614 |
| Small Business Administration Participation Certificates, Class 1: | | |
| Series 1996-20E, 7.60%, 5/01/16 | 17 | 16,998 |
| Series 1996-20G, 7.70%, 7/01/16 | 19 | 19,742 |
| Series 1996-20H, 7.25%, 8/01/16 | 21 | 21,477 |
| Series 1996-20K, 6.95%, 11/01/16 | 63 | 64,558 |
| Series 1997-20C, 7.15%, 3/01/17 | 32 | 33,330 |
| | | 1,802,719 |
| Interest Only Asset-Backed Securities 0.1% | | |
| Small Business Administration Participation Certificates, Series 2000-1, 1.00%, 3/15/21 | 479 | 4,502 |
| Sterling Bank Trust, Series 2004-2, Class Note, 2.08%, 3/30/30 (b) | 2,133 | 146,630 |
| Sterling Coofs Trust, Series 2004-1, Class A, 2.36%, 4/15/29 (b) | 5,534 | 371,833 |
| | | 522,965 |
| Total Asset-Backed Securities 0.5% | | 2,325,684 |
| Non-Agency Mortgage-Backed Securities | | |
| Collateralized Mortgage Obligations 0.8% | | |
| Collateralized Mortgage Obligation Trust, Series 40, Class R, 580.50%, 4/01/18 | 16 | 16 |
| Deutsche Securities, Inc. Mortgage Alternate Loan Trust, Series 2006-AR5, Class 22A, 5.50%, 10/25/21 | 333 | 322,479 |
| Homebanc Mortgage Trust, Series 2005-4, Class A1, 0.47%, 10/25/35 (a) | 2,092 | 1,901,236 |
| Kidder Peabody Acceptance Corp., Series 1993-1, Class A6, 16.25%, 8/25/23 (a) | 40 | 45,063 |
| Residential Funding Securities LLC, Series 2003-RM2, Class AI5, 8.50%, 5/25/33 | 406 | 415,694 |
| Structured Adjustable Rate Mortgage Loan Trust, Series 2004-11, Class A, 2.52%, 8/25/34 (a) | 911 | 905,970 |
| | | 3,590,458 |
| Commercial Mortgage-Backed Securities 0.6% | | |
| Credit Suisse Commercial Mortgage Trust, Series 2007-C2, Class A3, 5.54%, 1/15/49 (a) | 2,420 | 2,530,211 |
| Interest Only Collateralized Mortgage Obligations 0.5% | | |
| Bank of America Mortgage Securities, Inc., Series 2003-3, Class 1A, 0.00%, 5/25/33 (a) | 20,824 | 99,126 |
| CitiMortgage Alternative Loan Trust, Series 2007-A5, Class 1A7, 6.00%, 5/25/37 | 554 | 147,050 |
| First Boston Mortgage Securities Corp., Series C, 10.97%, 4/25/17 | 1 | 8 |
| GSMPS Mortgage Loan Trust, Series 1998-5, 0.00%, 6/19/27 (a)(b) | 2,511 | 26 |
| IndyMac INDX Mortgage Loan Trust, Series 2006-AR33, Class 4AX, 0.17%, 1/25/37 | 58,356 | 102,765 |
| MASTR Adjustable Rate Mortgages Trust, Series 2004-3, Class 3AX, 0.48%, 4/25/34 (c) | 6,697 | 100,454 |
| MASTR Alternative Loans Trust, Series 2003-9, Class 15X2, 6.00%, 1/25/19 | 157 | 14,424 |
| Morgan Stanley Mortgage Loan Trust, Series 2004-3, Class 1AX, 5.00%, 5/25/19 | 153 | 7,139 |
| Sequoia Mortgage Trust, Series 2005-2, Class XA, 0.83%, 3/20/35 (a) | 29,606 | 814,161 |
| Structured Adjustable Rate Mortgage Loan Trust, Series 2006-7, Class 3AS, 4.26%, 8/25/36 (a) | 13,331 | 1,199,788 |
| | Par | |
| Non-Agency Mortgage-Backed Securities | | |
| Interest Only Collateralized Mortgage Obligations (concluded) | | |
| Vendee Mortgage Trust, Series 1999-2, Class 1, 0.00%, 5/15/29 (a) | \$ 31,857 | \$ 3 |
| | | 2,484,944 |
| Principal Only Collateralized Mortgage Obligations 0.2% | | |
| Countrywide Home Loan Mortgage Pass-Through Trust (d): | | |
| Series 2003-J5, 0.00%, 7/25/33 | 166 | 150,722 |
| Series 2003-J8, 0.00%, 9/25/23 | 94 | 91,183 |
| Drexel Burnham Lambert CMO Trust, Series K, Class 1, 0.00%, 9/23/17 (d) | (e) | 453 |

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| | | |
|--|-----|------------------|
| Residential Asset Securitization Trust, Series 2005-A15, Class 1A8, 0.00%, 2/25/36 (d) | 431 | 292,676 |
| Structured Mortgage Asset Residential Trust, Series 1993-3C, Class CX, 0.00%, 4/25/24 (d) | 5 | 4,676 |
| Washington Mutual Alternative Mortgage Pass-Through Certificates, Series 2005-9, Class CP, 0.00%, 11/25/35 (d) | 190 | 136,894 |
| | | 676,604 |
| Total Non-Agency Mortgage-Backed Securities 2.1% | | 9,282,217 |

U.S. Government Sponsored Agency Securities

Agency Obligations 2.5%

Federal Housing Administration:

| | | |
|---|--------|-----------|
| USGI Projects, Series 99, 7.43%, 6/01/21 - 10/01/23 | 3,124 | 3,027,101 |
| Reilly Projects, Series 41, 8.28%, 3/01/20 | 46 | 44,924 |
| Resolution Funding Corp., 0.00%, 4/15/30 (d) | 13,000 | 8,222,422 |

11,294,447

Collateralized Mortgage Obligations 63.9%

Fannie Mae Mortgage-Backed Securities:

| | | |
|---|--------|------------|
| Series 2014-28, Class BD, 3.50%, 1/25/42 - 8/25/43 | 23,221 | 24,193,287 |
| Series 2011-117, Class CP, 4.00%, 12/25/40 - 11/25/41 | 17,410 | 18,884,034 |
| Series 2011-99, Class CB, 4.50%, 10/25/41 | 43,000 | 49,427,855 |
| Series 2010-47, Class JB, 5.00%, 5/25/30 | 10,000 | 11,139,750 |
| Series 2003-135, Class PB, 6.00%, 1/25/34 | 12,264 | 13,388,584 |
| Series 2004-31, Class ZG, 7.50%, 5/25/34 | 4,277 | 5,273,687 |
| Series 1993-247, Class SN, 10.00%, 12/25/23 (a) | 150 | 183,479 |
| Series 2005-73, Class DS, 17.03%, 8/25/35 (a) | 989 | 1,227,051 |
| Series 1991-87, Class S, 26.15%, 8/25/21 (a) | 16 | 22,094 |
| Series G-49, Class S, 1,014.06%, 12/25/21 (a) | (e) | 308 |
| Series G-17, Class S, 1,060.36%, 6/25/21 (a) | 64 | 831 |
| Series G-33, Class PV, 1,078.42%, 10/25/21 | 62 | 321 |
| Series G-07, Class S, 1,122.08%, 3/25/21 (a) | (e) | 1,259 |
| Series 1991-46, Class S, 2,473.34%, 5/25/21 (a) | 45 | 2,387 |

Freddie Mac Mortgage-Backed Securities:

| | | |
|--|--------|------------|
| Series T-11, Class A9, 3.14%, 1/25/28 (a) | 1,144 | 1,197,033 |
| Series 4242, Class PA, 3.50%, 5/15/41 | 7,842 | 8,310,271 |
| Series 4016, Class BX, 4.00%, 11/15/40 - 9/15/41 | 26,292 | 28,523,092 |
| Series 4316, Class VB, 4.50%, 8/15/32 - 3/15/34 | 20,787 | 22,709,490 |
| Series 3856, Class PB, 5.00%, 5/15/41 | 10,000 | 11,527,740 |
| Series 2927, Class BZ, 5.50%, 5/15/23 - 2/15/35 | 10,574 | 11,346,457 |
| Series 2542, Class UC, 6.00%, 12/15/22 | 2,521 | 2,749,364 |
| Series 0040, Class K, 6.50%, 8/17/24 | 147 | 167,847 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

(Percentages shown are based on Net Assets)

| | Par | Value |
|---|------------|--------------|
| | (000) | |
| U.S. Government Sponsored Agency Securities | | |
| Collateralized Mortgage Obligations (concluded) | | |
| Freddie Mac Mortgage-Backed Securities (concluded): | | |
| Series 2218, Class Z, 8.50%, 3/15/20 - 3/15/30 | \$ 2,556 | \$ 2,979,728 |
| Series 0173, Class R, 9.00%, 11/15/21 | 4 | 4 |
| Series 0173, Class RS, 9.47%, 11/15/21 (a) | (e) | 5 |
| Series 0075, Class R, 9.50%, 1/15/21 | (e) | 1 |
| Series 2861, Class AX, 10.50%, 9/15/34 (a) | 18 | 18,303 |
| Series 1160, Class F, 39.32%, 10/15/21 (a) | 7 | 12,383 |
| Series 0075, Class RS, 64.55%, 1/15/21 (a) | (e) | 1 |
| Series 1057, Class J, 1,008.00%, 3/15/21 | 35 | 357 |
| Series 0192, Class U, 1,009.03%, 2/15/22 (a) | 1 | 20 |
| Series 0019, Class R, 16,263.61%, 3/15/20 (a) | 2 | 313 |
| Ginnie Mae Mortgage-Backed Securities: | | |
| Series 2010-099, Class JM, 3.75%, 12/20/38 | 19,300 | 20,423,511 |
| Series 2011-88, Class PY, 4.00%, 1/20/39 - 6/20/41 | 51,891 | 55,357,542 |
| Series 2004-89, Class PE, 6.00%, 10/20/34 | 300 | 314,257 |
| | | 289,382,646 |
| Interest Only Collateralized Mortgage Obligations 3.0% | | |
| Fannie Mae Mortgage-Backed Securities: | | |
| Series 1997-50, Class SI, 1.20%, 4/25/23 (a) | 131 | 4,258 |
| Series G92-60, Class SB, 1.60%, 10/25/22 (a) | 81 | 2,898 |
| Series 2013-45, Class EI, 4.00%, 2/25/27 - 4/25/43 | 17,277 | 2,023,490 |
| Series 2010-74, Class DI, 5.00%, 12/25/39 | 8,436 | 542,977 |
| Series 1997-90, Class M, 6.00%, 1/25/28 | 2,008 | 332,033 |
| Series 1999-W4, 6.50%, 12/25/28 | 151 | 16,396 |
| Series 2011-124, Class GS, 6.50%, 3/25/37 (a) | 12,856 | 1,438,987 |
| Series 1993-199, Class SB, 7.30%, 10/25/23 (a) | 106 | 4,982 |
| Series 089, Class 2, 8.00%, 10/25/18 | 1 | 74 |
| Series 007, Class 2, 8.50%, 4/25/17 | 1 | 43 |
| Series G92-05, Class H, 9.00%, 1/25/22 | 12 | 681 |
| Series 094, Class 2, 9.50%, 8/25/21 | 1 | 170 |
| Series 1990-136, Class S, 19.88%, 11/25/20 (a) | 5,083 | 6,786 |
| Series 1991-139, Class PT, 648.35%, 10/25/21 | 88 | 608 |
| Series 1991-099, Class L, 930.00%, 8/25/21 | 40 | 314 |
| Series 1990-123, Class M, 1,009.50%, 10/25/20 | 8 | 84 |
| Series G92-12, Class C, 1,016.90%, 2/25/22 | 66 | 327 |
| Series G-10, Class S, 1,085.52%, 5/25/21 (a) | 203 | 4,296 |
| Series G-12, Class S, 1,152.33%, 5/25/21 (a) | 134 | 2,218 |
| Freddie Mac Mortgage-Backed Securities: | | |
| Series 2559, 0.50%, 8/15/30 (a) | 55 | 558 |
| Series 3744, Class PI, 4.00%, 1/15/35 - 6/15/39 | 33,208 | 2,690,883 |
| Series 4026, 4.50%, 4/15/32 | 4,230 | 613,915 |
| Series 2611, Class QI, 5.50%, 9/15/32 | 985 | 77,029 |
| Series 1043, Class H, 44.11%, 2/15/21 (a) | 4,325 | 7,884 |
| Series 1054, Class I, 864.20%, 3/15/21 (a) | 31 | 512 |
| Series 0176, Class M, 1,010.00%, 7/15/21 | 13 | 262 |
| Series 1056, Class KD, 1,084.50%, 3/15/21 | 21 | 269 |
| Series 1148, Class E, 1,173.55%, 10/15/21 (a) | 34 | 494 |
| Series 0200, Class R, 197,306.60%, 12/15/22 (a) | (e) | 442 |
| Ginnie Mae Mortgage-Backed Securities (a): | | |
| Series 2009-116, Class KS, 6.27%, 12/16/39 | 2,025 | 329,871 |
| Series 2011-52, Class MJ, 6.45%, 4/20/41 | 12,768 | 2,621,059 |
| Series 2011-52, Class NS, 6.47%, 4/16/41 | 14,253 | 2,606,520 |
| | | 13,331,320 |
| U.S. Government Sponsored Agency Securities | Par | Value |

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| (000) | | |
|--|------------|--------------------|
| Mortgage-Backed Securities 69.4% | | |
| Fannie Mae Mortgage-Backed Securities: | | |
| 3.00%, 1/01/43 (f) | \$ 25,423 | \$ 25,679,905 |
| 3.50%, 10/01/42 - 9/01/45 (f)(g) | 31,800 | 33,036,891 |
| 4.00%, 1/01/41 - 9/01/42 (f) | 28,043 | 29,969,065 |
| 4.50%, 8/01/25 - 9/01/45 (f)(g) | 79,468 | 87,103,064 |
| 5.00%, 1/01/23 - 9/01/45 (f)(g) | 63,449 | 70,158,680 |
| 5.50%, 1/01/16 - 10/01/39 (f) | 27,930 | 30,788,673 |
| 5.97%, 8/01/16 | 2,884 | 2,963,670 |
| 6.00%, 9/01/45 (g) | 21,800 | 24,634,000 |
| 6.50%, 12/01/37 - 10/01/39 | 7,740 | 8,885,241 |
| 7.50%, 2/01/22 | (e) | 52 |
| 9.50%, 1/01/19 - 9/01/19 | 1 | 1,491 |
| Freddie Mac Mortgage-Backed Securities: | | |
| 2.48%, 1/01/35 (a) | 177 | 181,382 |
| 2.55%, 10/01/34 (a) | 106 | 108,739 |
| 3.14%, 11/01/17 (a) | 1 | 1,062 |
| 5.00%, 2/01/22 - 4/01/22 | 242 | 261,015 |
| 9.00%, 9/01/20 | 12 | 11,957 |
| Ginnie Mae Mortgage-Backed Securities: | | |
| 7.50%, 8/15/21 - 12/15/23 | 106 | 111,165 |
| 8.00%, 10/15/22 - 8/15/27 | 47 | 49,604 |
| 9.00%, 4/15/20 - 9/15/21 | 3 | 2,899 |
| | | 313,948,555 |
| Principal Only Collateralized Mortgage Obligations 0.2% | | |
| Fannie Mae Mortgage-Backed Securities (d): | | |
| Series 1999-W4, 0.00%, 2/25/29 | 79 | 72,389 |
| Series 2002-13, Class PR, 0.00%, 2/25/21 - 3/25/32 | 278 | 257,107 |
| Freddie Mac Mortgage-Backed Securities, 0.00%, 11/15/22 - 11/15/28 (d) | 642 | 608,678 |
| | | 938,174 |
| Total U.S. Government Sponsored Agency Securities 139.0% | | 628,895,142 |
| U.S. Treasury Obligations | | |
| U.S. Treasury Notes: | | |
| 1.00%, 11/30/19 | 2,965 | 2,910,758 |
| 1.38%, 8/31/20 | 4,045 | 4,012,976 |
| 1.63%, 11/15/22 | 780 | 761,952 |
| 2.00%, 8/15/25 | 2,860 | 2,808,982 |
| Total U.S. Treasury Obligations 2.3% | | 10,494,668 |
| Total Long-Term Investments | | |
| (Cost \$649,179,421) 143.9% | | 650,997,711 |
| Short-Term Securities | | |
| Money Market Funds 5.4% | | |
| BlackRock Liquidity Funds, TempFund, Institutional Class, 0.08% (h)(i) | 24,634,500 | 24,634,500 |

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

(Percentages shown are based on Net Assets)

| | Par | |
|---|----------|----------------|
| | (000) | Value |
| Short-Term Securities | | |
| Borrowed Bond Agreement (j) 0.2% | | |
| Credit Suisse Securities (USA) LLC, 0.14%, Open (Purchased on 6/10/15 to be repurchased at \$847,270, collateralized by U.S. Treasury Bonds, 2.75%, 11/15/42, par and fair values of \$917,000 and \$882,218, respectively) (k) | \$ 847 | \$ 847,000 |
| Total Short-Term Securities | | |
| (Cost \$25,481,500) 5.6% | | 25,481,500 |
| Total Investments Before Borrowed Bonds and TBA Sale Commitments | | |
| (Cost \$674,660,921) 149.5% | | 676,479,211 |
| Borrowed Bonds | | |
| U.S. Treasury Bonds, 2.75%, 11/15/42 | 917 | (882,218) |
| Total Borrowed Bonds | | (882,218) |
| (Proceeds \$842,347) (0.2)% | | |
| | Par | |
| | (000) | Value |
| TBA Sale Commitments | | |
| Fannie Mae Mortgage-Backed Securities (g): | | |
| 4.50%, 9/01/30 | \$ 3,300 | \$ (3,430,196) |
| 5.00%, 9/01/30 - 10/01/45 | 26,000 | (28,650,151) |
| Total TBA Sale Commitments | | |
| (Proceeds \$32,096,477) (7.1)% | | (32,080,347) |
| Total Investments, Net of Borrowed Bonds and TBA Sale Commitments | | |
| (Cost \$641,722,097) 142.2% | | 643,516,646 |
| Liabilities in Excess of Other Assets (42.2)% | | (190,900,628) |
| Net Assets 100.0% | | \$ 452,616,018 |

Notes to Schedule of Investments

- (a) Variable rate security. Rate shown is as of report date.
- (b) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
- (c) Represents a step-up bond that pays an initial coupon rate for the first period and then a higher coupon rate for the following periods. Rate shown is as of report date.
- (d) Zero-coupon bond.
- (e) Amount is less than \$500.

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(f) All or a portion of security has been pledged as collateral in connection with outstanding reverse repurchase agreements.

(g) Represents or includes a TBA transaction. Unsettled TBA transactions as of August 31, 2015 were as follows:

| Counterparty | Value | Unrealized Appreciation (Depreciation) |
|------------------------------------|----------------|--|
| Bank of America Securities LLC | \$ 11,513,734 | \$ 49,516 |
| Barclays Bank PLC | \$ (5,946,222) | \$ 4,746 |
| Credit Suisse Securities (USA) LLC | \$ 2,926,125 | \$ 9,281 |
| Goldman Sachs & Co. | \$ 16,364,170 | \$ (80,595) |
| Morgan Stanley & Co. LLC | \$ (3,635,242) | \$ 3,156 |

(h) During the year ended August 31, 2015, investments in issuers considered to be an affiliate of the Trust for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

| Affiliate | Shares Held at August 31, 2014 | Net Activity | Shares Held at August 31, 2015 | Income |
|--|--------------------------------------|-----------------|--------------------------------------|----------|
| BlackRock Liquidity Funds, TempFund, Institutional Class | 8,012,499 | 16,622,001 | 24,634,500 | \$ 8,462 |

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

(j) Certain agreements have no stated maturity and can be terminated by either party at any time.

(k) The amount to be repurchased assumes the maturity will be the day after the report date.

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

As of August 31, 2015, reverse repurchase agreements outstanding were as follows:

| Counterparty | Interest Rate | Trade Date | Maturity Date ¹ | Face Value | Face Value Including Accrued Interest |
|------------------------------------|------------------|---------------|-------------------------------|-----------------------|--|
| Credit Suisse Securities (USA) LLC | 0.31% | 4/20/15 | Open | \$ 15,009,000 | \$ 15,020,644 |
| BNP Paribas Securities Corp. | 0.19% | 6/10/15 | Open | 2,880,000 | 2,880,963 |
| HSBC Securities (USA) Inc. | 0.35% | 8/12/15 | 9/14/15 | 155,765,000 | 155,793,773 |
| Total | | | | \$ 173,654,000 | \$ 173,695,380 |

¹ Certain agreements have no stated maturity and can be terminated by either party at any time.

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

Derivative Financial Instruments as of August 31, 2015

Financial Futures Contracts

| Contracts Long (Short) | Issue | Exchange | Expiration | Notional Value | Unrealized Appreciation (Depreciation) |
|------------------------------|-------------------------------|------------------------|---------------|-------------------|--|
| (12) | 90-Day Euro-Dollar | Chicago Mercantile | December 2015 | \$ 2,985,600 | \$ (10,523) |
| (259) | 2-Year U.S. Treasury Note | Chicago Board of Trade | December 2015 | \$ 56,583,406 | 116,992 |
| 134 | 5-Year U.S. Treasury Note | Chicago Board of Trade | December 2015 | \$ 16,004,625 | (73,076) |
| (170) | 10-Year U.S. Treasury Note | Chicago Board of Trade | December 2015 | \$ 21,600,625 | 64,475 |
| (593) | Long U.S. Treasury Bond | Chicago Board of Trade | December 2015 | \$ 91,692,625 | 2,263,786 |
| 141 | Ultra Long U.S. Treasury Bond | Chicago Board of Trade | December 2015 | \$ 22,335,281 | (162,300) |
| (12) | 90-Day Euro-Dollar | Chicago Mercantile | March 2016 | \$ 2,981,400 | (10,298) |
| Total | | | | | \$ 2,189,056 |

OTC Interest Rate Swaps

| Fixed Rate | Floating Rate | Counterparty | Expiration Date | Notional Amount (000) | Value | Premiums Received | Unrealized Appreciation (Depreciation) |
|--------------------|---------------|--------------------------|--------------------|-----------------------------|----------------|----------------------|--|
| 4.87% ¹ | 3-month LIBOR | Goldman Sachs Bank USA | 1/25/16 | \$ 5,500 | \$ 96,660 | | \$ 96,660 |
| 2.81% ¹ | 3-month LIBOR | Citibank N.A. | 2/06/16 | \$ 20,000 | 204,962 | | 204,962 |
| 5.72% ¹ | 3-month LIBOR | JPMorgan Chase Bank N.A. | 7/14/16 | \$ 5,400 | 242,199 | | 242,199 |
| 4.31% ² | 3-month LIBOR | Deutsche Bank AG | 10/01/18 | \$ 60,000 | (5,642,164) | | (5,642,164) |
| 3.43% ¹ | 3-month LIBOR | JPMorgan Chase Bank N.A. | 3/28/21 | \$ 6,000 | 542,164 | \$ (156,184) | 698,348 |
| 5.41% ¹ | 3-month LIBOR | JPMorgan Chase Bank N.A. | 8/15/22 | \$ 9,565 | 2,188,709 | | 2,188,709 |
| Total | | | | | \$ (2,367,470) | \$ (156,184) | \$ (2,211,286) |

¹ Trust pays a floating rate and receives fixed rate.² Trust pays a fixed rate and receives floating rate.

Derivative Financial Instruments Categorized by Risk Exposure

The following is a summary of the Trust's derivative financial instruments categorized by risk exposure. For information about the Trust's investment risks regarding derivative financial instruments, refer to the Notes to Financial Statements.

| | Statement of Assets and Liabilities Location | Commodity | Credit | Equity | Foreign | | Total |
|---|---|-----------|--------|--------|----------|--------------|--------------|
| | | | | | Exchange | Interest | |
| Derivative Financial Instruments | Assets | | | | | | |
| Financial futures contracts | Net unrealized appreciation (depreciation) ¹ | | | | | \$ 2,445,253 | \$ 2,445,253 |
| Swaps OTC | Unrealized appreciation on OTC swaps | | | | | 3,430,878 | 3,430,878 |
| Total | | | | | | \$ 5,876,131 | \$ 5,876,131 |

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| | | Foreign | | | | | Total |
|-------------------------------------|--|-----------|-----------|-----------|-----------|---------------------|---------------------|
| | | Commodity | Credit | Equity | Exchange | Interest | |
| Statement of Assets and Liabilities | | Contracts | Contracts | Contracts | Contracts | Contracts | |
| Derivative Financial Instruments | Location | | | | | | |
| | Liabilities | | | | | | |
| Financial futures contracts | Net unrealized appreciation (depreciation) ¹ | | | | | \$ 256,197 | \$ 256,197 |
| Swaps OTC | Unrealized depreciation on OTC swaps; Swap premiums received | | | | | 5,798,348 | 5,798,348 |
| Total | | | | | | \$ 6,054,545 | \$ 6,054,545 |

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

See Notes to Financial Statements.

Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

For the year ended August 31, 2015, the effect of derivative financial instruments in the Statement of Operations was as follows:

| | Commodity | Credit | Equity | Foreign Currency Exchange | Interest Rate | Total |
|---------------------------------------|-----------|-----------|-----------|---------------------------------|------------------|----------------|
| | Contracts | Contracts | Contracts | Contracts | Contracts | |
| Net Realized Gain (Loss) from: | | | | | | |
| Financial futures contracts | | | | | \$ (7,949,761) | \$ (7,949,761) |
| Swaps | | | | | (21,544) | (21,544) |
| Total | | | | | \$ (7,971,305) | \$ (7,971,305) |

| | Commodity | Credit | Equity | Foreign Currency Exchange | Interest Rate | Total |
|---|-----------|-----------|-----------|---------------------------------|------------------|--------------|
| | Contracts | Contracts | Contracts | Contracts | Contracts | |
| Net Change in Unrealized Appreciation (Depreciation) on: | | | | | | |
| Financial futures contracts | | | | | \$ 3,049,518 | \$ 3,049,518 |
| Swaps | | | | | (595,170) | (595,170) |
| Total | | | | | \$ 2,454,348 | \$ 2,454,348 |

For the year ended August 31, 2015, the average quarterly balances of outstanding derivative financial instruments were as follows:

| | | |
|-------------------------------------|---------------------|----------------|
| Financial futures contracts: | | |
| Average notional value of contracts | long | \$ 24,296,615 |
| Average notional value of contracts | short | \$ 202,725,809 |
| Interest rate swaps: | | |
| Average notional value | pays fixed rate | \$ 60,000,000 |
| Average notional value | receives fixed rate | \$ 59,040,000 |

Derivative Financial Instruments Offsetting as of August 31, 2015

The Trust's derivative assets and liabilities (by type) were as follows:

| | Assets | Liabilities |
|--|------------|-------------|
| Derivative Financial Instruments: | | |
| Financial futures contracts | \$ 404,932 | \$ 100,469 |
| Swaps OTC | 3,430,878 | 5,798,348 |
| Total derivative assets and liabilities in the Statement of Assets and Liabilities | 3,835,810 | 5,898,817 |
| Derivatives not subject to a Master Netting Agreement or similar agreement (MNA) | (404,932) | (100,469) |

Schedule of Investments (continued)

BlackRock Income Trust, Inc. (BKT)

Fair Value Hierarchy as of August 31, 2015

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

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

| | Level 1 | Level 2 | Level 3 | Total |
|---|---------------|----------------|--------------|----------------|
| Assets: | | | | |
| Investments: | | | | |
| Long-Term Investments: | | | | |
| Asset-Backed Securities | | \$ 1,802,719 | \$ 522,965 | \$ 2,325,684 |
| Non-Agency Mortgage-Backed Securities | | 7,167,798 | 2,114,419 | 9,282,217 |
| U.S. Government Sponsored Agency Securities | | 625,822,351 | 3,072,791 | 628,895,142 |
| U.S. Treasury Obligations | | 10,494,668 | | 10,494,668 |
| Short-Term Securities: | | | | |
| Money Market Funds | \$ 24,634,500 | | | 24,634,500 |
| Borrowed Bond Agreement | | 847,000 | | 847,000 |
| Liabilities: | | | | |
| Investments: | | | | |
| Borrowed Bonds | | (882,218) | | (882,218) |
| TBA Sale Commitments | | (32,080,347) | | (32,080,347) |
| Total | \$ 24,634,500 | \$ 613,171,971 | \$ 5,710,175 | \$ 643,516,646 |

| | Level 1 | Level 2 | Level 3 | Total |
|---|--------------|----------------|---------|--------------|
| Derivative Financial Instruments ¹ | | | | |
| Assets: | | | | |
| Interest rate contracts | \$ 2,445,253 | \$ 3,430,878 | | \$ 5,876,131 |
| Liabilities: | | | | |
| Interest rate contracts | (256,197) | (5,642,164) | | (5,898,361) |
| Total | \$ 2,189,056 | \$ (2,211,286) | | \$ (22,230) |

¹ Derivative financial instruments are financial futures contracts and swaps, which are valued at the unrealized appreciation (depreciation) on the instrument. The Trust may hold assets and/or liabilities in which the fair value approximates the carrying amount or face value, including accrued interest, for financial statement purposes. As of August 31, 2015, such assets and/or liabilities are categorized within the disclosure hierarchy as follows:

| | Level 1 | Level 2 | Level 3 | Total |
|--|--------------|------------------|---------|------------------|
| Assets: | | | | |
| Cash pledged as collateral for OTC derivatives | \$ 6,500,000 | | | \$ 6,500,000 |
| Cash pledged for financial futures contracts | 1,991,310 | | | 1,991,310 |
| Cash pledged as collateral for reverse repurchase agreements | 1,166,000 | | | 1,166,000 |
| Liabilities: | | | | |
| Bank overdraft | | \$ (2,492) | | (2,492) |
| Cash received as collateral for OTC swaps | | (3,970,000) | | (3,970,000) |
| Reverse repurchase agreements | | (173,695,380) | | (173,695,380) |
| Total | \$ 9,657,310 | \$ (177,667,872) | | \$ (168,010,562) |

During the year ended August 31, 2015, there were no transfers between Level 1 and Level 2.

See Notes to Financial Statements.

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Schedule of Investments (concluded)

BlackRock Income Trust, Inc. (BKT)

A reconciliation of Level 3 investments is presented when the Trust had a significant amount of Level 3 investments at the beginning and/or end of the period in relation to net assets. The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used in determining fair value:

| | Asset-Backed Securities | Non-Agency Mortgage-Backed Securities | U.S. Government Sponsored Agency Securities | Total |
|---|----------------------------|---|---|---------------------|
| Assets: | | | | |
| Opening Balance, as of August 31, 2014 | \$ 626,872 | \$ 2,708,549 | \$ 3,612,672 | \$ 6,948,093 |
| Transfers into Level 3 | | | | |
| Transfers out of Level 3 | | | | |
| Accrued discounts/premiums | (142,382) | | (11,399) | (153,781) |
| Net realized gain (loss) | (240,622) | 18 | (15,176) | (255,780) |
| Net change in unrealized appreciation (depreciation) ^{1,2} | 279,097 | (594,130) | 28,146 | (286,887) |
| Purchases | | | | |
| Sales | | (18) | (541,452) | (541,470) |
| Closing Balance, as of August 31, 2015 | \$ 522,965 | \$ 2,114,419 | \$ 3,072,791 | \$ 5,710,175 |
| Net change in unrealized appreciation (depreciation) on investments held as of August 31, 2015 ² | \$ 279,097 | \$ (594,130) | \$ 24,901 | \$ (290,132) |

¹ Included in the related net change in unrealized appreciation (depreciation) in the Statements of Operations.

² Any difference between Net change in unrealized appreciation (depreciation) and Net change in unrealized appreciation (depreciation) on investments held as of August 31, 2015 is generally due to investments no longer held or categorized as level 3 at period end.

Certain of the Trust's investments that are categorized as Level 3 were valued utilizing third party pricing information without adjustment. Such valuations are based on unobservable inputs. A significant change in third party information inputs could result in a significantly lower or higher value of such Level 3 investments.

See Notes to Financial Statements.

Statements of Assets and Liabilities

| August 31, 2015 | BlackRock Core Bond Trust (BHK) | BlackRock Corporate High Yield Fund, Inc. (HYT) ¹ | BlackRock Income Trust, Inc. (BKT) |
|--|--|--|---|
| Assets | | | |
| Investments at value unaffiliated | \$ 1,057,529,543 | \$ 2,115,437,424 | \$ 651,844,711 |
| Investments at value affiliated | 9,920,365 | | 24,634,500 |
| Cash | | 3,717,546 | |
| Cash pledged: | | | |
| Collateral reverse repurchase agreements | 2,140,000 | | 1,166,000 |
| Collateral OTC derivatives | 5,660,000 | 80,000 | 6,500,000 |
| Financial futures contracts | 1,435,050 | 5,554,390 | 1,991,310 |
| Centrally cleared swaps | 109,150 | 522,750 | |
| Foreign currency at value ⁴ | 371,446 | 259,072 | |
| Receivables: | | | |
| Investments sold | 423,723 | 7,498,768 | 651,873 |
| Swaps | 15,098 | 224,244 | 248,798 |
| TBA sale commitments | | | 32,096,477 |
| Dividends | 27,422 | 5,087 | |
| Interest | 11,586,687 | 33,472,323 | 2,298,234 |
| Principal paydowns | | | 3,691 |
| Swap premiums paid | 65,728 | 100,409 | |
| Unrealized appreciation on forward foreign currency exchange contracts | 545,127 | 1,623,159 | |
| Unrealized appreciation on OTC swaps | 352,503 | 1,197,211 | 3,430,878 |
| Variation margin receivable on financial futures contracts | 91,288 | 1,193,120 | 404,932 |
| Variation margin receivable on centrally cleared swaps | 36,061 | | |
| Prepaid expenses | 10,657 | 24,912 | 9,876 |
| Other assets | 24,449 | | 3,234 |
| Total assets | 1,090,344,297 | 2,170,910,415 | 725,284,514 |
| Liabilities | | | |
| Bank overdraft | | | 2,492 |
| Bank borrowings | | 631,000,000 | |
| Cash received: | | | |
| Collateral OTC derivatives | | 1,600,000 | 3,970,000 |
| Borrowed bonds at value ⁵ | | | 882,218 |
| Options written at value ⁶ | 5,673,389 | | |
| TBA sale commitments at value ⁷ | | | 32,080,347 |
| Reverse repurchase agreements | 303,651,289 | | 173,695,380 |
| Payables: | | | |
| Reverse repurchase agreements | 7,592,237 | | |
| Investments purchased | | 4,257,996 | 54,012,772 |
| Swaps | 7,510 | | 1,111,408 |
| Administration fees | | | 115,485 |
| Income dividends | 80,809 | 502,342 | 55,766 |
| Interest expense | | 518,729 | 7,469 |
| Investment advisory fees | 935,191 | 2,254,826 | 498,934 |
| Officers and Trustees fees | 183,997 | 420,869 | 154,808 |
| Other accrued expenses | 296,073 | 707,571 | 182,600 |
| Swap premiums received | 127,291 | 51,384 | 156,184 |
| Unrealized depreciation on forward foreign currency exchange contracts | 348,745 | 1,752,815 | |
| Unrealized depreciation on OTC swaps | 103,763 | 512,932 | 5,642,164 |
| Variation margin payable on financial futures contracts | 261,762 | 73 | 100,469 |
| Variation margin payable on centrally cleared swaps | 19,444 | 24,343 | |
| Other liabilities | 240,760 | | |
| Commitments and contingencies | | ⁸ | ⁸ |
| Total liabilities | 319,522,260 | 643,603,880 | 272,668,496 |

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Net Assets

\$ 770,822,037 \$ 1,527,306,535 \$ 452,616,018

See Notes to Financial Statements.

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Statements of Assets and Liabilities (concluded)

| | BlackRock Core Bond Trust (BHK) | BlackRock Corporate High Yield Fund, Inc. (HYT)¹ | BlackRock Income Trust, Inc. (BKT) |
|--|--|--|---|
| August 31, 2015 | | | |
| Net Assets Consist of | | | |
| Paid-in capital ^{9,10,11} | \$ 761,161,052 | \$ 1,782,827,848 | \$ 478,262,054 |
| Undistributed (distributions in excess of) net investment income | (17,798) | 22,469,916 | 7,048,258 |
| Undistributed net realized gain (accumulated net realized loss) | (4,082,568) | (181,438,897) | (34,469,676) |
| Net unrealized appreciation (depreciation) | 13,761,351 | (96,552,332) | 1,775,382 |
| Net Assets | \$ 770,822,037 | \$ 1,527,306,535 | \$ 452,616,018 |
| Net asset value, offering and redemption price per share | \$ 14.29 | \$ 12.06 | \$ 7.08 |
| ¹ Consolidated Statement of Assets and Liabilities. | | | |
| ² Investments at cost unaffiliated | \$ 1,043,862,489 | \$ 2,218,704,817 | \$ 650,026,421 |
| ³ Investments at cost affiliated | \$ 9,920,365 | | \$ 24,634,500 |
| ⁴ Foreign currency at cost | \$ 378,798 | \$ 259,184 | |
| ⁵ Proceeds received from borrowed bonds | | | \$ 842,347 |
| ⁶ Premiums received | \$ 6,793,257 | | |
| ⁷ Proceeds from TBA sale commitments | | | \$ 32,096,477 |
| ⁸ See Note 4 and Note 12 of the Notes to Financial Statements for details of commitments and contingencies. | | | |
| ⁹ Par value | \$ 0.001 | \$ 0.100 | \$ 0.010 |
| ¹⁰ Shares outstanding | 53,935,126 | 126,599,668 | 63,942,535 |
| ¹¹ Shares authorized | unlimited | 200 million | 200 million |

See Notes to Financial Statements.

Statements of Operations

| Year Ended August 31, 2015 | BlackRock Core Bond Trust (BHK) | BlackRock Corporate High Yield Fund, Inc. (HYT) ¹ | BlackRock Income Trust, Inc. (BKT) |
|--|--|--|---|
| Investment Income | | | |
| Interest | \$ 48,240,193 | \$ 129,848,854 | \$ 25,022,450 |
| Dividends unaffiliated | 645,964 | 2,876,646 | |
| Dividends affiliated | 3,031 | 956 | 8,462 |
| Foreign taxes withheld | | (29,350) | |
| Total income | 48,889,188 | 132,697,106 | 25,030,912 |
| Expenses | | | |
| Investment advisory | 5,225,607 | 13,833,972 | 2,976,240 |
| Administration | | | 686,825 |
| Professional | 230,734 | 508,044 | 121,957 |
| Accounting services | 106,243 | 226,868 | 67,369 |
| Transfer agent | 74,794 | 135,296 | 75,267 |
| Custodian | 73,370 | 234,168 | 47,135 |
| Officer and Trustees | 47,830 | 95,985 | 22,840 |
| Printing | 48,840 | 55,228 | 29,679 |
| Registration | 16,251 | 48,021 | 22,562 |
| Offering | | 84,501 | |
| Reorganization costs | 12,242 | | 12,389 |
| Miscellaneous | 123,129 | 199,856 | 46,380 |
| Total expenses excluding interest expense and income tax | 5,959,040 | 15,421,939 | 4,108,643 |
| Interest expense | 873,500 | 6,535,894 | 439,173 |
| Income tax | | 29,766 | |
| Total expenses | 6,832,540 | 21,987,599 | 4,547,816 |
| Less fees waived by the Manager | (36,575) | (1,346) | (7,583) |
| Total expenses after fees waived | 6,795,965 | 21,986,253 | 4,540,233 |
| Net investment income | 42,093,223 | 110,710,853 | 20,490,679 |
| Realized and Unrealized Gain (Loss) | | | |
| Net realized gain (loss) from: | | | |
| Investments | 12,396,127 | (29,553,425) | 1,168,254 |
| Financial futures contracts | 2,335,109 | (11,019,014) | (7,949,761) |
| Foreign currency transactions | 2,161,658 | 42,138,531 | |
| Options written | 2,847,842 | 420,152 | |
| Swaps | (456,667) | 1,546,629 | (21,544) |
| | 19,284,069 | 3,532,873 | (6,803,051) |
| Net change in unrealized appreciation (depreciation) on: | | | |
| Investments | (51,125,671) | (167,224,148) | (3,114,692) |
| Financial futures contracts | (1,657,158) | 7,197,725 | 3,049,518 |
| Foreign currency translations | (294,881) | (7,156,377) | |
| Options written | (327,984) | | |
| Swaps | 268,489 | (2,121,612) | (595,170) |
| Borrowed bonds | | | (22,531) |
| | (53,137,205) | (169,304,412) | (682,875) |

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| | | | |
|--|---------------------|------------------------|----------------------|
| Net realized and unrealized loss | (33,853,136) | (165,771,539) | (7,485,926) |
| Net Increase (Decrease) in Net Assets Resulting from Operations | \$ 8,240,087 | \$ (55,060,686) | \$ 13,004,753 |

¹ Consolidated Statement of Operations.

See Notes to Financial Statements.

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Statements of Changes in Net Assets

| Increase (Decrease) in Net Assets: | BlackRock Core Bond Trust (BHK) Year Ended August 31, | |
|---|---|----------------|
| | 2015 | 2014 |
| Operations | | |
| Net investment income | \$ 42,093,223 | \$ 23,431,450 |
| Net realized gain | 19,284,069 | 3,252,163 |
| Net change in unrealized appreciation (depreciation) | (53,137,205) | 29,982,109 |
| Net increase (decrease) in net assets resulting from operations | 8,240,087 | 56,665,722 |
| Distributions to Shareholders¹ | | |
| Net investment income | (47,657,688) | (24,499,913) |
| In excess of net investment income | (1,743,768) | |
| Decrease in net assets resulting from distributions to shareholders | (49,401,456) | (24,499,913) |
| Capital Share Transactions | | |
| Net proceeds from the issuance of shares due to reorganization | 399,906,769 | |
| Cost of shares redeemed | (1,775) | |
| Net increase in net assets derived from capital transactions | 399,904,994 | |
| Net Assets | | |
| Total increase (decrease) in net assets | 358,743,625 | 32,165,809 |
| Beginning of year | 412,078,412 | 379,912,603 |
| End of year | \$ 770,822,037 | \$ 412,078,412 |
| Undistributed net investment income (loss), end of year | \$ (17,798) | \$ 2,988,893 |

Consolidated Statements of Changes in Net Assets

| Increase (Decrease) in Net Assets: | BlackRock Corporate High Yield Fund, Inc. (HYT) Year Ended August 31, | |
|---|---|----------------|
| | 2015 | 2014 |
| Operations | | |
| Net investment income | \$ 110,710,853 | \$ 105,249,090 |
| Net realized gain | 3,532,873 | 44,986,967 |
| Net change in unrealized appreciation (depreciation) | (169,304,412) | 31,821,600 |
| Net increase (decrease) in net assets resulting from operations | (55,060,686) | 182,057,657 |
| Distributions to Shareholders From¹ | | |
| Net investment income | (123,054,879) | (101,824,719) |
| Capital Share Transactions | | |
| Net proceeds from the issuance of shares due to reorganization | | 1,178,342,562 |

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| Net Assets | | |
|---|------------------|------------------|
| Total increase (decrease) in net assets | (178,115,565) | 1,258,575,500 |
| Beginning of year | 1,705,422,100 | 446,846,600 |
| End of year | \$ 1,527,306,535 | \$ 1,705,422,100 |
| Undistributed net investment income (loss), end of year | \$ 22,469,916 | \$ 1,526,183 |

¹ Distributions for annual periods 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: | BlackRock Income Trust, Inc. (BKT) Year Ended August 31, | |
|---|--|-----------------------|
| | 2015 | 2014 |
| Operations | | |
| Net investment income | \$ 20,490,679 | \$ 22,116,133 |
| Net realized loss | (6,803,051) | (9,402,855) |
| Net change in unrealized appreciation (depreciation) | (682,875) | 11,894,375 |
| Net increase in net assets resulting from operations | 13,004,753 | 24,607,653 |
| Distributions to Shareholders From¹ | | |
| Net investment income | (25,321,248) | (27,623,179) |
| Net Assets | | |
| Total decrease in net assets | (12,316,495) | (3,015,526) |
| Beginning of year | 464,932,513 | 467,948,039 |
| End of year | \$ 452,616,018 | \$ 464,932,513 |
| Undistributed net investment income, end of year | \$ 7,048,258 | \$ 9,245,640 |

¹ Distributions for annual periods determined in accordance with federal income tax regulations.

See Notes to Financial Statements.

Statements of Cash Flows

| Year Ended August 31, 2015 | BlackRock Core Bond Trust (BHK) | BlackRock Corporate High Yield Fund, Inc. (HYT) ¹ | BlackRock Income Trust, Inc. (BKT) |
|--|--|--|---|
| Cash Provided by (Used for) Operating Activities | | | |
| Net increase (decrease) in net assets resulting from operations | \$ 8,240,087 | \$ (55,060,686) | \$ 13,004,753 |
| Proceeds from sales of long-term investments and principal paydowns | 670,360,815 ² | 1,380,367,579 | 1,348,961,505 |
| Purchases of long-term investments | (805,306,328) ² | (1,322,278,322) | (1,297,785,745) |
| Net proceeds from sales of short-term securities | (7,392,683) ² | 3,602,081 | |
| Net purchases of short-term securities | | | (16,622,001) |
| (Increase) decrease in assets: | | | |
| Cash Pledged: | | | |
| Collateral reverse repurchase agreements | (1,670,000) ² | | (993,000) |
| Collateral OTC derivatives | (2,840,000) ² | 1,890,000 | 1,200,000 |
| Financial futures contracts | (1,018,050) ² | (2,356,390) | 17,690 |
| Centrally cleared swaps | 598,885 ² | (522,750) | 10,000 |
| Receivables: | | | |
| Dividends | 2,102 ² | 93,020 | |
| Interest | 2,039,837 ² | (271,643) | 359,041 |
| Swaps | (8,577) | (21,467) | 564,166 |
| Swap premiums paid | 5,268 | 56,215 | |
| Variation margin receivable on financial futures contracts | (25,054) ² | (1,193,120) | (248,338) |
| Variation margin receivable on centrally cleared swaps | (36,061) | | 20 |
| Prepaid expenses | (3,589) | 4,746 | 1,051 |
| Other assets | (24,449) | | (3,234) |
| Increase (decrease) in liabilities: | | | |
| Cash received: | | | |
| Collateral reverse repurchase agreements | (3,952,000) ² | | |
| Collateral OTC derivatives | | (1,100,000) | (1,290,000) |
| Payables: | | | |
| Swaps | (10,589) | | (16,464) |
| Administration fees | | | 56,246 |
| Interest expense | 161,537 | (39,363) | 1,747 |
| Investment advisory fees | 417,226 ² | 1,026,189 | 242,763 |
| Officers and Trustees fees | (15,689) ² | 17,408 | 605 |
| Other affiliates | (109,641) ² | (13,125) | (222,279) |
| Reorganization fees | (180,616) ² | | |
| Other accrued expenses | 5,324 ² | 157,600 | 4,454 |
| Swap premiums received | (41,371) ² | (317,456) | (27,814) |
| Variation margin payable on financial futures contracts | 221,204 | (155,423) | 86,863 |
| Variation margin payable on centrally cleared swaps | 16,241 | 24,343 | |
| Amortization of premium and accretion of discount on investments | 4,742,211 | 2,294,070 | 6,034,716 |
| Premiums paid on closing options written | (4,550,254) | (889,580) | |
| Premiums received from options written | 9,653,028 ² | 1,309,730 | |
| Net realized (gain) loss on investments, options written, borrowed bonds and short sales | (13,763,513) | 35,680,778 | (9,173) |
| Net unrealized loss on investments, options written, swaps, borrowed bonds and foreign currency translations | 51,575,628 | 176,353,995 | 3,732,252 |
| Net cash provided by (used for) operating activities | (92,909,071) | 218,658,429 | 57,059,824 |

¹ Consolidated Statement of Cash Flows.

² Includes assets and liabilities acquired in reorganization.

See Notes to Financial Statements.

Statements of Cash Flows (concluded)

| Year Ended August 31, 2015 | BlackRock Core Bond Trust (BHK) | BlackRock Corporate High Yield Fund, Inc. (HYT) ¹ | BlackRock Income Trust, Inc. (BKT) |
|--|--|--|---|
| Cash Provided by (Used for) Financing Activities | | | |
| Cash dividends paid to Common Shareholders | \$ (49,371,571) | \$ (122,989,585) | \$ (25,330,948) |
| Cash payments for offering costs | | (113,640) | |
| Payments on bank borrowings | | (725,000,000) | |
| Proceeds from bank borrowings | | 633,000,000 | |
| Increase (decrease) in bank overdraft | (160,571) ² | (224,629) | 2,413 |
| Amortization of deferred offering costs | | 115,121 | |
| Net borrowing of reverse repurchase agreements | 142,781,212 | | (31,731,289) |
| Net cash (provided by) used for financing activities | 93,249,070 | (215,212,733) | (57,059,824) |
| Cash Impact from Foreign Exchange Fluctuations | | | |
| Cash impact from foreign exchange fluctuations | \$ (23,890) | \$ 1,843 | \$ |
| Cash and Foreign Currency | | | |
| Net increase (decrease) in cash and foreign currency at value | 316,109 | 3,447,539 | |
| Cash and foreign currency at value at beginning of year | 55,337 ³ | 529,079 | |
| Cash and foreign currency at value at end of year | \$ 371,446 | \$ 3,976,618 | \$ |
| Supplemental Disclosure of Cash Flow Information | | | |
| Cash paid during the year for interest expense | \$ 711,963 | \$ 6,460,136 | \$ 437,426 |
| Non-Cash Financing Activities | | | |
| Fair value of investments and derivative financial instruments acquired through reorganization | \$ 587,550,335 | | |
| Capital shares issued in reorganization | \$ 399,906,040 | | |

¹ Consolidated Statement of Cash Flows.

² Includes assets and liabilities acquired in reorganization.

³ Includes cash and foreign currency acquired in reorganization of \$(173,734).

See Notes to Financial Statements.

Financial Highlights

BlackRock Core Bond Trust (BHK)

| | Year Ended August 31, | | | | |
|---|-----------------------|---------------------|------------|------------|------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Per Share Operating Performance | | | | | |
| Net asset value, beginning of year | \$ 15.24 | \$ 14.05 | \$ 15.21 | \$ 13.78 | \$ 14.19 |
| Net investment income ¹ | 0.86 | 0.87 | 0.89 | 0.88 | 0.83 |
| Net realized and unrealized gain (loss) | (0.73) | 1.23 | (1.11) | 1.37 | (0.36) |
| Net increase (decrease) from investment operations | 0.13 | 2.10 | (0.22) | 2.25 | 0.47 |
| Distributions: ² | | | | | |
| Net investment income | (1.04) | (0.91) | (0.94) | (0.82) | (0.88) |
| In excess of net investment income ³ | (0.04) | | | | |
| Total distributions | (1.08) | (0.91) | (0.94) | (0.82) | (0.88) |
| Net asset value, end of year | \$ 14.29 | \$ 15.24 | \$ 14.05 | \$ 15.21 | \$ 13.78 |
| Market price, end of year | \$ 12.63 | \$ 13.64 | \$ 12.50 | \$ 15.41 | \$ 12.69 |
| Total Return⁴ | | | | | |
| Based on net asset value | 1.62% | 16.09% ⁵ | (1.42)% | 17.06% | 4.02% |
| Based on market price | 0.35% | 16.78% | (13.43)% | 28.78% | (2.35)% |
| Ratio to Average Net Assets | | | | | |
| Total expenses | 0.95% ⁶ | 1.06% ⁶ | 1.03% | 0.95% | 1.02% |
| Total expenses after fees waived and paid indirectly | 0.95% ⁶ | 1.02% ⁶ | 0.98% | 0.94% | 1.02% |
| Total expenses after fees waived and paid indirectly and excluding interest expense | 0.82% ⁶ | 0.91% ⁶ | 0.86% | 0.86% | 0.93% |
| Net investment income | 5.83% | 5.94% | 5.92% | 6.13% | 6.05% |
| Supplemental Data | | | | | |
| Net assets, end of year (000) | \$ 770,822 | \$ 412,078 | \$ 379,913 | \$ 411,136 | \$ 372,295 |
| Borrowings outstanding, end of year (000) | \$ 303,651 | \$ 168,301 | \$ 172,537 | \$ 182,679 | \$ 152,301 |
| Portfolio turnover rate ⁷ | 55% | 82% | 100% | 290% | 824% |

¹ Based on average shares outstanding.

² Distributions for annual periods determined in accordance with federal income tax regulations.

³ Taxable distribution.

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- ⁴ Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
- ⁵ Includes proceeds received from a settlement of litigation, which impacted the Trust's total return. Excluding these proceeds, the total return would have been 16.01%.
- ⁶ Includes reorganization costs associated with the Trust's merger. Without these costs, total expenses, total expenses after fees waived and paid indirectly, and total expenses after fees waived and paid indirectly and excluding interest expense would have been 0.94%, 0.94% and 0.82% for the year ended August 31, 2015 and 1.00%, 0.96% and 0.85% for the year ended August 31, 2014, respectively.
- ⁷ Includes mortgage dollar roll transactions (MDRs). Additional information regarding portfolio turnover rate is as follows:

| | Year Ended August 31, | | | | |
|--|------------------------------|-------------|-------------|-------------|-------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Portfolio turnover (excluding mortgage dollar roll transactions) | 51% | 48% | 63% | 237% | 544% |

See Notes to Financial Statements.

Financial Highlights

BlackRock Corporate High Yield Fund, Inc.
(HYT)

| | 2015 ¹ | 2014 ¹ | Year Ended August 31, | | 2011 |
|--|-----------------------|--------------------|-----------------------|--------------------|------------|
| | | | 2013 ¹ | 2012 ¹ | |
| Per Share Operating Performance | | | | | |
| Net asset value, beginning of year | \$ 13.47 | \$ 12.62 | \$ 12.32 | \$ 11.49 | \$ 11.38 |
| Net investment income ² | 0.87 | 0.98 | 1.00 | 1.04 | 1.06 |
| Net realized and unrealized gain (loss) | (1.31) | 0.91 | 0.41 | 0.83 | 0.05 |
| Net increase (decrease) from investment operations | (0.44) | 1.89 | 1.41 | 1.87 | 1.11 |
| Distributions from net investment income ³ | (0.97) | (1.04) | (1.11) | (1.04) | (1.00) |
| Net asset value, end of year | \$ 12.06 ⁴ | \$ 13.47 | \$ 12.62 | \$ 12.32 | \$ 11.49 |
| Market price, end of year | \$ 9.97 | \$ 12.07 | \$ 11.37 | \$ 12.96 | \$ 11.21 |
| Total Return⁵ | | | | | |
| Based on net asset value | (2.40)% ⁴ | 16.21% | 11.90% | 17.14% | 9.95% |
| Based on market price | (9.96)% | 15.58% | (4.16)% | 26.30% | 9.09% |
| Ratio to Average Net Assets | | | | | |
| Total expenses | 1.37% | 1.35% ⁶ | 1.54% ⁷ | 1.51% | 1.41% |
| Total expenses after fees waived and paid indirectly | 1.37% | 1.35% ⁶ | 1.54% ⁷ | 1.51% | 1.41% |
| Total expenses after fees waived and paid indirectly and excluding interest expense and income tax | 0.96% | 0.98% ⁶ | 1.16% ^{7,8} | 1.19% ⁹ | 1.12% |
| Net investment income | 6.88% | 7.40% | 7.83% | 8.84% | 8.80% |
| Supplemental Data | | | | | |
| Net assets, end of year (000) | \$ 1,527,307 | \$ 1,705,422 | \$ 446,847 | \$ 435,955 | \$ 405,697 |
| Borrowings outstanding, end of year (000) | \$ 631,000 | \$ 723,000 | \$ 191,000 | \$ 181,000 | \$ 130,000 |
| Asset coverage, end of year per \$1,000 of bank borrowings | \$ 3,419 | \$ 3,359 | \$ 3,340 | \$ 3,409 | \$ 4,121 |
| Portfolio turnover rate | 57% | 64% | 77% | 61% | 87% |

¹ Consolidated Financial Highlights.² Based on average shares outstanding.³ Dividends for annual periods determined in accordance with federal income tax regulations.

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- ⁴ For financial reporting purposes, the market value of certain total return swaps were adjusted as of report date. Accordingly, the net asset value (NAV) per share and total return performance based on net asset value presented herein are different than the information previously published on August 31, 2015.
- ⁵ Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
- ⁶ Includes reorganization costs. Without these costs, total expenses, total expenses after fees waived and paid indirectly, and total expenses after fees waived and paid indirectly and excluding interest expense would have been 1.34%, 1.34% and 0.97%, respectively.
- ⁷ Includes reorganization costs. Without these costs, total expenses, total expenses after fees waived and paid indirectly, and total expenses after fees waived and paid indirectly and excluding interest expense would have been 1.50%, 1.50% and 1.12%, respectively.
- ⁸ For the year ended August 31, 2013, the total expense ratio after fees waived and paid indirectly and excluding interest expense, borrowing costs and income tax was 1.15%.
- ⁹ For the year ended August 31, 2012, the total expense ratio after fees waived and paid indirectly and excluding interest expense and borrowing costs was 1.09%.

See Notes to Financial Statements.

Financial Highlights

BlackRock Income Trust, Inc. (BKT)

| | Year Ended August 31, | | | | |
|---|-----------------------|--------------------|------------|------------|------------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Per Share Operating Performance | | | | | |
| Net asset value, beginning of year | \$ 7.27 | \$ 7.32 | \$ 7.94 | \$ 7.96 | \$ 7.76 |
| Net investment income ¹ | 0.32 | 0.35 | 0.32 | 0.39 | 0.35 |
| Net realized and unrealized gain (loss) | (0.11) | 0.03 | (0.46) | 0.06 | 0.19 |
| Net increase (decrease) from investment operations | 0.21 | 0.38 | (0.14) | 0.45 | 0.54 |
| Distributions from: ² | | | | | |
| Net investment income | (0.40) | (0.43) | (0.48) | (0.27) | (0.34) |
| Net realized gain | | | | (0.20) | |
| Total distributions | (0.40) | (0.43) | (0.48) | (0.47) | (0.34) |
| Net asset value, end of year | \$ 7.08 | \$ 7.27 | \$ 7.32 | \$ 7.94 | \$ 7.96 |
| Market price, end of year | \$ 6.30 | \$ 6.42 | \$ 6.40 | \$ 7.63 | \$ 7.18 |
| Total Return³ | | | | | |
| Based on net asset value | 3.56% | 6.05% | (1.45)% | 6.24% | 7.70% |
| Based on market price | 4.35% | 7.12% | (10.34)% | 13.19% | 8.47% |
| Ratios to Average Net Assets | | | | | |
| Total expenses | 0.99% ⁴ | 1.02% ⁴ | 1.00% | 0.97% | 1.06% |
| Total expenses after fees waived and paid indirectly | 0.99% ⁴ | 1.02% ⁴ | 1.00% | 0.97% | 1.05% |
| Total expenses after fees waived and paid indirectly and excluding interest expense | 0.90% ⁴ | 0.96% ⁴ | 0.90% | 0.90% | 0.94% |
| Net investment income | 4.48% | 4.74% | 4.18% | 4.86% | 4.43% |
| Supplemental Data | | | | | |
| Net assets, end of year (000) | \$ 452,616 | \$ 464,933 | \$ 467,948 | \$ 507,852 | \$ 508,765 |
| Borrowings outstanding, end of year (000) | \$ 173,695 | \$ 205,415 | \$ 148,344 | \$ 119,706 | \$ 233,676 |
| Portfolio turnover rate ⁵ | 191% | 256% | 358% | 487% | 899% |

¹ Based on average shares outstanding.

² Distributions for annual periods determined in accordance with federal income tax regulations.

³ Total returns based on market price, which can be significantly greater or less than the net asset value, may result in substantially different returns. Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.

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⁴ Includes reorganization costs. Without these costs, total expenses, total expenses after fees waived and paid indirectly, and total expenses after fees waived and paid indirectly and excluding interest expense would have been 0.99% and 0.99% and 0.89% for the years ended August 31, 2015 and 0.97%, 0.97% and 0.90% for the year ended August 31, 2014, respectively.

⁵ Includes MDRs. Additional information regarding portfolio turnover rate is as follows:

| | | Year Ended August 31, | | | |
|-------------------------------------|------|-----------------------|------|------|------|
| | 2015 | 2014 | 2013 | 2012 | 2011 |
| Portfolio turnover (excluding MDRs) | 78% | 125% | 196% | 230% | 387% |

See Notes to Financial Statements.

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Notes to Financial Statements

1. Organization:

The following are registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as closed-end management investment companies and are referred to herein collectively as the "Trusts", or individually, a "Trust":

| Trust Name | Herein Referred To As | Organized | Diversification Classification |
|---|-----------------------|-----------|--------------------------------|
| BlackRock Core Bond Trust | BHK | Delaware | Diversified |
| BlackRock Corporate High Yield Fund, Inc. | HYT | Maryland | Diversified |
| BlackRock Income Trust, Inc. | BKT | Maryland | Diversified |

The Boards of Directors and Boards of Trustees of the Trusts are collectively referred to throughout this report as the "Board of Trustees" or the "Board," and the directors/trustees thereof are collectively referred to throughout this report as "Trustees". The Trusts determine and make available for publication the NAVs of their Common Shares on a daily basis.

The Trusts, together with certain other registered investment companies advised by BlackRock Advisors, LLC (the "Manager") or its affiliates, are included in a complex of closed-end funds referred to as the Closed-End Complex.

Reorganizations: The Board and shareholders of BHK and the Board and shareholders of BlackRock Income Opportunity Trust, Inc. ("BNA" or the "BHK Target Fund") approved the reorganization of the BHK Target Fund into BHK pursuant to which BHK acquired substantially all of the assets and substantially all of the liabilities of the BHK Target Fund in exchange for an equal aggregate value of newly-issued Common Shares of BHK. The purpose of the transaction was to combine two funds managed by BlackRock Advisors, LLC (the "Manager") with the same or substantially similar (but not identical) investment objectives, investment policies, strategies, risks and restrictions. The reorganization was a tax-free event and was effective on November 10, 2014.

Each Common Shareholder of the BHK Target Fund received Common Shares of BHK in an amount equal to the aggregate net asset value of such Common Shareholder's BHK Target Fund Common Shares, as determined at the close of business on November 7, 2014, less the costs of the BHK Target Fund's reorganization. Cash was distributed for any fractional shares.

The reorganization was accomplished by a tax-free exchange of shares of BHK in the following amount and at the following conversion ratio:

| BHK Target Fund | Shares Prior to Reorganization | Conversion Ratio | Shares of BHK |
|-----------------|--------------------------------|------------------|---------------|
| BNA | 34,456,370 | 0.78050585 | 26,893,279 |

BNA's net assets and composition of net assets on November 7, 2014, the valuation date of the reorganization, was as follows:

| | BNA |
|--|-----------------|
| Net assets | \$ 399,906,040 |
| Paid-in capital | \$ 384,183,492 |
| Distributions in excess of net investment income | \$ (65,119) |
| Accumulated net realized loss | \$ (14,090,276) |
| Net unrealized appreciation/depreciation | \$ 29,877,943 |

For financial reporting purposes, assets received and shares issued by BHK were recorded at fair value. However, the cost basis of the investments received from the BHK Target Fund was carried forward to maintain ongoing reporting of BHK's realized and unrealized gains and losses distributable to shareholders for tax purposes.

The net assets of BHK before the acquisition were \$402,115,685. The aggregate net assets of BHK immediately after the acquisition amounted to \$802,021,725. The following key components of BNA prior to the reorganization were as follows:

| | Fair Value of | |
|------------------------|---|------------------------|
| | Investments and Derivative Financial Instruments | Cost of Investments |
| BHK Target Fund | | |
| BNA | \$ 587,550,335 | \$ 557,681,213 |

In connection with the reorganization, BHK's investment advisory fee was reduced by 5 basis points, from 0.55% of BHK's average weekly net assets to 0.50% of BHK's average weekly net assets as defined in Note 6. In addition to this reduction, BHK's contractual investment advisory fee waiver of 0.03%, as a percentage of average weekly net assets, was discontinued in connection with the reorganization.

Assuming the acquisition had been completed on September 1, 2014, the beginning of the fiscal reporting period of BHK, the pro forma results of operations for the year ended August 31, 2015, are as follows:

Notes to Financial Statements (continued)

Net investment income/loss: \$46,563,761

Net realized and change in unrealized gain/loss on investments: \$(39,413,545)

Net increase/decrease in net assets resulting from operations: \$7,150,216

Because the combined investment portfolios have been managed as a single integrated portfolio since the acquisition was completed, it is not practicable to separate the amounts of revenue and earnings of the BHK Target Fund that have been included in BHK's Statement of Operations since November 10, 2014.

Reorganization costs incurred in connection with the reorganization were expensed by BHK.

The Board and shareholders of HYT and the Board and shareholders of each of BlackRock Corporate High Yield Fund, Inc. (COY), BlackRock Corporate High Yield Fund III, Inc. (CYE), BlackRock Corporate High Yield Fund V, Inc. (HYV), BlackRock High Income Shares (HIS) and BlackRock High Yield Trust (BHY) (individually a HYT Target Fund and collectively the HYT Target Funds) approved the reorganizations of each HYT Target Fund into HYT pursuant to which HYT acquired substantially all of the assets and substantially all of the liabilities of each HYT Target Fund in exchange for an equal aggregate value of newly-issued Common Shares of HYT. The purpose of these transactions was to combine six funds managed the Manager with the same or substantially similar (but not identical) investment objectives, investment policies, strategies, risks and restrictions. Each reorganization was a tax-free event and was effective on November 18, 2013. On February 28, 2014, HYT changed its name from BlackRock Corporate High Yield Fund VI, Inc. to BlackRock Corporate High Yield Fund, Inc.

Each Common Shareholder of a HYT Target Fund received Common Shares of HYT in an amount equal to the aggregate net asset value of such Common Shareholders HYT Target Fund shares, as determined at the close of business on November 15, 2013, less the costs of the Target Fund's reorganization. Cash was distributed for any fractional shares.

The reorganizations were accomplished by a tax-free exchange of shares of HYT in the following amounts and at the following conversion ratios:

| | Shares Prior to Reorganization | Conversion Ratio | Shares of HYT |
|------------------------|--------------------------------------|---------------------|------------------|
| HYT Target Fund | | | |
| COY | 35,027,459 | 0.59633674 | 20,888,115 |
| CYE | 37,552,995 | 0.61218457 | 22,989,338 |
| HYV | 33,015,111 | 1.02665810 | 33,895,222 |
| HIS | 54,848,390 | 0.17536312 | 9,618,090 |
| BHY | 6,431,296 | 0.58941105 | 3,790,663 |

Each HYT Target's net assets and composition of net assets on November 15, 2013, the valuation date of the reorganization, were as follows:

| | Target Funds | | | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| | COY | CYE | HYV | HIS | BHY |
| Net assets | \$ 269,933,969 | \$ 297,104,927 | \$ 438,025,175 | \$ 124,291,816 | \$ 48,986,675 |
| Paid-in capital | \$ 305,529,497 | \$ 325,149,382 | \$ 469,523,241 | \$ 151,358,421 | \$ 57,800,581 |
| Distributions in excess of net investment income | \$ (1,185,651) | \$ (1,350,006) | \$ (1,971,210) | \$ (745,598) | \$ (176,691) |
| Accumulated net realized loss | \$ (41,042,210) | \$ (35,328,795) | \$ (45,260,726) | \$ (28,812,095) | \$ (11,055,877) |
| Net unrealized appreciation (depreciation) | \$ 6,632,333 | \$ 8,634,346 | \$ 15,733,870 | \$ 2,500,088 | \$ 2,418,662 |

For financial reporting purposes, assets received and shares issued by HYT were recorded at fair value. However, the cost basis of the investments received from the HYT Target were carried forward to align ongoing reporting of HYT's realized and unrealized gains and losses

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with amounts distributable to shareholders for tax purposes.

The net assets of HYT before the acquisition were \$457,705,742. The aggregate net assets of HYT immediately after the acquisition amounted to \$1,636,048,304. Each HYT Target's fair value and cost of investments and derivative financial instruments prior to the reorganization were as follows:

| | Fair Value of | |
|------------------------|---|--------------------------------|
| | Investments and Derivative Financial Instruments | Cost of Investments |
| HYT Target Fund | | |
| COY | \$ 390,967,349 | \$ 384,382,845 |
| CYE | \$ 426,116,528 | \$ 417,548,014 |
| HYV | \$ 635,374,976 | \$ 619,705,167 |
| HIS | \$ 168,353,486 | \$ 165,699,553 |
| BHY | \$ 69,538,358 | \$ 67,121,555 |

Assuming the acquisition had been completed on September 1, 2013 the beginning of the fiscal reporting period of HYT, the pro forma results of operations for the year ended August 31, 2014, are as follows:

Net investment income: \$124,066,786

Net realized and change in unrealized gain/loss on investments: \$114,665,188

Net increase/decrease in net assets resulting from operations: \$238,731,974

Notes to Financial Statements (continued)

Because the combined investment portfolios have been managed as a single integrated portfolio since the acquisition was completed, it is not practicable to separate the amounts of revenue and earnings of the Target Funds that have been included in HYT's Consolidated Statement of Operations since November 18, 2013.

Reorganization costs incurred in connection with the reorganizations were expensed by HYT.

Basis of Consolidation: The accompanying consolidated financial statements of HYT include the accounts of BLK HYT (Luxembourg) Investments, S.a.r.l., BLK HYV (Luxembourg) Investments, S.a.r.l., BLK COY (Luxembourg) Investments, S.a.r.l. and BLK CYE (Luxembourg) Investments, S.a.r.l. (the Taxable Subsidiaries), which are wholly owned taxable subsidiaries of HYT which hold shares of private Canadian companies, Laricina Energy Ltd., Osum Oil Sands Corp. and Seven Generations Energy Ltd. Such shares are held in the Taxable Subsidiaries in order to realize benefits under the Double Tax Avoidance Convention between Canada and Luxembourg, the result of which is gains on the sale of such shares will not be subject to capital gains taxes in Canada. Income earned on the investment held by the Taxable Subsidiaries may be taxable to such subsidiary in Luxembourg. A tax provision, if any, is included in expenses in the Consolidated Statement of Operations for HYT. The net assets of the Taxable Subsidiaries as of August 31, 2015 were \$4,111,324, which is 0.3% of HYT's consolidated net assets. Intercompany accounts and transactions, if any, have been eliminated. The Taxable Subsidiaries are subject to the same investment policies and restrictions that apply to HYT.

2. Significant Accounting Policies:

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP), which may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements, disclosure of contingent assets and liabilities at the date of 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. Each Trust is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies. Below is a summary of significant accounting policies:

Foreign Currency: Each Trust's books and records are maintained in U.S. dollars. Purchases and sales of investments are recorded at the rates of exchange prevailing on the respective dates of such transactions. Generally, when the U.S. dollar rises in value against a foreign currency, the investments denominated in that currency will lose value; the opposite effect occurs if the U.S. dollar falls in relative value.

Each Trust does not isolate changes in the exchange rates from the changes in the market prices of investments held or sold for financial reporting purposes. Accordingly, the effects of changes in exchange rates on investments are not segregated in the Statements of Operations from the effects of changes in market prices of those investments, but are included as a component of net realized and unrealized gain (loss) from investments. Each Trust reports realized currency gains (losses) on foreign currency related transactions as components of net realized gain (loss) for financial reporting purposes, whereas such components are generally treated as ordinary income for federal income tax purposes.

Segregation and Collateralization: In cases where a Trust enters into certain investments (e.g., dollar rolls, TBA sale commitments, financial futures contracts, forward foreign currency exchange contracts, options written, swaps and short sales), or certain borrowings (e.g., reverse repurchase transactions and treasury roll transactions) that would be treated as senior securities for 1940 Act purposes, a Trust may segregate or designate on its books and records cash or liquid assets having a market value at least equal to the amount of the Trust's future obligations under such investments or borrowings. Doing so allows the investment or borrowing to be excluded from treatment as a senior security. Furthermore, if required by an exchange or counterparty agreement, the Trust may be required to deliver/deposit cash and/or securities to/with an exchange, or broker-dealer or custodian as collateral for certain investments or obligations.

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 date. Dividends from foreign securities where the ex-dividend date may have passed are subsequently recorded when the Trusts are informed of the ex-dividend date. Under the applicable foreign tax laws, a withholding tax at various rates may be imposed on capital gains, dividends and interest. Upon notification from issuers, some of the dividend income received from a real estate investment trust may be redesignated as a reduction of cost of the related investment and/or realized gain. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized on the accrual basis.

Distributions: Distributions from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend date. Portions of return of capital distributions under U.S. GAAP may be taxed at ordinary income rates. The character of distributions is determined in accordance with federal income tax regulations, which may differ from U.S. GAAP. The portion of distributions

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that exceeds a Trust's current and accumulated earnings and profits, as measured on a tax basis, constitute a non-taxable return of capital. Realized net capital gains can be offset by capital losses carried forward from prior years. However, certain Trusts have capital loss carryforwards from pre-2012 tax years that offset realized net capital gains but do not offset current and accumulated earnings and profits. Consequently, if distributions in any tax year are less than the Trust's current earnings and profits but greater than net investment income and net realized capital gains (taxable income), distributions in excess of taxable income are not treated as non-taxable return of capital, but rather may be taxable to shareholders at ordinary income rates. Under certain circumstances, taxable excess distributions could be significant. See Note 8, Income Tax Information, for the tax character of each Trust's distributions paid during the year.

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Notes to Financial Statements (continued)

Deferred Compensation Plan: Under the Deferred Compensation Plan (the Plan) approved by each Trust's Board, the independent Trustees (Independent Trustees) may defer a portion of their annual complex-wide compensation. Deferred amounts earn an approximate return as though equivalent dollar amounts had been invested in common shares of certain other BlackRock Closed-End Funds selected by the Independent Trustees. This has the same economic effect for the Independent Trustees as if the Independent Trustees 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 Trust, if applicable. Deferred compensation liabilities are included in officers' and trustees' fees payable in the Statements of Assets and Liabilities and will remain as a liability of the Trusts until such amounts are distributed in accordance with the Plan.

Recent Accounting Standard: In June 2014, the Financial Accounting Standards Board issued guidance to improve the financial reporting of reverse repurchase agreements and other similar transactions. The guidance will require expanded disclosure for entities that enter into reverse repurchase agreements and similar transactions accounted for as secured borrowings. It is effective for financial statements with fiscal years beginning on or after December 15, 2014 and for interim periods beginning after March 15, 2015. Management is evaluating the impact, if any, of this guidance on the Trusts' financial statement disclosures.

Indemnifications: In the normal course of business, each Trust enters into contracts that contain a variety of representations that provide general indemnification. A Trust's maximum exposure under these arrangements is unknown because it involves future potential claims against a Trust, which cannot be predicted with any certainty.

Other: Expenses directly related to a Trust are charged to that Trust. Other operating expenses shared by several funds are prorated among those funds on the basis of relative net assets or other appropriate methods.

The Trusts have an arrangement with their 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. Investment Valuation and Fair Value Measurements:

Investment Valuation Policies: The Trusts' investments are valued at fair value (also referred to as market value within the financial statements) as of the close of trading on the New York Stock Exchange (NYSE) (generally 4:00 p.m., Eastern time). U.S. GAAP defines fair value as the price the Trusts would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Trusts determine the fair values of their financial instruments 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 Trusts for all financial instruments.

Fair Value Inputs and Methodologies: The following methods (or techniques) and inputs are used to establish the fair value of each Trust's assets and liabilities:

Equity investments traded on a recognized securities exchange are valued at the official close price each day, if available. For equity investments traded on more than one exchange, the official close price on the exchange where the stock is primarily traded is used. Equity investments traded on a recognized exchange for which there were no sales on that day may be valued at the last available bid (long positions) or ask (short positions) price.

Bond investments are valued on the basis of last available bid prices or current market quotations provided by dealers or pricing services. Floating rate loan interests are valued at the mean of the bid prices from one or more brokers or dealers as obtained from a pricing service. 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, various relationships observed in the market between investments and calculated yield measures. Asset-backed and mortgage-backed securities are valued by independent pricing services using models that consider estimated cash flows of each tranche of the security, establish a benchmark yield and develop an

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estimated tranche-specific spread to the benchmark yield based on the unique attributes of the tranche.

Generally, trading in foreign instruments is substantially completed each day at various times prior to the close of business on the NYSE. Occasionally, events affecting the values of such instruments may occur between the foreign market close and the close of business on the NYSE that may not be reflected in the computation of the Trusts' net assets. Each business day, the Trusts use a pricing service to assist with the valuation of certain foreign exchange-traded equity securities and foreign exchange-traded and over-the-counter (OTC) options (the Systematic Fair Value Price). Using current market factors, the Systematic Fair Value Price is designed to value such foreign securities and foreign options at fair value as of the close of business on the NYSE, which follows the close of the local markets.

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.

Notes to Financial Statements (continued)

To-be-announced (TBA) commitments are valued on the basis of last available bid prices or current market quotations provided by pricing services.

Investments in open-end registered investment companies are valued at NAV each business day.

Financial futures contracts traded on exchanges are valued at their last sale price.

Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates determined as of the close of business on the NYSE. Forward foreign currency exchange contracts are valued at the mean between the bid and ask prices and are determined as of the close of business on the NYSE. Interpolated values are derived when the settlement date of the contract is an interim date for which quotations are not available.

Exchange-traded options are valued at the mean between the last bid and ask prices at the close of the options market in which the options trade. An exchange-traded option for which there is no mean price is valued at the last bid (long positions) or ask (short positions) price. If no bid or ask price is available, the prior day's price will be used, unless it is determined that the prior day's price no longer reflects the fair value of the option. OTC options and options on swaps (swaptions) are valued by an independent pricing service using a mathematical model, which incorporates a number of market data factors, such as the trades and prices of the underlying instruments.

Swap agreements are valued utilizing quotes received daily by the Trusts' pricing service or through brokers, which are derived using daily swap curves and models that incorporate a number of market data factors, such as discounted cash flows, trades and values of the underlying reference instruments.

Certain centrally cleared swaps are valued at the price determined by the relevant exchange or clearinghouse. If events (e.g., a company announcement, market volatility or a natural disaster) occur that are expected to materially affect the value of such instruments, or in the event that the 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 Valued Investments). When determining the price for Fair Valued Investments, the Global Valuation Committee, or its delegate, seeks to determine the price that each Trust might reasonably expect to receive or pay from the current sale or purchase of that asset or liability in an arm's-length transaction. Fair value determinations shall be based upon all available factors that the Global Valuation Committee, or its delegate, deems relevant consistent with the principles 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 Trusts' pricing vendors, regular reviews 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 Valued Investments is subsequently reported to the Board or a committee thereof on a quarterly basis.

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

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Level 1 unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Trust 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 each Trust's own assumptions used in determining the fair value of investments and derivative financial instruments)

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. The significant unobservable inputs used by the Global Valuation Committee in determining the price for Fair Valued Investments are typically categorized as Level 3. The fair value hierarchy for each Trust's investments and derivative instruments has been included in the Schedules of Investments.

Notes to Financial Statements (continued)

Changes in valuation techniques may result in transfers into or out of an assigned level within the hierarchy. In accordance with each Trust's policy, transfers between different levels of the fair value hierarchy are deemed to have occurred as of the beginning of the reporting period. The categorization of a value determined for investments and derivative financial instruments is based on the pricing transparency of the investments and derivative financial instruments and is not necessarily an indication of the risks associated with investing in those securities.

4. Securities and Other Investments:

Asset-Backed and Mortgage-Backed Securities: Certain Trusts may invest in asset-backed securities. Asset-backed securities are generally issued as pass-through certificates, which represent undivided fractional ownership interests in an underlying pool of assets, or as debt instruments, which are also known as collateralized obligations, and are generally issued as the debt of a special purpose entity organized solely for the purpose of owning such assets and issuing such debt. Asset-backed securities are often backed by a pool of assets representing the obligations of a number of different parties. The yield characteristics of certain asset-backed securities may differ from traditional debt securities. One such major difference is that all or a principal part of the obligations may be prepaid at any time because the underlying assets (i.e., loans) may be prepaid at any time. As a result, a decrease in interest rates in the market may result in increases in the level of prepayments as borrowers, particularly mortgagors, refinance and repay their loans. An increased prepayment rate with respect to an asset-backed security subject to such a prepayment feature will have the effect of shortening the maturity of the security. In addition, the Trusts may subsequently have to reinvest the proceeds at lower interest rates. If a Trust has purchased such an asset-backed security at a premium, a faster than anticipated prepayment rate could result in a loss of principal to the extent of the premium paid.

Certain Trusts may purchase certain mortgage pass-through securities. There are a number of important differences among the agencies and instrumentalities of the U.S. Government that issue mortgage-related securities and among the securities that they issue. For example, mortgage-related securities guaranteed by Ginnie Mae are guaranteed as to the timely payment of principal and interest by Ginnie Mae and such guarantee is backed by the full faith and credit of the United States. However, mortgage-related securities issued by Freddie Mac and Fannie Mae, including Freddie Mac and Fannie Mae guaranteed mortgage pass-through certificates, which are solely the obligations of Freddie Mac and Fannie Mae, are not backed by or entitled to the full faith and credit of the United States, but are supported by the right of the issuer to borrow from the U.S. Treasury.

Non-agency mortgage-backed securities are securities issued by non-governmental issuers and have no direct or indirect government guarantees of payment and are subject to various risks. Non-agency mortgage loans are obligations of the borrowers thereunder only and are not typically insured or guaranteed by any other person or entity. The ability of a borrower to repay a loan is dependent upon the income or assets of the borrower. A number of factors, including a general economic downturn, acts of God, terrorism, social unrest and civil disturbances, may impair a borrower's ability to repay its loans.

Collateralized Debt Obligations: Certain Trusts may invest in collateralized debt obligations (CDOs), which include collateralized bond obligations (CBOs) and collateralized loan obligations (CLOs). CBOs and CLOs are types of asset-backed securities. A CDO is an entity that is backed by a diversified pool of debt securities (CBOs) or syndicated bank loans (CLOs). The cash flows of the CDO can be split into multiple segments, called tranches, which will vary in risk profile and yield. The riskiest segment is the subordinated or equity tranche. This tranche bears the greatest risk of defaults from the underlying assets in the CDO and serves to protect the other, more senior, tranches from default in all but the most severe circumstances. Since it is shielded from defaults by the more junior tranches, a senior tranche will typically have higher credit ratings and lower yields than their underlying securities, and often receive investment grade ratings from one or more of the nationally recognized rating agencies. Despite the protection from the more junior tranches, senior tranches can experience substantial losses due to actual defaults, increased sensitivity to future defaults and the disappearance of one or more protecting tranches as a result of changes in the credit profile of the underlying pool of assets.

Multiple Class Pass-Through Securities: Certain Trusts may invest in multiple class pass-through securities, including collateralized mortgage obligations (CMOs) and commercial mortgage-backed securities. These multiple class securities may be issued by Ginnie Mae, U.S. Government agencies or instrumentalities or by trusts formed by private originators of, or investors in, mortgage loans. In general, CMOs are debt obligations of a legal entity that are collateralized by, and multiple class pass-through securities represent direct ownership interests in, a pool of residential or commercial mortgage loans or mortgage pass-through securities (the Mortgage Assets), the payments on which are used to make payments on the CMOs or multiple pass-through securities. Classes of CMOs include interest only (IOs), principal only (POs), planned amortization classes and targeted amortization classes. IOs and POs are stripped mortgage-backed securities representing interests in a pool of mortgages, the cash flow from which has been separated into interest and principal components. IOs receive the interest portion of the cash flow while POs receive the principal portion. IOs and POs can be extremely volatile in response to changes in interest rates. As interest rates rise and fall, the value of IOs tends to move in the same direction as interest rates. POs perform best when prepayments on the underlying mortgages rise since this increases the rate at which the principal is returned and the yield to maturity on the PO. When payments on mortgages underlying a PO are slower than anticipated, the life of the PO is lengthened and the yield to maturity is reduced. If the underlying Mortgage Assets experience

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greater than anticipated prepayments of principal, the Trusts may not fully recoup their initial investment in IOs.

Stripped Mortgage-Backed Securities: Certain Trusts may invest in stripped mortgage-backed securities issued by the U.S. Government, its agencies and instrumentalities. Stripped mortgage-backed securities are usually structured with two classes that receive different proportions of the interest (IOs) and principal (POs) distributions on a pool of Mortgage Assets. The Trusts also may invest in stripped mortgage-backed securities that are privately issued.

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

Notes to Financial Statements (continued)

Capital Trusts and Trust Preferred Securities: Certain Trusts may invest in capital trusts and/or trust preferred securities. These securities are typically issued by corporations, generally in the form of interest-bearing notes with preferred security characteristics, or by an affiliated business trust of a corporation, generally in the form of beneficial interests in subordinated debentures or similarly structured securities. The securities can be structured as either fixed or adjustable coupon securities that can have either a perpetual or stated maturity date. For trust preferred security, the issuing bank or corporation will pay interest to the trust, which will then be distributed to holders of the trust preferred securities as a dividend. Dividends can be deferred without creating an event of default or acceleration, although maturity cannot take place unless all cumulative payment obligations have been met. The deferral of payments does not affect the purchase or sale of these securities in the open market. Payments on these securities are treated as interest rather than dividends for federal income tax purposes. These securities generally are rated below that of the issuing company's senior debt securities and are freely callable at the issuer's option.

Preferred Stock: Certain Trusts may invest in preferred stock. Preferred stock has a preference over common stock in liquidation (and generally in receiving dividends as well) but is subordinated to the liabilities of the issuer in all respects. As a general rule, the market value of preferred stock with a fixed dividend rate and no conversion element varies inversely with interest rates and perceived credit risk, while the market price of convertible preferred stock generally also reflects some element of conversion value. Because preferred stock is junior to debt securities and other obligations of the issuer, deterioration in the credit quality of the issuer will cause greater changes in the value of a preferred stock than in a more senior debt security with similar stated yield characteristics. Unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Preferred stock also may be subject to optional or mandatory redemption provisions.

Warrants: Warrants entitle the Trusts to purchase a predetermined number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date of the warrants, if any.

Floating Rate Loan Interests: Certain Trusts may invest in floating rate loan interests. The floating rate loan interests held by the Trusts are typically issued to companies (the borrower) by banks, other financial institutions, and privately and publicly offered corporations (the lender). Floating rate loan interests are generally non-investment grade, often involve borrowers whose financial condition is troubled or uncertain and companies that are highly leveraged. The Trusts may invest in obligations of borrowers who are in bankruptcy proceedings. Floating rate loan interests may include fully funded term loans or revolving lines of credit. Floating rate loan interests are typically senior in the corporate capital structure of the borrower. Floating rate loan interests generally pay interest at rates that are periodically determined by reference to a base lending rate plus a premium. The base lending rates are generally the lending rate offered by one or more European banks, such as the London Interbank Offered Rate (LIBOR), the prime rate offered by one or more U.S. banks or the certificate of deposit rate. Floating rate loan interests may involve foreign borrowers, and investments may be denominated in foreign currencies. The Trusts consider these investments to be investments in debt securities for purposes of its investment policies.

When the Trusts purchase a floating rate loan interest, it may receive a facility fee and when it sells a floating rate loan interest, it may pay a facility fee. On an ongoing basis, the Trusts may receive a commitment fee based on the undrawn portion of the underlying line of credit amount of a floating rate loan interest. Facility and commitment fees are typically amortized to income over the term of the loan or term of the commitment, respectively. Consent and amendment fees are recorded to income as earned. Prepayment penalty fees, which may be received by the Trusts upon the prepayment of a floating rate loan interest by a borrower, are recorded as realized gains. The Trusts may invest in multiple series or tranches of a loan. A different series or tranche may have varying terms and carry different associated risks.

Floating rate loan interests are usually freely callable at the borrower's option. The Trusts may invest in such loans in the form of participations in loans (Participations) or assignments (Assignments) of all or a portion of loans from third parties. Participations typically will result in the Trusts having a contractual relationship only with the lender, not with the borrower. The Trusts will have the right to receive payments of principal, interest and any fees to which it is entitled only from the lender selling the Participation and only upon receipt by the lender of the payments from the borrower. In connection with purchasing Participations, the Trusts generally will have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of offset against the borrower, and the Trusts may not benefit directly from any collateral supporting the loan in which it has purchased the Participation. As a result, the Trusts will assume the credit risk of both the borrower and the lender that is selling the Participation. The Trusts' investment in loan participation interests involves the risk of insolvency of the financial intermediaries who are parties to the transactions. In the event of the insolvency of the lender selling the Participation, the Trusts may be treated as a general creditor of the lender and may not benefit from any offset between the lender and the borrower. Assignments typically result in the Trusts having a direct contractual relationship with the borrower, and the Trusts may enforce compliance by the borrower with the terms of the loan agreement.

In connection with floating rate loan interests, certain Trusts may also enter into unfunded floating rate loan interests and bridge loan commitments (commitments). Bridge loan commitments may obligate the Trusts to furnish temporary financing to a borrower until permanent financing can be arranged. In connection with either of these commitments, the Trusts earn a commitment fee, typically set as a percentage of the commitment amount. Such fee income, which is included in interest income in the Statements of Operations, is recognized ratably over the

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commitment period. Commitment fees received in advance and unrecognized are recorded in the Statements of Assets and Liabilities as deferred income. Unfunded floating rate loan interests are marked-to-market daily, and any unrealized appreciation (depreciation) is included in the Statements of Assets and Liabilities and Statements of Operations. As of August 31, 2015, the Trusts had no unfunded floating rate loan interests or bridge loan commitments.

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

TBA Commitments: Certain Trusts may enter into TBA commitments. TBA commitments are forward agreements for the purchase or sale of mortgage-backed securities for a fixed price, with payment and delivery on an agreed upon future settlement date. The specific securities to be delivered are not identified at the trade date. However, delivered securities must meet specified terms, including issuer, rate and mortgage terms. When entering into TBA commitments, the Trusts may take possession of or deliver the underlying mortgage-backed securities but can extend the settlement or roll the transaction. TBA commitments involve a risk of loss if the value of the security to be purchased or sold declines or increases, respectively, prior to settlement date.

In order to better define contractual rights and to secure rights that will help the Trusts mitigate their counterparty risk, TBA commitments may be entered into by the Trusts under Master Securities Forward Transaction Agreements (each, an MSFTA). An MSFTA typically contains, among other things, collateral posting terms and netting provisions in the event of default and/or termination event. The collateral requirements are typically calculated by netting the mark-to-market amount for each transaction under such agreement and comparing that amount to the value of the collateral currently pledged by a Trust and the counterparty. Cash collateral that has been pledged to cover the obligations of a Trust and cash collateral received from the counterparty, if any, is reported separately on the Statements of Assets and Liabilities as cash pledged as collateral for TBA commitments or cash received as collateral for TBA commitments, respectively. Non-cash collateral pledged by a Trust, if any, is noted in the Schedules of Investments. Typically, the Trusts are permitted to sell, repledge or use the collateral they receive; however, the counterparty is not permitted to do so. To the extent amounts due to the Trusts are not fully collateralized, contractually or otherwise, the Trusts bear the risk of loss from counterparty non-performance.

Mortgage Dollar Roll Transactions: Certain Trusts may sell TBA mortgage-backed securities and simultaneously contract to repurchase substantially similar (i.e., same type, coupon and maturity) securities on a specific future date at an agreed upon price. During the period between the sale and repurchase, the Trusts will not be entitled to receive interest and principal payments on the securities sold. The Trusts account for mortgage dollar roll transactions as purchases and sales and realizes gains and losses on these transactions. These transactions may increase the Trusts' portfolio turnover rate. Mortgage dollar rolls involve the risk that the market value of the securities that the Trusts are required to purchase may decline below the agreed upon repurchase price of those securities.

Commitments: Certain Trusts may enter into commitments, or agreements, to acquire an investment at a future date (subject to certain conditions) in connection with a potential public or non-public offering. Such agreements may obligate the Trusts to make future cash payments. As of August 31, 2015, the Trusts had outstanding commitments as follows:

| | BHK | HYT |
|-------------|--------------|---------------|
| Commitments | \$ 1,800,000 | \$ 93,426,000 |

These commitments are not included in the net assets of the Trusts as of August 31, 2015.

Borrowed Bond Agreements: Certain Trusts may enter into borrowed bond agreements. In a borrowed bond agreement, the Trusts borrow a bond from a counterparty in exchange for cash collateral. The borrowed bond agreement contains a commitment that the security and the cash will be returned to the counterparty and the Trusts at a mutually agreed upon date. Certain agreements have no stated maturity and can be terminated by either party at any time. Borrowed bond agreements are entered into primarily in connection with short sales of bonds. Earnings on cash collateral and compensation to the lender of the bond are based on agreed upon rates between the Trusts and the counterparty. The value of the underlying cash collateral approximates the market value and accrued interest of the borrowed bond. To the extent that a borrowed bond transaction exceeds one business day, the value of the cash collateral in the possession of the counterparty is monitored on a daily basis to ensure the adequacy of the collateral. As the market value of the borrowed bond changes, the cash collateral is periodically increased or decreased with a frequency and in amounts prescribed in the borrowed bond agreement. The Trusts may also experience delays in gaining access to the collateral.

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Reverse Repurchase Agreements: Certain Trusts may enter into reverse repurchase agreements with qualified third party broker-dealers. In a reverse repurchase agreement, the Trusts sell securities to a bank or broker-dealer and agrees to repurchase the same securities at a mutually agreed upon date and price. The Trusts receive cash from the sale to use for other investment purposes. During the term of the reverse repurchase agreement, the Trusts continue to receive the principal and interest payments on the securities sold. Certain agreements have no stated maturity and can be terminated by either party at any time. Interest on the value of the reverse repurchase agreements issued and outstanding is based upon competitive market rates determined at the time of issuance. The Trusts may utilize reverse repurchase agreements when it is anticipated that the interest income to be earned from the investment of the proceeds of the transaction is greater than the interest expense of the transaction. Reverse repurchase agreements involve leverage risk. If the Trusts suffer a loss on its investment of the transaction proceeds from a reverse repurchase agreement, the Trusts would still be required to pay the full

Notes to Financial Statements (continued)

repurchase price. Further, the Trusts remain subject to the risk that the market value of the securities repurchased declines below the repurchase price. In such cases, the Trusts would be required to return a portion of the cash received from the transaction or provide additional securities to the counterparty.

For financial reporting purposes, cash received in exchange for securities delivered plus accrued interest due to the counterparty is recorded as a liability in the Statements of Assets and Liabilities at face value including accrued interest. Due to the short-term nature of the reverse repurchase agreements, face value approximates fair value. Interest payments made by the Trusts to the counterparties are recorded as a component of interest expense in the Statements of Operations. In periods of increased demand for the security, a Trust may receive a fee for use of the security by the counterparty, which may result in interest income to the Trusts.

Treasury Roll Transactions: Certain Trusts may enter into treasury roll transactions. In a treasury roll transaction, the Trusts sell a Treasury security to a counterparty with a simultaneous agreement to repurchase the same security at an agreed upon price and future settlement date. The Trusts receive cash from the sale of the Treasury security to use for other investment purposes. The difference between the sale price and repurchase price represents net interest income or net interest expense reflective of an agreed upon rate between the Trusts and the counterparty over the term of the borrowing. For U.S. GAAP purposes, a treasury roll transaction is accounted for as a secured borrowing and not as a purchase or sale. During the term of the borrowing, interest income from the Treasury security and the related interest expense on the secured borrowing is recorded by the Trusts on an accrual basis. The Trusts will benefit from the transaction if the income earned on the investment purchased with the cash received in the treasury roll transaction exceeds the interest expense incurred by the Trusts. If the interest expense exceeds the income earned, the Trusts' net investment income and dividends to shareholders may be adversely impacted. Treasury roll transactions involve leverage risk. If the Trusts suffer a loss on their investment of the transaction proceeds from a Treasury roll transaction, the Trusts would be required to pay the full repurchase price. Further, the Trusts remain subject to the risk that the market value of the Treasury securities that the Trusts are required to repurchase may decline below the agreed upon repurchase price of those securities. In such cases, the Trusts would need to return a portion of the cash received from the transaction or provide additional Treasury securities to the counterparty.

For the year ended August 31, 2015, the average amount of reverse repurchase agreements outstanding and the daily weighted average interest rates were as follows:

| | Average Amount | Daily Weighted Average Interest Rate |
|-----|-------------------|---|
| BHK | \$ 312,290,984 | 0.28% |
| BKT | \$ 192,250,899 | 0.23% |

Borrowed bond agreements and reverse repurchase transactions are entered into by the Trusts under Master Repurchase Agreements (each, an MRA), which permit the Trusts, under certain circumstances, including an event of default (such as bankruptcy or insolvency), to offset payables and/or receivables under the MRA with collateral held and/or posted to the counterparty and create one single net payment due to or from the Trusts. With borrowed bond agreements and reverse repurchase transactions, typically the Trusts and the counterparties are permitted to sell, re-pledge, or use the collateral associated with the transaction. Bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of the MRA counterparty's bankruptcy or insolvency. Pursuant to the terms of the MRA, the Trusts receive or post securities as collateral with a market value in excess of the repurchase price to be paid or received by the Trusts upon the maturity of the transaction. Upon a bankruptcy or insolvency of the MRA counterparty, the Trusts are considered an unsecured creditor with respect to excess collateral and, as such, the return of excess collateral may be delayed.

As of August 31, 2015, the following table is a summary of the Trusts' open borrowed bond and reverse repurchase agreements by counterparty which are subject to offset under an MRA on a net basis:

| BHK Counterparty | Reverse Repurchase Agreements | Fair Value of Non-cash | Cash Collateral Pledged | Net Amount |
|---------------------|----------------------------------|------------------------|----------------------------|------------|
|---------------------|----------------------------------|------------------------|----------------------------|------------|

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| | | Collateral Pledged Including Accrued Interest¹ |
|---|-----------------------|--|
| Barclays Capital, Inc. | \$ 13,093,175 | \$ (13,093,175) |
| BNP Paribas Securities Corp. | 120,590,004 | (120,590,004) |
| Credit Suisse Securities (USA) LLC | 5,175,613 | (5,175,613) |
| HSBC Securities (USA), Inc. | 82,356,889 | (82,356,889) |
| Merrill Lynch, Pierce, Fenner and Smith, Inc. | 2,154,185 | (2,154,185) |
| RBC Capital Markets, LLC | 41,417,287 | (41,417,287) |
| UBS Securities LLC | 38,864,136 | (38,864,136) |
| Total | \$ 303,651,289 | \$ (303,651,289) |

¹ Net collateral with a value of \$313,832,537 has been pledged in connection with open reverse repurchase agreements. Excess of collateral pledged to the individual counterparty is not shown for financial reporting purposes.

Notes to Financial Statements (continued)

| Counterparty | Borrowed Bonds Agreements ¹ | Reverse Repurchase Agreements | Borrowed Bonds at Value including Accrued Interest ² | Net Amount before Collateral | Non-cash Collateral Received | Cash Collateral Received | Non-cash Collateral Pledged | Cash Collateral Pledged | Net Collateral (Received) Pledged ³ | Net Exposure Due (to) / from Counterparty ³ |
|------------------------------------|--|-------------------------------|---|------------------------------|------------------------------|--------------------------|-----------------------------|-------------------------|--|--|
| | | | | | | | | | | |
| BNP Paribas Securities Corp | | \$ (2,880,963) | | \$ (2,880,963) | | | \$ 2,880,963 | | \$ 2,880,963 | |
| Credit Suisse Securities (USA) LLC | \$ 847,000 | (15,020,644) | \$ (889,687) | (15,063,331) | | | 14,467,153 | \$ 596,178 | 15,063,331 | |
| HSBC Securities (USA) LLC | | (155,793,773) | | (155,793,773) | | | 155,793,773 | | 155,793,773 | |
| Total | \$ 847,000 | \$ (173,695,380) | \$ (889,687) | \$ (173,738,067) | | | \$ 173,141,889 | \$ 596,178 | \$ 173,738,067 | |

¹ Included in Investments at value-unaffiliated in the Statements of Assets and Liabilities.

² Includes accrued interest on borrowed bonds in the amount of \$7,469 which is included in interest expense payable in the Statements of Assets and Liabilities.

³ Net collateral with a value of \$179,164,713 has been pledged in connection with open reverse repurchase agreements. Excess of net collateral pledged to the individual counterparty is not shown for financial reporting purposes.

In the event the counterparty of securities under an MRA files for bankruptcy or becomes insolvent, the Trusts' use of the proceeds from the agreement may be restricted while the counterparty, or its trustee or receiver, determines whether or not to enforce the Trusts' obligation to repurchase the securities.

Short Sales: Certain Trusts may enter into short sale transactions in which the Trusts sell a security they do not hold in anticipation of a decline in the market price of that security. When the Trusts make a short sale, they will borrow the security sold short (borrowed bond) and deliver the security to the counterparty to which they sold the security short. An amount equal to the proceeds received by the Trusts is reflected as an asset and an equivalent liability. The amount of the liability is subsequently marked-to-market to reflect the market value of the short sale. The Trusts are required to repay the counterparty interest on the security sold short, which, if applicable, is shown as interest expense in the Statements of Operations. The Trusts are exposed to market risk based on the amount, if any, that the market value of the security increases beyond the market value at which the position was sold. Thus, a short sale of a security involves the risk that instead of declining, the price of the security sold short will rise. The short sale of securities involves the possibility of a theoretically unlimited loss since there is a theoretically unlimited potential for the market price of the security sold short to increase. A gain, limited to the price at which the Trusts sold the security short, or a loss, unlimited as to the dollar amount, will be recognized upon the termination of a short sale if the market price is either less than or greater than the proceeds originally received. There is no assurance that the Trusts will be able to close out a short position at a particular time or at an acceptable price.

5. Derivative Financial Instruments:

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

Financial Futures Contracts: Certain Trusts invest in long and/or short positions in financial futures contracts and options on financial futures contracts to gain exposure to, or economically hedge against, changes in interest rates (interest rate risk), changes in the value of equity securities (equity risk) or foreign currencies (foreign currency exchange rate risk). Financial futures contracts are agreements between the Trusts 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

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settlement date or by payment of a cash settlement amount on the settlement date.

Upon entering into a financial futures contract, the Trusts 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, if any, is recorded on the Statements of Assets and Liabilities as cash pledged for financial futures contracts. Pursuant to the contract, the Trusts agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as variation margin. Variation margin is recorded by the Trusts as unrealized appreciation (depreciation) and, if applicable, as a receivable or payable for variation margin in the Statements of Assets and Liabilities.

When the contract is closed, the Trusts record a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The use of financial futures contracts involves the risk of an imperfect correlation in the movements in the price of financial futures contracts, interest or foreign currency exchange rates and the underlying assets.

Forward Foreign Currency Exchange Contracts: Certain Trusts enter into forward foreign currency exchange contracts as an economic hedge against either specific transactions or portfolio instruments or to obtain exposure to, or hedge exposure away from, foreign currencies (foreign currency exchange rate risk). A forward foreign currency exchange contract is an agreement between two parties to buy and sell a currency at a set exchange rate on a future date.

Notes to Financial Statements (continued)

Forward foreign currency exchange contracts, when used by the Trusts, help to manage the overall exposure to the currencies in which some of the investments held by the Trusts are denominated. Non-deliverable forward foreign currency exchange contracts are settled with the counterparty in cash without the delivery of foreign currency. The contract is marked-to-market daily and the change in market value is recorded by the Trusts as an unrealized gain or loss. When the contract is closed, the Trusts record a realized gain or loss equal to the difference between the value at the time it was opened and the value at the time it was closed. The use of forward foreign currency exchange contracts involves the risk that the value of a forward foreign currency exchange contract changes unfavorably due to movements in the value of the referenced foreign currencies.

Options: Certain Trusts purchase and write call and put options to increase or decrease their exposure to underlying instruments including equity risk and interest rate risk and/or, in the case of options written, to generate gains from options premiums. A call option gives the purchaser (holder) of the option the right (but not the obligation) to buy, and obligates the seller (writer) to sell (when the option is exercised) the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. A put option gives the holder the right to sell and obligates the writer to buy the underlying instrument at the exercise or strike price at any time or at a specified time during the option period. When the Trusts purchase (write) an option, an amount equal to the premium paid (received) by the Trusts is reflected as an asset (liability). The amount of the asset (liability) is subsequently marked-to-market to reflect the current market value of the option purchased (written). When an instrument is purchased or sold through an exercise of an option, the related premium paid (or received) is added to (or deducted from) the basis of the instrument acquired or deducted from (or added to) the proceeds of the instrument sold. When an option expires (or the Trusts enter into a closing transaction), the Trusts realize a gain or loss on the option to the extent of the premiums received or paid (or gain or loss to the extent the cost of the closing transaction exceeds the premiums received or paid). When the Trusts write a call option, such option is covered, meaning that the Trusts hold the underlying instrument subject to being called by the option counterparty. When the Trusts write a put option, such option is covered by cash in an amount sufficient to cover the obligation.

Options on swaps (swaptions) are similar to options on securities except that instead of selling or purchasing the right to buy or sell a security, the writer or purchaser of the swaptions is granting or buying the right to enter into a previously agreed upon interest rate or credit default swap agreement (interest rate risk and/or credit risk) at any time before the expiration of the option.

In purchasing and writing options, the Trusts bear the risk of an unfavorable change in the value of the underlying instrument or the risk that the Trusts may not be able to enter into a closing transaction due to an illiquid market. Exercise of a written option could result in the Trusts purchasing or selling a security when it otherwise would not, or at a price different from the current market value.

Swaps: Certain Trusts enter into swap agreements in which the Trusts and a counterparty agree either to make periodic net payments on a specified notional amount or a net payment upon termination. Swap agreements are privately negotiated in the OTC market and may be entered into as a bilateral contract (OTC swaps) or centrally cleared (centrally cleared swaps). Swaps are marked-to-market daily and changes in value are recorded as unrealized appreciation (depreciation).

For OTC swaps, any upfront premiums paid are recorded as assets and any upfront fees received are recorded as liabilities and are shown as swap premiums paid and swap premiums received, respectively, in the Statements of Assets and Liabilities and amortized over the term of the OTC swap. Payments received or made by the Trusts for OTC swaps are recorded in the Statements of Operations as realized gains or losses, respectively. When an OTC swap is terminated, the Trusts will record a realized gain or loss equal to the difference between the proceeds from (or cost of) the closing transaction and the Trusts' basis in the contract, if any. Generally, the basis of the contract is the premium received or paid.

In a centrally cleared swap, immediately following execution of the swap agreement, the swap agreement is novated to a central counterparty (the CCP) and the Trusts' counterparty on the swap agreement becomes the CCP. The Trusts are required to interface with the CCP through a broker. Upon entering into a centrally cleared swap, the Trusts are required to deposit initial margin with the broker in the form of cash or securities in an amount that varies depending on the size and risk profile of the particular swap. 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 centrally cleared swaps. The daily change in valuation of centrally cleared swaps is recorded as a receivable or payable for variation margin in the Statements of Assets and Liabilities. Payments received from (paid to) the counterparty, including at termination, are recorded as realized gain (loss) in the Statements of Operations.

Swap transactions involve, to varying degrees, elements of interest rate, credit and market risk in excess of the amounts recognized in the Statements of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of the contractual terms in the agreements, and that there may be unfavorable changes in interest rates and/or market values associated with these transactions.

Credit default swaps Certain Trusts enter into credit default swaps to manage their exposure to the market or certain sectors of the market, to reduce their risk exposure to defaults of corporate and/or sovereign issuers or to create exposure to corporate and/or sovereign issuers to which they are not otherwise exposed (credit risk). The Trusts may either buy or sell (write) credit default swaps on single-name issuers (corporate or sovereign), a combination or basket of single-name issuers or traded indexes. Credit default swaps on single-name issuers are agreements in which the protection buyer pays fixed periodic payments to the seller in consideration for a guarantee from the protection seller to make a specific payment should a negative credit event take place with respect to the referenced entity (e.g., bankruptcy, failure to pay, obligation accelerators, repudiation, moratorium or

Notes to Financial Statements (continued)

restructuring). Credit default swaps on traded indexes are agreements in which the buyer pays fixed periodic payments to the seller in consideration for a guarantee from the seller to make a specific payment should a write-down, principal or interest shortfall or default of all or individual underlying securities included in the index occur. As a buyer, if an underlying credit event occurs, the Trusts will either (i) receive from the seller an amount equal to the notional amount of the swap and deliver the referenced security or underlying securities comprising the index, or (ii) receive a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising the index. As a seller (writer), if an underlying credit event occurs, the Trusts will either pay the buyer an amount equal to the notional amount of the swap and take delivery of the referenced security or underlying securities comprising the index or pay a net settlement of cash equal to the notional amount of the swap less the recovery value of the security or underlying securities comprising the index.

Total return swaps Certain Trusts enter into total return swaps to obtain exposure to a security or market without owning such security or investing directly in that market or to transfer the risk/return of one market (e.g., fixed income) to another market (e.g., equity or commodity prices) (equity risk, commodity price risk and/or interest rate risk). Total return swaps are agreements in which there is an exchange of cash flows whereby one party commits to make payments based on the total return (coupons plus capital gains/losses) of an underlying instrument in exchange for fixed or floating rate interest payments. To the extent the total return of the instrument or index underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Trusts will receive a payment from or make a payment to the counterparty.

Interest rate swaps Certain Trusts enter into interest rate swaps to gain or reduce exposure to interest rates or to manage duration, the yield curve or interest rate risk by economically hedging the value of the fixed rate bonds, which may decrease when interest rates rise (interest rate risk). Interest rate swaps are agreements in which one party pays a stream of interest payments, either fixed or floating, for another party's stream of interest payments, either fixed or floating, on the same notional amount for a specified period of time. In more complex swaps, the notional principal amount may decline (or amortize) over time.

Forward interest rate swaps Certain Trusts enter into forward interest rate swaps and forward total return swaps. In a forward swap, each Trust and the counterparty agree to make either periodic net payments beginning on a specified future effective date or a net payment at termination, unless terminated earlier.

Counterparty Credit Risk: A derivative contract may suffer a mark-to-market loss if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument. Losses can also occur if the counterparty does not perform under the contract.

The Trust's risk of loss from counterparty credit risk on OTC derivatives is generally limited to the aggregate unrealized gain less the value of any collateral held by such Trust.

For OTC options purchased, the Trusts bear the risk of loss of the amount of the premiums paid plus the positive change in market values net of any collateral held by such Trust should the counterparty fail to perform under the contracts. Options written by the Trusts do not typically give rise to counterparty credit risk, as options written generally obligate the Trusts, and not the counterparty, to perform, though the Trusts may be exposed to counterparty credit risk with respect to options written to the extent the Trusts deposit collateral with their counterparty to a written option.

With exchange-traded options purchased, futures and centrally cleared swaps, there is less counterparty credit risk to the Trusts since the exchange or clearinghouse, as counterparty to such instruments, guarantees against a possible default. The clearinghouse stands between the buyer and the seller of the contract; therefore, credit risk is limited to failure of the clearinghouse. While offset rights may exist under applicable law, a Trust does not have a contractual right of offset against a clearing broker or clearinghouse in the event of a default (including the bankruptcy or insolvency) of the clearing broker or clearinghouse. Additionally, credit risk exists in exchange-traded futures and centrally cleared swaps with respect to initial and variation margin that is held in a clearing broker's customer accounts. While clearing brokers are required to segregate customer margin from their own assets, in the event that a clearing broker becomes insolvent or goes into bankruptcy and at that time there is a shortfall in the aggregate amount of margin held by the clearing broker for all its clients, typically the shortfall would be allocated on a pro rata basis across all the clearing broker's customers, potentially resulting in losses to the Trusts.

In order to better define their contractual rights and to secure rights that will help the Trusts mitigate their counterparty risk, the Trusts may enter into an International Swaps and Derivatives Association, Inc. Master Agreement (ISDA Master Agreement) or similar agreement with their counterparties. An ISDA Master Agreement is a bilateral agreement between each Trust and a counterparty that governs certain OTC derivatives and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event.

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Under an ISDA Master Agreement, each Trust may, under certain circumstances, offset with the counterparty certain derivative financial instruments payables and/or receivables with collateral held and/or posted and create one single net payment. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of default including the bankruptcy or insolvency of the counterparty. Bankruptcy or insolvency laws of a particular jurisdiction may restrict or prohibit the right of offset in bankruptcy, insolvency or other events. In addition, certain ISDA Master Agreements allow counterparties to terminate derivative contracts prior to maturity in the event the Trusts' net assets decline by a stated percentage or the Trusts fail to meet the terms of their ISDA Master Agreements. The result would cause the Trusts to accelerate payment of any net liability owed to the counterparty.

Notes to Financial Statements (continued)

Collateral Requirements: For derivatives traded under an ISDA Master Agreement, the collateral requirements are typically calculated by netting the mark-to-market amount for each transaction under such agreement and comparing that amount to the value of any collateral currently pledged by the Trusts and the counterparty.

Cash collateral that has been pledged to cover obligations of the Trusts and cash collateral received from the counterparty, if any, is reported separately on the Statements of Assets and Liabilities as cash pledged as collateral and cash received as collateral, respectively. Non-cash collateral pledged by the Trusts, if any, is noted in the Schedules of Investments. Generally, the amount of collateral due from or to a party has to exceed a minimum transfer amount threshold (typically either \$250,000 or \$500,000) before a transfer is required, which is determined at the close of business of the Trusts. Any additional required collateral is delivered to/pledged by the Trusts on the next business day. To the extent amounts due to the Trusts from their counterparties are not fully collateralized, the Trusts bear the risk of loss from counterparty non-performance. Likewise, to the extent the Trusts have delivered collateral to a counterparty and stand ready to perform under the terms of their agreement with such counterparty, the Trusts bear the risk of loss from a counterparty in the amount of the value of the collateral in the event the counterparty fails to return such collateral. Based on the terms of agreements, collateral may not be required to all derivative contacts.

For financial reporting purposes, the Trusts do not offset derivative assets and derivative liabilities that are subject to netting arrangements, if any, in the Statements of Assets and Liabilities.

6. Investment Advisory Agreement and Other Transactions with Affiliates:

The PNC Financial Services Group, Inc. is the largest stockholder and an affiliate of BlackRock, Inc. (BlackRock) for 1940 Act purposes.

Each Trust entered into an Investment Advisory Agreement with the Manager, the Trusts' investment advisor, an indirect, wholly owned subsidiary of BlackRock, to provide investment advisory services for each Trust and administration services for BHK and HYT. The Manager is responsible for the management of each Trust's portfolio and provides the personnel, facilities, equipment and certain other services necessary to the operations of each Trust.

The following Trust's investment advisory fee paid to the Manager is computed weekly and payable monthly based on an annual rate of its average total assets (including any assets attributable to borrowings) minus the sum of total liabilities (other than debt representing financial leverage):

| | |
|-----|-------|
| BHK | 0.50% |
|-----|-------|

Prior to November 10, 2014, BHK paid the manager an investment advisory fee at an annual rate 0.55%.

The following Trust's investment advisory fee paid to the Manager is computed daily and payable monthly based on an annual rate of its average total assets (including any assets attributable to borrowings) minus the sum of total liabilities (other than debt representing financial leverage):

| | |
|-----|-------|
| HYT | 0.60% |
|-----|-------|

The following Trust's investment advisory fee paid to the Manager is computed weekly and payable monthly based on an annual rate of its average net assets:

| | |
|-----|-------|
| BKT | 0.65% |
|-----|-------|

BKT has an Administration Agreement with the Manager. The administration fee paid to the Manager is computed weekly and payable monthly based on an annual rate of 0.15% of BKT's average net assets.

The Manager voluntarily agreed to waive a portion of investment advisory fee with respect to BHK at an annual rate of 0.03%, as a percentage of average weekly managed assets. This voluntary waiver was discontinued in connection with BHK's reorganization with BNA. For the year ended August 31, 2015, the Manager waived \$33,047, which is included in fees waived by Manager in the Statements of Operations for BHK.

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The Manager voluntarily agreed to waive its investment advisory fees by the amount of investment advisory fees each Trust pays to the Manager indirectly through its investment in affiliated money market funds. These amounts are included in fees waived by the Manager in the Statements of Operations. However, the Manager does not waive its investment advisory fees by the amount of investment advisory fees paid in connection with each Trust's investments in other affiliated investment companies, if any. For the year ended August 31, 2015, the amounts waived were as follows:

| | BHK | HYT | BKT |
|----------------|------------|------------|------------|
| Amounts waived | \$ 3,528 | \$ 1,346 | \$ 7,583 |

The Manager provides investment management and other services to the Taxable Subsidiaries. The Manager does not receive separate compensation from the Taxable Subsidiaries for providing investment management or administrative services. However, HYT pays the Manager based on HYT's net assets, which include the assets of the Taxable Subsidiaries.

Notes to Financial Statements (continued)

Certain officers and/or Trustees of the Trusts are officers and/or directors of BlackRock or its affiliates. The Trusts reimburse the Manager for a portion of the compensation paid to the Trusts' Chief Compliance Officer, which is included in officer and trustees in the Statements of Operations.

The Trusts may purchase securities from, or sell securities to, an affiliated fund provided the affiliation is due solely to having a common investment advisor, common officers, or common trustees. For the year ended August 31, 2015, the purchase transactions with an affiliated fund in compliance with Rule 17a-7 under the 1940 Act for HYT are \$42,939.

7. Purchases and Sales:

For the year ended August 31, 2015, purchases and sales of investments, including paydowns, mortgage dollar rolls and TBA transactions and excluding short-term securities, were as follows:

Purchases

| | BHK | HYT | BKT |
|--------------------------------|-----------------------|-------------------------|-------------------------|
| Non-U.S. Government Securities | \$ 315,955,781 | \$ 1,302,558,128 | \$ 1,193,267,134 |
| U.S. Government Securities | 233,122,887 | | 64,047,619 |
| Total Purchases | \$ 549,078,668 | \$ 1,302,558,128 | \$ 1,257,314,753 |

Sales

| | BHK | HYT | BKT |
|--|-----------------------|-------------------------|-------------------------|
| Non-U.S. Government Securities (includes paydowns) | \$ 354,515,491 | \$ 1,365,971,834 | \$ 1,259,813,617 |
| U.S. Government Securities | 273,322,727 | | 63,532,903 |
| Total Sales | \$ 627,838,218 | \$ 1,365,971,834 | \$ 1,323,346,520 |

For the year ended August 31, 2015, purchases and sales related to mortgage dollar rolls were as follows:

| | BHK | HYT | BKT |
|-----------|---------------|------------|----------------|
| Purchases | \$ 35,968,602 | | \$ 741,932,664 |
| Sales | \$ 36,064,249 | | \$ 742,363,363 |

8. Income Tax Information:

It is the Trusts' 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, except with respect to any taxes related to the Taxable Subsidiaries.

The Trusts file U.S. federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Trusts' U.S. federal tax returns remains open for each of the four years ended August 31, 2015. The statutes of limitations on the Trusts' state and local tax returns may remain open for an additional year depending upon the jurisdiction.

Management has analyzed tax laws and regulations and their application to the Trusts as of August 31, 2015, inclusive of the open tax return years, and does not believe there are any uncertain tax positions that require recognition of a tax liability in the Trusts' financial statements.

U.S. GAAP requires that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset values per share. As of August 31, 2015, the following permanent differences attributable to the accounting for swap agreements, amortization methods on fixed income securities, securities in default, classification of investment, foreign currency transactions, non-deductible expenses, the expiration of capital loss carryforwards, income recognized from

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investments in partnerships, net paydown losses, distributions paid in excess of taxable income and dividends recognized for tax purposes were reclassified to the following accounts:

| | BHK | HYT | BKT |
|-------------------------------------|----------------|-----------------|----------------|
| Paid-in capital | \$ (1,756,010) | \$ (5,679,081) | \$ (12,389) |
| Undistributed net investment income | \$ 4,366,661 | \$ 33,287,759 | \$ 2,633,187 |
| Accumulated net realized loss | \$ (2,610,651) | \$ (27,608,678) | \$ (2,620,798) |

The tax character of distributions paid was as follows:

| | | BHK | HYT | BKT |
|-----------------|---------|---------------|----------------|---------------|
| Ordinary income | 8/31/15 | \$ 49,401,456 | \$ 123,054,879 | \$ 25,321,248 |
| | 8/31/14 | \$ 24,499,913 | \$ 101,824,719 | \$ 27,623,179 |
| Total | 8/31/15 | \$ 49,401,456 | \$ 123,054,879 | \$ 25,321,248 |
| | 8/31/14 | \$ 24,499,913 | \$ 101,824,719 | \$ 27,623,179 |

Notes to Financial Statements (continued)

As of August 31, 2015, the tax components of accumulated net earnings (losses) were as follows:

| | BHK | HYT | BKT |
|--|----------------|------------------|-----------------|
| Undistributed ordinary income | | \$ 28,425,092 | \$ 7,197,097 |
| Capital loss carryforwards | \$ (5,617,079) | (176,715,671) | (32,236,680) |
| Net unrealized gains (losses) ¹ | 15,278,064 | (107,230,734) | (606,453) |
| Total | \$ 9,660,985 | \$ (255,521,313) | \$ (25,646,036) |

¹ The differences between book-basis and tax-basis net unrealized gains were attributable primarily to the tax deferral of losses on wash sales, amortization methods for premiums and discounts on fixed income securities, the accrual of income on securities in default, the realization for tax purposes of unrealized gains/losses on certain futures and foreign currency contracts, the accounting for swap agreements, the realization for tax of unrealized gains investments in passive foreign investment companies, the investment in a wholly owned subsidiary, dividends recognized for tax purposes, the classification of investments and the deferral of compensation to trustees.

As of August 31, 2015, the Trusts had capital loss carryforwards available to offset future realized capital gains through the indicated expiration dates as follows:

| Expires | BHK | HYT | BKT |
|---------------------------------|--------------|----------------|---------------|
| 2016 | | \$ 4,056,597 | |
| 2017 | \$ 5,617,079 | 95,246,388 | |
| 2018 | | 55,665,607 | |
| No expiration date ² | | 21,747,079 | \$ 32,236,680 |
| Total | \$ 5,617,079 | \$ 176,715,671 | \$ 32,236,680 |

² Must be utilized prior to losses subject to expiration.

During the year ended August 31, 2015, BHK utilized \$13,581,071 of its capital loss carryforward.

As of August 31, 2015, gross unrealized appreciation and depreciation based on cost for federal income tax purposes were as follows:

| | BHK | HYT | BKT |
|--|------------------|------------------|----------------|
| Tax cost | \$ 1,053,437,797 | \$ 2,225,263,071 | \$ 674,704,861 |
| Gross unrealized appreciation | \$ 41,178,683 | \$ 33,326,201 | \$ 26,678,712 |
| Gross unrealized depreciation | (27,166,572) | (143,151,848) | (24,904,362) |
| Net unrealized appreciation (depreciation) | \$ 14,012,111 | \$ (109,825,647) | \$ 1,774,350 |

9. Bank Borrowings:

HYT is party to a senior committed secured, 360-day rolling line of credit facility and a separate security agreement (the "SSB Agreement") with State Street Bank and Trust Company ("SSB"). SSB may elect to terminate its commitment upon 360-days written notice to HYT. As of August 31, 2015, HYT has not received any notice to terminate. HYT has granted a security interest in substantially all of its assets to SSB.

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The SSB Agreement allows for a maximum commitment amount of \$798,000,000 for HYT.

Advances will be made by SSB to HYT, at HYT's option of (a) the higher of (i) 0.80% above the Fed Funds rate and (ii) 0.80% above the Overnight LIBOR or (b) 0.80% above 7-day, 30-day, 60-day or 90-day LIBOR.

In addition, HYT pays a facility fee and utilization fee (based on the daily unused portion of the commitments). The commitment fees are waived if HYT meets certain conditions. The fees associated with the agreement are included in the Statements of Operations as borrowing costs, if any. Advances to HYT as of August 31, 2015 are shown in the Statements of Assets and Liabilities as bank borrowings payable. Based on the short-term nature of the borrowings under the line of credit and the variable interest rate, the carrying amount of the borrowings approximates fair value.

HYT may not declare dividends or make other distributions on shares or purchase any such shares if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding short-term borrowings is less than 300%.

For the year ended August 31, 2015, the average amount of bank borrowings and the daily weighted average interest rate for HYT with loans under the revolving credit agreement were \$696,756,164 and 0.94%, respectively.

10. Principal Risks:

In the normal course of business, the Trusts invest in securities and enter into transactions where risks exist due to fluctuations in the market (market risk) or failure of the issuer of a security to meet all its obligations, including to pay principal and interest when due (issuer credit risk). The value of securities held by the Trusts may decline in response to certain events, including those directly involving the issuers whose securities are owned by the Trusts; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and price fluctuations. Similar to issuer credit risk, the Trusts may be exposed to counterparty credit risk, or the risk that an entity with which the Trusts have unsettled or open transactions may fail to or be unable to perform on its commitments. The Trusts manage counterparty credit risk by entering into transactions only with counterparties that the Manager believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Trusts to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Trusts' exposure to market, issuer and counterparty credit risks with respect to these financial assets is generally approximated by their value recorded in the Statements of Assets and Liabilities, less any collateral held by the Trusts.

Notes to Financial Statements (concluded)

The Trusts invest a significant portion of their assets in fixed-income securities and/or use derivatives tied to the fixed-income markets. Changes in market interest rates or economic conditions may affect the value and/or liquidity of such investments. Interest rate risk is the risk that prices of bonds and other fixed-income securities will increase as interest rates fall and decrease as interest rates rise. The Trusts may be subject to a greater risk of rising interest rates due to the current period of historically low rates.

Certain Trusts invest in securities that are rated below investment grade quality (sometimes called junk bonds), which are predominantly speculative, have greater credit risk and generally are less liquid and have more volatile prices than higher quality securities.

Certain Trusts invest a significant portion of their assets in securities backed by commercial or residential mortgage loans or in issuers that hold mortgage and other asset-backed securities. Investment percentages in these securities are presented in the Schedules of Investments. Changes in economic conditions, including delinquencies and/or defaults on assets underlying these securities, can affect the value, income and/or liquidity of such positions.

11. Capital Share Transactions:

BHK is authorized to issue an unlimited number of shares, par value \$0.001, all of which were initially classified as Common Shares. BKT is authorized to issue 200 million shares, par value \$0.01, all of which were initially classified as Common Shares. HYT is authorized to issue 200 million shares, par value \$0.10, all of which were initially classified as Common Shares. The Board is authorized, however, to reclassify any unissued shares without approval of Common Shareholders.

For the year ended August 31, 2015, shares issued and outstanding increased by 26,893,279 due to the reorganization and remained constant for the year ended August 31, 2014 for BHK.

For the year ended August 31, 2015, shares issued and outstanding remained constant and increased by 91,181,428 due to the reorganization during the year ended August 31, 2014 for HYT.

For the years ended August 31, 2015 and August 31, 2014, shares issued and outstanding remained constant for BKT.

HYT filed a final prospectus with the U.S. Securities and Exchange Commission (SEC) allowing it to issue an additional 10,425,000 Common Shares through an equity shelf program (a Shelf Offering). Under the Shelf Offering, HYT, subject to market conditions, may raise additional equity capital from time to time in varying amounts and utilizing various offering methods at a net price at or above HYT's net asset value (NAV) per Common Share (calculated within 48 hours of pricing). Please see Additional Information Shelf Offering Program for additional information about the Shelf Offering.

Costs incurred by HYT in connection with the Shelf Offering are recorded as a deferred charge and amortized over 12 months.

12. Contingencies:

In May 2015, the Motors Liquidation Company Avoidance Action Trust, as the Trust Administrator and Trustee of the General Motors bankruptcy estate, began serving amended complaints on defendants, which include former holders of certain General Motors debt (the Debt), in an adversary proceeding in the United States Bankruptcy Court for the Southern District of New York. In addition to HYT, the lawsuit also names over five hundred other institutional investors as defendants, some of which are also managed by BlackRock Advisors, LLC or its affiliates. The plaintiffs are seeking an order that HYT and other defendants return proceeds received in 2009 in full payment of the principal and interest on the Debt. The holders received a full repayment of a term loan pursuant to a court order in the General Motors bankruptcy proceeding with the understanding that the Debt was fully secured at the time of repayment. The plaintiffs contend that HYT and other defendants were not secured creditors at the time of the 2009 payments and therefore not entitled to the payments in full. HYT cannot predict the outcome of the lawsuit, or the effect, if any, on HYT's net asset value. As such, no liability for litigation related to this matter is reflected in the financial statements. Management cannot determine the amount of loss that will be realized by HYT but does not expect the loss to exceed the payment received in 2009. The amount of the proceeds received in 2009 is \$3,528,671.

13. Subsequent Events:

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

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The Trusts paid a net investment income dividend in the following amounts per share on September 30, 2015 to shareholders of record on September 15, 2015:

| | Common Dividend |
|-----|----------------------------|
| | Per Share |
| BHK | \$ 0.0755 |
| HYT | \$ 0.0700 |
| BKT | \$ 0.0310 |

Additionally, the Trusts declared a net investment income dividend on October 1, 2015 payable to Common Shareholders of record on October 15, 2015 for the same amounts noted above except for BHK, which is \$0.0710.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Trustees/Directors of BlackRock Core Bond Trust, BlackRock Corporate High Yield Fund, Inc., BlackRock Income Trust, Inc.:

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of BlackRock Core Bond Trust and BlackRock Income Trust, Inc. (collectively the Funds) as of August 31, 2015, and the related statements of operations and cash flows for the year then ended, and the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. We have also audited the consolidated statement of assets and liabilities, including the consolidated schedule of investments of BlackRock Corporate High Yield Fund, Inc., (collectively with the Funds mentioned above, the Trusts) as of August 31, 2015, and the related consolidated statements of operations and consolidated cash flows for the year then ended, the consolidated statements of changes in net assets for each of the two years in the period then ended, and the consolidated financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Trusts management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trusts are not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trusts internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of August 31, 2015, by correspondence with the custodian, brokers, and agent banks; where replies were not received from brokers or agent banks, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial positions of BlackRock Core Bond Trust and BlackRock Income Trust, Inc., the results of their operations and their cash flows for the year then ended, the changes in their net assets for each of the two years in the period then ended, and their financial highlights for each of the five years in the period then ended, and the consolidated financial position of BlackRock Corporate High Yield Fund, Inc., as of August 31, 2015, the consolidated results of its operations and its consolidated cash flows for the year then ended, the consolidated changes in its net assets for each of the two years in the period then ended, and its consolidated financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Boston, Massachusetts

October 26, 2015

Important Tax Information (Unaudited)

The following information is provided with respect to the ordinary income distributions paid by the Trusts during the fiscal year ended August 31, 2015

| | Payable Dates | BHK | HYT | BKT |
|---|-------------------------------|------------|------------|------------|
| Interest-Related Dividends for Non-U.S. Residents ¹ | September 2014 - January 2015 | 78.02% | 73.04% | 96.26% |
| | February 2015 - August 2015 | 78.32% | 57.11% | 98.32% |
| Qualified Dividend Income for Individuals ² | September 2014 - January 2015 | 7.36% | 3.78% | |
| | February 2015 - August 2015 | 11.31% | 4.45% | |
| Dividends Qualifying for Dividends Received Deduction for Corporations ² | September 2014 - January 2015 | 4.80% | 3.64% | |
| | February 2015 - August 2015 | 7.56% | 3.14% | |
| Federal Obligation Interest ³ | September 2013 - January 2014 | 4.36% | | 0.34% |
| | February 2015 - August 2015 | 4.23% | | 0.45% |

¹ Represents the portion of the taxable ordinary income dividends eligible for exemption from U.S. withholding tax for nonresident aliens and foreign corporations.

² The Trust hereby designates the percentage indicated above or the maximum amount allowable by law.

³ The law varies in each state as to whether and what percentage of dividend income attributable to federal obligations is exempt from state income tax. We recommend that you consult your tax advisor to determine if any portion of the dividends you received is exempt from state income taxes.

Disclosure of Investment Advisory Agreements

The Board of Directors or Trustees, as applicable, (each, a Board, collectively, the Boards, and the members of which are referred to as Board Members) of BlackRock Core Bond Trust (BHK), BlackRock Corporate High Yield Fund, Inc. (HYT) and BlackRock Income Trust, Inc. (BKT) and together with BHK and HYT, each a Fund, and, collectively, the Funds) met in person on April 30, 2015 (the April Meeting) and June 11-12, 2015 (the June Meeting) to consider the approval of each Fund s investment advisory agreement (each, an Advisory Agreement, and, collectively, the Advisory Agreements) with BlackRock Advisors, LLC (the Manager), each Fund s investment advisor. The Manager is referred to herein as BlackRock. The Advisory Agreements are also referred to herein as the Agreements.

Activities and Composition of the Board

On the date of the April and June Meetings, the Board of each Fund consisted of eleven individuals, nine of whom were not interested persons of such Fund as defined in the Investment Company Act of 1940 (the 1940 Act) (the Independent Board Members). The Board Members are responsible for the oversight of the operations of the Fund and perform the various duties imposed on the directors of investment companies by the 1940 Act. The Independent Board Members have retained independent legal counsel to assist them in connection with their duties. The Chairman of each Board is an Independent Board Member. Each Board has established six standing committees: an Audit Committee, a Governance and Nominating Committee, a Compliance Committee, a Performance Oversight Committee, an Executive Committee, and a Leverage Committee, each of which is chaired by an Independent Board Member and composed of Independent Board Members (except for the Executive Committee and the Leverage Committee, each of which also has one interested Board Member).

The Agreements

Pursuant to the 1940 Act, each Board is required to consider the continuation of its Advisory Agreement on an annual basis. The Boards have four quarterly meetings per year, each extending over two days, a fifth one-day meeting to consider specific information surrounding the consideration of renewing the Agreements and additional in-person and telephonic meetings as needed. In connection with this year-long deliberative process, the Boards assessed, among other things, the nature, extent and quality of the services provided to the Funds by BlackRock, BlackRock s personnel and affiliates, including, as applicable; investment management services, administrative, and shareholder services; the oversight of fund service providers; marketing services; risk oversight; compliance; and ability to meet applicable legal and regulatory requirements.

The Boards, acting directly and through their respective committees, consider at each of their meetings, and from time to time as appropriate, factors that are relevant to their annual consideration of the renewal of the Agreements, including the services and support provided by BlackRock to the Funds and their shareholders. Among the matters the Boards considered were: (a) investment performance for one-year, three-year, five-year and/or since inception periods, as applicable, against peer funds, applicable benchmarks, and performance metrics, as applicable, as well as senior management s and portfolio managers analysis of the reasons for any over-performance or underperformance relative to its peers, benchmarks, and other performance metrics, as applicable; (b) fees, including advisory, administration, if applicable, and other amounts paid to BlackRock and its affiliates by the Funds for services such as call center; (c) Fund operating expenses and how BlackRock allocates expenses to the Funds; (d) the resources devoted to, risk oversight of, and compliance reports relating to, implementation of the Funds investment objective(s), policies and restrictions, and meeting new regulatory requirements; (e) the Funds compliance with its compliance policies and procedures; (f) the nature, cost and character of non-investment management services provided by BlackRock and its affiliates; (g) BlackRock s and other service providers internal controls and risk and compliance oversight mechanisms; (h) BlackRock s implementation of the proxy voting policies approved by the Boards; (i) execution quality of portfolio transactions; (j) BlackRock s implementation of the Funds valuation and liquidity procedures; (k) an analysis of management fees for products with similar investment mandates across the open-end fund, closed-end fund and institutional account product channels, as applicable, and the similarities and differences between these products and the services provided as compared to the Funds; (l) BlackRock s compensation methodology for its investment professionals and the incentives it creates, along with investment professionals investments in the fund(s) they manage; and (m) periodic updates on BlackRock s business.

The Boards have engaged in an ongoing strategic review with BlackRock of opportunities to consolidate funds and of BlackRock s commitment to investment performance. BlackRock also furnished information to the Boards in response to specific questions. These questions covered issues such as: BlackRock s profitability; investment performance; funds trading at a discount; subadvisory and advisory relationships with other clients (including mutual funds sponsored by third parties); fund size; portfolio manager s investments in the funds they manage; and management fee levels and breakpoints. The Boards further discussed with BlackRock: BlackRock s management structure; portfolio turnover; BlackRock s portfolio manager compensation and performance accountability; marketing support for the funds; services provided to the funds by BlackRock affiliates; and BlackRock s oversight of relationships with third party service providers.

Board Considerations in Approving the Agreements

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The Approval Process: Prior to the April Meeting, the Boards requested and received materials specifically relating to the Agreements. The Boards are continuously engaged in a process with their independent legal counsel and BlackRock to review the nature and scope of the information provided to better assist its deliberations. The materials provided in connection with the April Meeting included (a) information independently compiled and prepared by Lipper, Inc. (Lipper) on Fund fees and expenses as compared with a peer group of funds as determined by Lipper (Expense Peers) and the

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Disclosure of Investment Advisory Agreements (continued)

investment performance of each Fund as compared with a peer group of funds as determined by Lipper¹, as well as the investment performance of each of BHK and BKT as compared with its custom benchmark; (b) information on the profits realized by BlackRock and its affiliates pursuant to the Agreements and a discussion of fall-out benefits to BlackRock and its affiliates; (c) a general analysis provided by BlackRock concerning investment management fees charged to other clients, such as institutional clients, sub-advised mutual funds, and open-end funds, under similar investment mandates, as applicable; (d) review of non-management fees; (e) the existence, impact and sharing of potential economies of scale; (f) a summary of aggregate amounts paid by each Fund to BlackRock and (g) if applicable, a comparison of management fees to similar BlackRock closed-end funds, as classified by Lipper.

At the April Meeting, the Boards reviewed materials relating to their consideration of the Agreements. As a result of the discussions that occurred during the April Meeting, and as a culmination of the Boards' year-long deliberative process, the Boards presented BlackRock with questions and requests for additional information. BlackRock responded to these requests with additional written information in advance of the June Meeting.

At the June Meeting, each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Fund for a one-year term ending June 30, 2016. In approving the continuation of the Agreements, the Boards considered: (a) the nature, extent and quality of the services provided by BlackRock; (b) the investment performance of the Funds and BlackRock; (c) the advisory fee and the cost of the services and profits to be realized by BlackRock and its affiliates from their relationship with the Funds; (d) the Funds' costs to investors compared to the costs of Expense Peers and performance compared to the relevant performance comparison as previously discussed; (e) the sharing of potential economies of scale; (f) fall-out benefits to BlackRock and its affiliates as a result of its relationship with the Funds; and (g) other factors deemed relevant by the Board Members.

The Boards also considered other matters they deemed important to the approval process, such as payments made to BlackRock or its affiliates relating to securities lending and cash management, services related to the valuation and pricing of Fund portfolio holdings, direct and indirect benefits to BlackRock and its affiliates from their relationship with the Funds and advice from independent legal counsel with respect to the review process and materials submitted for the Boards' review. The Boards noted the willingness of BlackRock personnel to engage in open, candid discussions with the Boards. The Boards did not identify any particular information as determinative, and each Board Member may have attributed different weights to the various items considered.

A. Nature, Extent and Quality of the Services Provided by BlackRock: The Boards, including the Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services and the resulting performance of the Funds. Throughout the year, the Boards compared the Funds' performance to the performance of a comparable group of closed-end funds, relevant benchmark, and performance metrics, as applicable. The Boards met with BlackRock's senior management personnel responsible for investment activities, including the senior investment officers. Each Board also reviewed the materials provided by its Fund's portfolio management team discussing the Fund's performance and the Fund's investment objective(s), strategies and outlook.

The Boards considered, among other factors, with respect to BlackRock: the number, education and experience of investment personnel generally and their Funds' portfolio management teams; BlackRock's research capabilities; investments by portfolio managers in the funds they manage; portfolio trading capabilities; use of technology; commitment to compliance; credit analysis capabilities; risk analysis and oversight capabilities; and the approach to training and retaining portfolio managers and other research, advisory and management personnel. The Boards engaged in a review of BlackRock's compensation structure with respect to the Funds' portfolio management teams and BlackRock's ability to attract and retain high-quality talent and create performance incentives.

In addition to advisory services, the Boards considered the quality of the administrative and other non-investment advisory services provided to the Funds. BlackRock and its affiliates provide the Funds with certain services (in addition to any such services provided to the Funds by third parties) and officers and other personnel as are necessary for the operations of the Funds. In particular, BlackRock and its affiliates provide the Funds with the following administrative services including, among others: (i) preparing disclosure documents, such as the prospectus and the statement of additional information in connection with the initial public offering and periodic shareholder reports, and with respect to HYT, registration statements in connection with HYT's equity shelf program; (ii) preparing communications with analysts to support secondary market trading of the Funds; (iii) oversight of daily accounting and pricing; (iv) preparing periodic filings with regulators and stock exchanges; (v) overseeing and coordinating the activities of other service providers; (vi) organizing Board meetings and preparing the materials for such Board meetings; (vii) providing legal and compliance support; (viii) furnishing analytical and other support to assist the Boards in their consideration of strategic issues such as the merger, consolidation or repurposing of certain closed-end funds; and (ix) performing other administrative functions necessary for the operation of the Funds, such as tax reporting, fulfilling regulatory filing requirements and call center services. The Boards reviewed the structure and duties of BlackRock's fund administration, shareholder services, legal and compliance departments and considered BlackRock's policies and procedures for assuring compliance with applicable laws and regulations.

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B. The Investment Performance of the Funds and BlackRock: Each Board, including the Independent Board Members, also reviewed and considered the performance history of its Fund. In preparation for the April Meeting, the Boards worked with their independent legal counsel, BlackRock and Lipper to develop a template for, and were provided with reports independently prepared by Lipper, which included a comprehensive analysis of each Fund s

¹ Funds are ranked by Lipper in quartiles, ranging from first to fourth, where first is the most desirable quartile position and fourth is the least desirable.

Disclosure of Investment Advisory Agreements (continued)

performance. The Boards also reviewed a narrative and statistical analysis of the Lipper data that was prepared by BlackRock. In connection with its review, each Board received and reviewed information regarding the investment performance, based on net asset value (NAV), of its Fund as compared to other funds in its applicable Lipper category, and with respect to BHK and BKT, the investment performance of each Fund as compared with its custom benchmark. The Boards were provided with a description of the methodology used by Lipper to select peer funds and periodically meets with Lipper representatives to review its methodology. Each Board and its Performance Oversight Committee regularly review, and meet with Fund management to discuss, the performance of its Fund throughout the year.

In evaluating performance, the Boards recognized that the performance data reflects a snapshot of a period or as of a particular date and that selecting a different performance period could produce significantly different results. Further, the Boards recognized that it is possible that long-term performance can be adversely affected by even one period of significant underperformance so that a single investment decision or theme has the ability to affect long-term performance disproportionately.

The Board of BHK noted that for each of the one-, three- and five-year periods reported, BHK exceeded its customized benchmark. BlackRock believes that performance relative to the customized benchmark is an appropriate performance metric for BHK.

The Board of HYT noted that for the one-, three- and five-year periods reported, HYT ranked in the second, first and first quartiles, respectively, against its Lipper Performance Universe.

The Board of BKT noted that for the one-, three- and five-year periods reported, BKT underperformed, underperformed and exceeded its customized benchmark. BlackRock believes that performance relative to the customized benchmark is an appropriate performance metric for BKT. The Board of BKT and BlackRock reviewed and discussed the reasons for BKT's underperformance during the one- and three-year periods. BKT's Board was informed that, among other things, the primary detractors from performance during the one- and three-year periods were a significant underweight to agency pass-through securities and an overweight to agency collateralized mortgage obligations. The Board of BKT and BlackRock also discussed BlackRock's strategy for improving the Fund's performance and BlackRock's commitment to providing the resources necessary to assist the Fund's portfolio managers in seeking to do so.

C. Consideration of the Advisory/Management Fees and the Cost of the Services and Profits to be Realized by BlackRock and its Affiliates from their Relationship with the Funds: Each Board, including the Independent Board Members, reviewed its Fund's contractual management fee rate compared with the other funds in its Lipper category. The contractual management fee rate represents a combination of the advisory fee and any administrative fees, before taking into account any reimbursements or fee waivers. Each Board also compared its Fund's total expense ratio, as well as its actual management fee rate as a percentage of total assets, to those of other funds in its Lipper category. The total expense ratio represents a fund's total net operating expenses, excluding any investment related expenses. The total expense ratio gives effect to any expense reimbursements or fee waivers that benefit a fund, and the actual management fee rate gives effect to any management fee reimbursements or waivers that benefit a fund. The Boards considered the services provided and the fees charged by BlackRock and its affiliates to other types of clients with similar investment mandates, as applicable, including institutional accounts and sub-advised mutual funds.

The Boards received and reviewed statements relating to BlackRock's financial condition. The Boards reviewed BlackRock's profitability methodology and were also provided with a profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to the Funds. The Boards reviewed BlackRock's profitability with respect to the Funds and other funds the Boards currently oversee for the year ended December 31, 2014 compared to available aggregate profitability data provided for the prior two years. The Boards reviewed BlackRock's profitability with respect to certain other U.S. fund complexes managed by the Manager and/or its affiliates. The Boards reviewed BlackRock's assumptions and methodology of allocating expenses in the profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Boards recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Manager, the types of funds managed, precision of expense allocations and business mix. As a result, calculating and comparing profitability at individual fund levels is difficult.

The Boards noted that, in general, individual fund or product line profitability of other advisors is not publicly available. The Boards reviewed BlackRock's overall operating margin, in general, compared to that of certain other publicly-traded asset management firms. The Boards considered the differences between BlackRock and these other firms, including the contribution of technology at BlackRock, BlackRock's expense management, and the relative product mix.

In addition, the Boards considered the cost of the services provided to the Funds by BlackRock, and BlackRock's and its affiliates' profits relating to the management of the Funds and the other funds advised by BlackRock and its affiliates. As part of its analysis, the Boards reviewed BlackRock's methodology in allocating its costs to the management of the Funds. The Boards may periodically receive and review information from independent third parties as part of their annual evaluation. BlackRock retained an independent third party to evaluate its cost allocation

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methodologies in the context of BlackRock's 1940 Act Fund business. The Boards considered the results of that evaluation in connection with BlackRock's profitability reporting. The Boards also considered whether BlackRock has the financial resources necessary to attract and retain high quality investment management personnel to perform its obligations under the Agreements and to continue to provide the high quality of services that is expected by the Boards. The Boards further considered factors including but not limited to BlackRock's commitment of time, assumption of risk and liability profile in servicing the Funds in contrast to what is

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Disclosure of Investment Advisory Agreements (concluded)

required of BlackRock with respect to other products with similar investment mandates across the open-end fund, ETF, closed-end fund, sub-advised mutual fund and institutional account product channels, as applicable.

The Board of BHK noted that BHK's contractual management fee rate ranked in the fourth quartile, and that the actual management fee rate and total expense ratio each ranked in the second quartile, relative to the Fund's Expense Peers.

The Board of HYT noted that HYT's contractual management fee rate ranked in the third quartile, and that the actual management fee rate and total expense ratio each ranked in the first quartile, relative to the Fund's Expense Peers. HYT's Board determined that HYT's contractual management fee was appropriate in light of the median contractual management fee paid by the Fund's Expense Peers.

The Board of BKT noted that BKT's contractual management fee rate ranked in the first quartile, and that the actual management fee rate and total expense ratio each ranked in the first quartile, relative to the Fund's Expense Peers.

D. Economies of Scale: Each Board, including the Independent Board Members, considered the extent to which economies of scale might be realized as the assets of its Fund increase. Each Board also considered the extent to which its Fund benefits from such economies and whether there should be changes in the advisory fee rate or breakpoint structure in order to enable the Fund to participate in these economies of scale, for example through the use of breakpoints in the advisory fee based upon the asset level of the Fund.

Based on the Boards' review and consideration of the issue, the Boards concluded that most closed-end funds do not have fund level breakpoints because closed-end funds generally do not experience substantial growth after the initial public offering. They are typically priced at scale at a fund's inception. The Board of HYT noted that although HYT may from time-to-time make additional share offerings pursuant to its equity shelf program, the growth of the Fund's assets will occur primarily through the appreciation of its investment portfolio.

E. Other Factors Deemed Relevant by the Board Members: The Boards, including the Independent Board Members, also took into account other ancillary or "fall-out" benefits that BlackRock or its affiliates may derive from their respective relationships with the Funds, both tangible and intangible, such as BlackRock's ability to leverage its investment professionals who manage other portfolios and risk management personnel, an increase in BlackRock's profile in the investment advisory community, and the engagement of BlackRock's affiliates as service providers to the Funds, including securities lending and cash management services. The Boards also considered BlackRock's overall operations and its efforts to expand the scale of, and improve the quality of, its operations. The Boards also noted that BlackRock may use and benefit from third party research obtained by soft dollars generated by certain registered fund transactions to assist in managing all or a number of its other client accounts. The Boards further noted that it had considered the investment by BlackRock's funds in exchange traded funds (i.e., ETFs) without any offset against the management fees payable by the funds to BlackRock.

In connection with its consideration of the Agreements, the Boards also received information regarding BlackRock's brokerage and soft dollar practices. The Boards received reports from BlackRock which included information on brokerage commissions and trade execution practices throughout the year.

The Boards noted the competitive nature of the closed-end fund marketplace, and that shareholders are able to sell their Fund shares in the secondary market if they believe that the Fund's fees and expenses are too high or if they are dissatisfied with the performance of the Fund.

The Boards also considered the various notable initiatives and projects BlackRock performed in connection with its closed-end fund product line. These initiatives included the redemption of AMPS for the BlackRock closed-end funds with AMPS outstanding; developing equity shelf programs; efforts to eliminate product overlap with fund mergers; ongoing services to manage leverage that has become increasingly complex; share repurchases and other support initiatives for certain BlackRock funds; and continued communications efforts with shareholders, fund analysts and financial advisers. With respect to the latter, the Independent Board Members noted BlackRock's continued commitment to supporting the secondary market for the common shares of its closed-end funds through a comprehensive secondary market communication program designed to raise investor and analyst awareness and understanding of closed-end funds. BlackRock's support services included, among other things: continuing communications concerning the redemption efforts related to AMPS; sponsoring and participating in conferences; communicating with closed-end fund analysts covering the BlackRock funds throughout the year; providing marketing and product updates for the closed-end funds; and maintaining and enhancing its closed-end fund website.

Conclusion

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Each Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and its Fund for a one-year term ending June 30, 2016. Based upon its evaluation of all of the aforementioned factors in their totality, each Board, including the Independent Board Members, was satisfied that the terms of the Agreement were fair and reasonable and in the best interest of its Fund and its shareholders. In arriving at its decision to approve the Agreement for its Fund, the Board did not identify any single factor or group of factors as all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the various factors considered. The Independent Board Members were also assisted by the advice of independent legal counsel in making this determination. The contractual fee arrangements for the Funds reflect the results of several years of review by the Board Members and predecessor Board Members, and discussions between such Board Members (and predecessor Board Members) and BlackRock. As a result, the Board Members' conclusions may be based in part on their consideration of these arrangements in prior years.

Automatic Dividend Reinvestment Plans

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

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

Participation in the Reinvestment Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Reinvestment Plan Agent prior to the dividend record date. Additionally, the Reinvestment Plan Agent seeks to process notices received after the record date but prior to the payable date and such notices often will become effective by the payable date. Where late notices are not processed by the applicable payable date, such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution.

The Reinvestment Plan Agent's fees for the handling of the reinvestment of distributions will be paid by each Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Reinvestment Plan Agent's open market purchases in connection with the reinvestment of all distributions. The automatic reinvestment of all distributions will not relieve participants of any federal income tax that may be payable on such dividends or distributions.

Each Trust reserves the right to amend or terminate the Reinvestment Plan. There is no direct service charge to participants in the Reinvestment Plan; however, each Trust reserves the right to amend the Reinvestment Plan to include a service charge payable by the participants. Participants that request a sale of shares are subject to a \$2.50 sales fee and a \$0.15 per share fee. Per share fees include any applicable brokerage commissions the Reinvestment Plan Agent is required to pay. All correspondence concerning the Reinvestment Plan should be directed to Computershare Trust Company, N.A. through the internet at <http://www.computershare.com/blackrock>, or in writing to Computershare, P.O. Box 30170, College Station, TX 77842-3170, Telephone: (800) 699-1236. Overnight correspondence should be directed to the Reinvestment Plan Agent at Computershare, 211 Quality Circle, Suite 210, College Station, TX 77845.

Officers and Trustees

| Name, Address ¹ and Year of Birth | Position(s) Held with Trusts | Length of Time Served as a Trustee ³ | Principal Occupation(s) During Past Five Years | Number of BlackRock- Advised Registered Investment Companies (RICs) Consisting of Investment Portfolios (Portfolios) Overseen ⁴ | Public Directorships |
|---|---|--|---|---|---|
| Independent Trustees² | | | | | |
| Richard E. Cavanagh | Chair of the Board and Trustee | Since 2007 | Trustee, Aircraft Finance Trust from 1999 to 2009; Director, The Guardian Life Insurance Company of America since 1998; Director, Arch Chemical (chemical and allied products) from 1999 to 2011; Trustee, Educational Testing Service from 1997 to 2009 and Chairman thereof from 2005 to 2009; Senior Advisor, The Fremont Group since 2008 and Director thereof since 1996; Faculty Member/Adjunct Lecturer, Harvard University since 2007; President and Chief Executive Officer, The Conference Board, Inc. (global business research organization) from 1995 to 2007. | 76 RICs consisting of 76 Portfolios | None |
| 1946 | | | | | |
| Karen P. Robards | Vice Chairperson of the Board, Chairperson of the Audit Committee and Trustee | Since 2007 | Partner of Robards & Company, LLC (financial advisory firm) since 1987; Co-founder and Director of the Cooke Center for Learning and Development (a not-for-profit organization) since 1987; Director of Care Investment Trust, Inc. (health care real estate investment trust) from 2007 to 2010; Investment Banker at Morgan Stanley from 1976 to 1987. | 76 RICs consisting of 76 Portfolios | AtriCure, Inc. (medical devices); Greenhill & Co., Inc. |
| 1950 | | | | | |
| Michael J. Castellano | Trustee and Member of the Audit Committee | Since 2011 | Chief Financial Officer of Lazard Group LLC from 2001 to 2011; Chief Financial Officer of Lazard Ltd from 2004 to 2011; Director, Support Our Aging Religious (non-profit) from 2009 to June 2015; Director, National Advisory Board of Church Management at Villanova University since 2010; Trustee, Domestic Church Media Foundation since 2012; Director, CircleBlack Inc. (financial technology company) since 2015. | 76 RICs consisting of 76 Portfolios | None |
| 1946 | | | | | |
| Frank J. Fabozzi⁴ | Trustee and Member of the Audit Committee | Since 2007 | Editor of and Consultant for The Journal of Portfolio Management since 2006; Professor of Finance, EDHEC Business School since 2011; Visiting Professor, Princeton University from 2013 to 2014; Professor in the Practice of Finance and Becton Fellow, Yale University School of Management from 2006 to 2011. | 109 RICs consisting of 235 Portfolios | None |
| 1948 | | | | | |
| Kathleen F. Feldstein | Trustee | Since 2007 | President of Economics Studies, Inc. (private economic consulting firm) since 1987; Chair, Board of Trustees, McLean Hospital from 2000 to 2008 and Trustee Emeritus thereof since 2008; Member of the Board of Partners Community Healthcare, Inc. from 2005 to 2009; Member of the Corporation of Partners HealthCare since 1995; Trustee, Museum of Fine Arts, Boston since 1992; Member of the Visiting Committee to the Harvard University Art Museum since 2003; Director, Catholic Charities of Boston since 2009. | 76 RICs consisting of 76 Portfolios | The McClatchy Company (publishing) |
| 1941 | | | | | |
| James T. Flynn | Trustee and Member of the Audit Committee | Since 2007 | Chief Financial Officer of JPMorgan & Co., Inc. from 1990 to 1995. | 76 RICs consisting of 76 Portfolios | None |
| 1939 | | | | | |
| Jerrold B. Harris | Trustee | Since 2007 | Trustee, Ursinus College from 2000 to 2012; Director, Waterfowl Chesapeake (conservation) since 2014; Director, Ducks Unlimited, Inc. (conservation) since 2013; Director, Troemner LLC (scientific equipment) since 2000; Director of Delta Waterfowl Foundation from 2010 to 2012; President and Chief Executive Officer, VWR Scientific Products | 76 RICs consisting of 76 Portfolios | BlackRock Capital Investment Corp. (business development company) |

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| | | | | | | |
|------|-------------------------|---------------|------------|---|--|---|
| 1942 | R. Glenn Hubbard | Trustee | Since 2007 | Corporation from 1990 to 1999. Dean, Columbia Business School since 2004; Faculty member, Columbia Business School since 1988. | 76 RICs consisting of 76 Portfolios | ADP (data and information services); Metropolitan Life Insurance Company (insurance) |
| 1958 | | | | | | |
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Officers and Trustees (continued)

| Name, Address ¹ and Year of Birth | Position(s) Held with Trust | Length of Time Served as a Trustee ³ | Principal Occupation(s) During Past Five Years | Number of BlackRock- Advised Registered Investment Companies (RICs) Consisting of Investment Portfolios (Portfolios) Overseen ⁴ | Public Directorships |
|--|---|--|---|---|-------------------------|
| Independent Trustees² (concluded) | | | | | |
| W. Carl Kester 1951 | Trustee and Member of the Audit Committee | Since 2007 | George Fisher Baker Jr. Professor of Business Administration, Harvard Business School since 2008, Deputy Dean for Academic Affairs from 2006 to 2010, Chairman of the Finance Unit, from 2005 to 2006, Senior Associate Dean and Chairman of the MBA Program from 1999 to 2005; Member of the faculty of Harvard Business School since 1981. | 76 RICs consisting of 76 Portfolios | None |
| <p>¹ The address of each Trustee is c/o BlackRock, Inc., 55 East 52nd Street, New York, NY 10055.</p> <p>² Independent Trustees serve until their resignation, retirement, removal or death, or until December 31 of the year in which they turn 74. The maximum age limitation may be waived as to any Trustee by action of a majority of the Trustees upon finding of good cause thereof. The Board of Trustees has unanimously approved further extending the mandatory retirement age for Mr. James T. Flynn until December 31, 2015, which the Board of Trustees believes is in the best interest of shareholders.</p> <p>³ Date shown is the earliest date a person has served for the Funds in the Closed-End Complex. Following the combination of Merrill Lynch Investment Managers, L.P. (MLIM) and BlackRock (BlackRock) in September 2006, the various legacy MLIM and legacy BlackRock fund boards were realigned and consolidated into three new fund boards in 2007. As a result, although the chart shows certain Trustees as joining the Trusts board in 2007, those Trustees first became members of the boards of other legacy MLIM or legacy BlackRock funds as follows: Richard E. Cavanagh, 1994; Frank J. Fabozzi, 1988; Kathleen F. Feldstein, 2005; James T. Flynn, 1996; Jerrold B. Harris, 1999; R. Glenn Hubbard, 2004; W. Carl Kester, 1995 and Karen P. Robards, 1998.</p> <p>⁴ For purposes of this chart, RICs refers to investment companies registered under the 1940 Act and Portfolios refers to the investment programs of the BlackRock-advised funds. The Closed-End Complex is comprised of 76 RICs. Mr. Perlowski, Dr. Fabozzi and Ms. Novick are also board members of a complex of BlackRock registered open-end funds. Mr. Perlowski is also a board member of the BlackRock Equity-Bond Complex, and Ms. Novick and Dr. Fabozzi are also board members of the BlackRock Equity-Liquidity Complex.</p> | | | | | |
| Interested Trustees⁵ | | | | | |
| Barbara G. Novick 1960 | Trustee | Since 2014 | Vice Chairman of BlackRock since 2006; Chair of BlackRock's Government Relations Steering Committee since 2009; Head of the Global Client Group of BlackRock, Inc. from 1988 to 2008. | 109 RICs consisting of 235 Portfolios | None |
| John M. Perlowski 1964 | Director, President and Chief Executive Officer | Since 2014 | Managing Director of BlackRock since 2009; Head of BlackRock Global Fund Services since 2009; Managing Director and Chief Operating Officer of the Global Product Group at Goldman Sachs Asset Management, L.P. from 2003 to 2009; Treasurer of Goldman Sachs Mutual Funds from 2003 to 2009 and Senior Vice President thereof from 2007 to 2009; Director of Goldman Sachs Offshore Funds from 2002 to 2009; Director of Family Resource Network (charitable foundation) since 2009. | 104 RICs consisting of 174 Portfolios | None |

⁵ Mr. Perlowski and Ms. Novick are both interested persons, as defined in the 1940 Act, of the Trusts based on their positions with BlackRock and its affiliate. Mr. Perlowski and Ms. Novick are also board members of a complex of BlackRock registered open-end funds. Mr. Perlowski is a board member of the BlackRock Equity-Bond Complex and Ms. Novick is a board member of the BlackRock Equity-Liquidity Complex. Interested Trustees serve until their resignation, removal or death, or until December 31 of the year in which they turn 72. The maximum age limitation may be waived as to any Trustee by action of a majority of the Trustees upon a finding of good cause thereof.

Officers and Trustees (concluded)

| Name, Address ¹ and Year of Birth | Position(s) Held with the Trusts | Length of Time Served as a Trustee | Principal Occupation(s) During Past Five Years |
|---|---|---|--|
| Officers² | | | |
| John M. Perlowski 1964 | Director, President and Chief Executive Officer | Since 2011 | Managing Director of BlackRock since 2009; Head of BlackRock Global Fund Services since 2009; Managing Director and Chief Operating Officer of the Global Product Group at Goldman Sachs Asset Management, L.P. from 2003 to 2009; Treasurer of Goldman Sachs Mutual Funds from 2003 to 2009 and Senior Vice President thereof from 2007 to 2009; Director of Goldman Sachs Offshore Funds from 2002 to 2009; Director of Family Resource Network (charitable foundation) since 2009. |
| Robert W. Crothers 1981 | Vice President | Since 2012 | Director of BlackRock since 2011; Vice President of BlackRock from 2008 to 2010. |
| Neal Andrews 1966 | Chief Financial Officer | Since 2007 | Managing Director of BlackRock since 2006; Senior Vice President and Line of Business Head of Fund Accounting and Administration at PNC Global Investment Servicing (U.S.) Inc. from 1992 to 2006. |
| Jay Fife 1970 | Treasurer | Since 2007 | Managing Director of BlackRock since 2007; Director of BlackRock in 2006; Assistant Treasurer of the MLIM and Fund Asset Management, L.P. advised funds from 2005 to 2006; Director of MLIM Fund Services Group from 2001 to 2006. |
| Charles Park 1967 | Chief Compliance Officer | Since 2014 | Anti-Money Laundering Compliance Officer for the BlackRock-advised Funds in the Equity-Bond Complex, the Equity-Liquidity Complex and the Closed-End Complex from 2014 to 2015; Chief Compliance Officer of BlackRock Advisors, LLC and the BlackRock-advised Funds in the Equity-Bond Complex, the Equity-Liquidity Complex and the Closed-End Complex since 2014; Principal of and Chief Compliance Officer for iShares [®] Delaware Trust Sponsor LLC since 2012 and BlackRock Fund Advisors (BFA) since 2006; Chief Compliance Officer for the BFA-advised iShares exchange traded funds since 2006; Chief Compliance Officer for BlackRock Asset Management International Inc. since 2012. |
| Janey Ahn 1975 | Secretary | Since 2012 | Director of BlackRock since 2009; Vice President of BlackRock from 2008 to 2009; Assistant Secretary of the Funds from 2008 to 2012. |

¹ The address of each Officer is c/o BlackRock, Inc., 55 East 52nd Street, New York, NY 10055.

² Officers of the Trusts serve at the pleasure of the Board.

Effective September 18, 2015, Robert W. Crothers resigned as a Vice President of the Trust and Jonathan Diorio became a Vice President of the Trust.

| Investment Advisor | Accounting Agent and Custodian | Independent Registered Public Accounting Firm | Address of the Trusts |
|---|--|--|--|
| BlackRock Advisors, LLC Wilmington, DE 19809 | State Street Bank and Trust Company Boston, MA 02110 | Deloitte & Touche LLP Boston, MA 02116 | 100 Bellevue Parkway Wilmington, DE 19809 |

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Transfer Agent

Computershare Trust
Company, N.A.
Canton, MA 02021

Legal Counsel

Skadden, Arps, Slate,

Meagher & Flom LLP

Boston, MA 02116

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Additional Information

Proxy Results

The Annual Meeting of Shareholders was held on July 29, 2015 for shareholders of record on June 1, 2015, to elect trustee/director nominees for each Trust/Fund. There were no broker non-votes with regard to any of the Trusts/Funds.

Approved the Trustees as follows:

| | Frank J. Fabozzi ¹ | | | James T. Flynn ¹ | | | Barbara G. Novick ² | | |
|-----|--------------------------------|-----------|---------|-------------------------------|-----------|---------|--------------------------------|-----------|---------|
| | Votes For | Withheld | Abstain | Votes For | Withheld | Abstain | Votes For | Withheld | Abstain |
| BHK | 45,311,563 | 3,647,261 | 0 | 45,238,329 | 3,720,495 | 0 | 45,320,662 | 3,638,162 | 0 |
| BKT | 48,335,865 | 9,753,066 | 0 | 48,292,044 | 9,796,887 | 0 | 48,244,903 | 9,844,028 | 0 |
| | John M. Perlowski ³ | | | Karen P. Robards ¹ | | | | | |
| | Votes For | Withheld | Abstain | Votes For | Withheld | Abstain | Votes For | Withheld | Abstain |
| BHK | 45,237,905 | 3,720,919 | 0 | 45,281,628 | 3,677,196 | 0 | | | |
| BKT | 48,300,145 | 9,788,786 | 0 | 48,196,617 | 9,892,314 | 0 | | | |

For the Trusts listed above, Trustees whose term of office continued after the Annual Meeting of Shareholders because they were not up for election are Michael J. Castellano, Richard E. Cavanagh, Kathleen F. Feldstein, Jerrold B. Harris, R. Glenn Hubbard and W. Carl Kester.

¹ Class II

² Class III

³ Class I

Approved the Trustees as follows:

| | | Votes For | Votes Withheld | Abstain |
|-----|-----------------------|-------------|----------------|---------|
| HYT | Michael J. Castellano | 108,977,948 | 3,030,398 | 0 |
| | Kathleen F. Feldstein | 108,871,037 | 3,137,309 | 0 |
| | R. Glenn Hubbard | 108,936,526 | 3,071,820 | 0 |
| | John M. Perlowski | 108,940,339 | 3,068,007 | 0 |
| | Richard E. Cavanagh | 108,914,116 | 3,094,230 | 0 |
| | James T. Flynn | 108,873,401 | 3,134,945 | 0 |
| | W. Carl Kester | 108,952,797 | 3,055,549 | 0 |
| | Karen P. Robards | 108,933,666 | 3,074,680 | 0 |
| | Frank J. Fabozzi | 108,869,330 | 3,139,016 | 0 |
| | Jerrold B. Harris | 108,789,672 | 3,218,674 | 0 |
| | Barbara G. Novick | 108,927,085 | 3,081,261 | 0 |

Trust Certification

The Trusts are listed for trading on the NYSE and have filed with the NYSE their annual chief executive officer certification regarding compliance with the NYSE's listing standards. The Trusts filed with the SEC the certification of its chief executive officer and chief financial officer required by section 302 of the Sarbanes-Oxley Act.

Dividend Policy

Each Trust's dividend policy is to distribute all or a portion of its net investment income to its shareholders on a monthly basis. In order to provide shareholders with a more stable level of dividend distributions, the distributions paid by the Trusts for any particular month may be more or less than the amount of net investment income earned by the Trusts during such month. The portion of distributions that exceeds a Trust's current and accumulated earnings and profits, which are measured on a tax basis, will constitute a nontaxable return of capital.

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Distributions in excess of a Trust's taxable income and net capital gains, but not in excess of a Trust's earnings and profits, will be taxable to shareholders as ordinary income and will not constitute a nontaxable return of capital. The Trust's current accumulated but undistributed net investment income, if any, is disclosed in the Statements of Assets and Liabilities, which comprises part of the financial information included in this report.

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Additional Information (continued)

General Information

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

HYT's Statement of Additional Information includes additional information about its Board and is available, without charge upon request by calling (800) 882-0052.

On December 5, 2014, the Board of HYT adopted the following non-fundamental investment policy change: As a non-fundamental investment policy, the Trust may invest up to 25% of its total assets in corporate loans extended to borrowers by commercial banks or other financial institutions. This investment policy change increased the percentage of total assets that HYT may invest in corporate loans from 15% to 25%. As a result of this investment policy change, corporate loans comprise a higher portion of HYT's portfolio, which may increase the Trust's exposure to corporate loans. Please see "Floating Rate Loan Interests" in Note 3 to the Notes to Financial Statements for additional information about corporate loans.

During the period, except as noted above, there were no material changes in the Trusts' investment objectives or policies or to the Trusts' charter or by-laws that would delay or prevent a change of control of the Trusts that were not approved by the shareholders or in the principal risk factors associated with investment in the Trusts. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Trusts' portfolios.

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

Electronic Delivery

Shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual shareholder reports by enrolling in the Trusts' electronic delivery program. Electronic copies of shareholder reports are available on BlackRock's website.

Shareholders Who Hold Accounts with Investment Advisors, Banks or Brokerages:

Please contact your financial advisor. Please note that not all investment advisors, banks or brokerages may offer this service.

Householding

The Trusts will mail only one copy of shareholder documents, including annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be househanded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Trusts at (800) 882-0052.

Availability of Quarterly Schedule of Investments

The Trusts file their complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Trusts' Forms N-Q are available on the SEC's website at <http://www.sec.gov> and may also be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on how to access documents on the SEC's website without charge may be obtained by calling (800) SEC-0330. The Trusts' Forms N-Q may also be obtained upon request and without charge by calling (800) 882-0052.

Availability of Proxy Voting Policies and Procedures

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A description of the policies and procedures that the Trusts use to determine how to vote proxies relating to portfolio securities is available upon request and without charge (1) by calling (800) 882-0052; (2) at <http://www.blackrock.com>; and (3) on the SEC's website at <http://www.sec.gov>.

Availability of Proxy Voting Record

Information about how the Trusts voted proxies relating to securities held in the Trusts' portfolios during the most recent 12-month period ended June 30 is available upon request and without charge (1) at <http://www.blackrock.com> or by calling (800) 882-0052; and (2) on the SEC's website at <http://www.sec.gov>.

Availability of Trust Updates

BlackRock will update performance and certain other data for the Trusts on a monthly basis on its website in the Closed-end Funds section of <http://www.blackrock.com> as well as certain other material information as necessary from time to time. Investors and others are advised to check the website for updated performance information and the release of other material information about the Trusts. This reference to BlackRock's website is intended to allow investors public access to information regarding the Trusts and does not, and is not intended to, incorporate BlackRock's website in this report.

Additional Information (continued)

Section 19(a) Notices

These amounts and sources of distributions reported are only estimates provided to you pursuant to regulatory requirements and are not being provided for tax reporting purposes. The actual amounts and sources for tax reporting purposes will depend upon each Trust's investment experience during the year and may be subject to changes based on the tax regulations. Each Trust will provide a Form 1099-DIV each calendar year that will tell you how to report these distributions for federal income tax purposes.

August 31, 2015

| | Total Cumulative Distributions for the Fiscal Year-to-Date | | | Total Per Common Share | % Breakdown of the Total Cumulative Distributions for the Fiscal Year-to-Date | | | |
|-----|---|-------------------------------|----------------------|---------------------------|--|-------------------------------|----------------------|---------------------------|
| | Net Investment Income | Net Realized Capital Gains | Return of Capital | | Net Investment Income | Net Realized Capital Gains | Return of Capital | Total Per Common Share |
| BHK | \$ 0.974519 | \$ 0.101481 | \$ | \$ 1.076000 | 91% | 9% | 0% | 100% |
| HYT | \$ 0.934895 | \$ | \$ 0.037105 | \$ 0.972000 | 96% | 0% | 4% | 100% |

The Trust estimates that it has distributed more than the amount of earned income and net realized gains; therefore, a portion of the distribution may be a return of capital. A return of capital may occur, for example, when some or all of the shareholder's investment in the Trust is returned to the shareholder. A return of capital does not necessarily reflect the Trust's investment performance and should not be confused with yield or income. When distributions exceed total return performance, the difference will incrementally reduce the Trust's net asset value per share.

Section 19(a) notices for the Trusts, as applicable, are available on the BlackRock website <http://www.blackrock.com>.

Shelf Offering Program

From time-to-time, each Trust may seek to raise additional equity capital through an equity shelf program (a Shelf Offering). In a Shelf Offering, a Trust may, subject to market conditions, raise additional equity capital by issuing new Common Shares from time to time in varying amounts at a net price at or above the Trust's net asset value (NAV) per Common Share (calculated within 48 hours of pricing). While any such Shelf Offering may allow a Trust to pursue additional investment opportunities without the need to sell existing portfolio investments, it could also entail risks including that the issuance of additional Common Shares may limit the extent to which the Common Shares are able to trade at a premium to NAV in the secondary market. Each Trust, other than HYT, has not filed a registration statement with respect to any Shelf Offerings. This report is not an offer to sell Trust Common Shares and is not a solicitation of an offer to buy Trust Common Shares. If a Trust files a registration statement with respect to any Shelf Offering, the prospectus contained therein will contain more complete information about the Trust and should be read carefully before investing.

HYT has filed a final prospectus with the SEC in connection with its Shelf Offering. This report and the prospectus are not offers to sell HYT Common Shares or solicitations of an offer to buy HYT Common Shares in any jurisdiction where such offers or sales are not permitted. The prospectus contains important information about HYT, including its investment objectives, risks, charges and expenses. Investors are urged to read the prospectus of HYT carefully and in its entirety before investing. A copy of the final prospectus for HYT can be obtained from BlackRock at <http://www.blackrock.com>.

Additional Information (concluded)

BlackRock Privacy Principles

BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, **Clients**) and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following:

(i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our websites.

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

This report is intended for current holders. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. The Trusts have leveraged their Common Shares, which creates risks for Common Shareholders, including the likelihood of greater volatility of net asset value and market price of the Common Shares, and the risk that fluctuations in short-term interest rates may reduce the Common Shares yield. Statements and other information herein are as dated and are subject to change.

CEFBHK-8/15-AR

Item 2 Code of Ethics The registrant (or the Fund) has adopted a code of ethics, as of the end of the period covered by this report, applicable to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. During the period covered by this report, the code of ethics was amended to update certain information and to make other non-material changes. During the period covered by this report, there have been no waivers granted under the code of ethics. The registrant undertakes to provide a copy of the code of ethics to any person upon request, without charge, by calling 1-800-882-0052, option 4.

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

Michael Castellano

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

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

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

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

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

Item 4 Principal Accountant Fees and Services

The following table presents fees billed by Deloitte & Touche LLP (D&T) in each of the last two fiscal years for the services rendered to the Fund:

| Entity Name | (a) Audit Fees | | (b) Audit-Related Fees ¹ | | (c) Tax Fees ² | | (d) All Other Fees ³ | |
|---------------------------|-------------------------|--------------------------|-------------------------------------|--------------------------|---------------------------|--------------------------|---------------------------------|--------------------------|
| | Current Fiscal Year End | Previous Fiscal Year End | Current Fiscal Year End | Previous Fiscal Year End | Current Fiscal Year End | Previous Fiscal Year End | Current Fiscal Year End | Previous Fiscal Year End |
| BlackRock Core Bond Trust | \$96,688 | \$66,938 | \$0 | \$0 | \$15,892 | \$14,600 | \$0 | \$0 |

The following table presents fees billed by D&T that were required to be approved by the registrant's audit committee (the Committee) for services that relate directly to the operations or financial reporting of the Fund and that are rendered on behalf of BlackRock Advisors, LLC (Investment Adviser or BlackRock) and entities controlling, controlled by, or under common control with BlackRock (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser) that provide ongoing services to the Fund (Fund Service Providers):

| | Current Fiscal Year End | Previous Fiscal Year End |
|-------------------------------------|-------------------------|--------------------------|
| (b) Audit-Related Fees ¹ | \$0 | \$0 |
| (c) Tax Fees ² | \$0 | \$0 |
| (d) All Other Fees ³ | \$2,391,000 | \$2,555,000 |

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

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

³ Aggregate fees borne by BlackRock in connection with the review of compliance procedures and attestation thereto performed by D&T with respect to all of the registered closed-end funds and some of the registered open-end funds advised by BlackRock.

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

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

Any proposed services exceeding the pre-approved cost levels will require specific pre-approval by the Committee, as will any other services not subject to general pre-approval (e.g., unanticipated but permissible services). The Committee is informed of each service approved

subject to general pre-approval at the next regularly scheduled in-person board meeting. At this meeting, an analysis of such services is presented to the Committee for ratification. The Committee may delegate to the Committee Chairman the authority to approve the provision of and fees for any specific engagement of permitted non-audit services, including services exceeding pre-approved cost levels.

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

(f) Not Applicable

(g) The aggregate non-audit fees paid to the accountant for services rendered by the accountant to the registrant, the Investment Adviser and the Fund Service Providers were:

| <u>Entity Name</u> | <u>Current Fiscal Year</u> <u>End</u> | <u>Previous Fiscal Year</u> <u>End</u> |
|---------------------------|--|---|
| BlackRock Core Bond Trust | \$15,892 | \$14,600 |

Additionally, SSAE 16 Review (Formerly, SAS No. 70) fees for the current and previous fiscal years of \$2,391,000 and \$2,555,000, respectively, were billed by D&T to the Investment Adviser.

(h) The Committee has considered and determined that the provision of non-audit services that were rendered to the Investment Adviser, and the Fund Service Providers that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

Item 5 Audit Committee of Listed Registrants

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

Michael Castellano

Frank J. Fabozzi

James T. Flynn

W. Carl Kester

Karen P. Robards

- (b) Not Applicable

Item 6 Investments

(a) The registrant's Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this Form.

(b) Not Applicable due to no such divestments during the semi-annual period covered since the previous Form N-CSR filing.

Item 7 Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies
 The board of directors has delegated the voting of proxies for the Fund's portfolio securities to the Investment Adviser pursuant to the Investment Adviser's proxy voting guidelines. Under these guidelines, the Investment Adviser will vote proxies related to Fund securities in the best interests of the Fund and its stockholders. From time to time, a vote may present a conflict between the interests of the Fund's stockholders, on the one hand, and those of the Investment Adviser, or any affiliated person of the Fund or the Investment Adviser, on the other. In such event, provided that the Investment Adviser's Equity Investment Policy Oversight Committee, or a sub-committee thereof (the Oversight Committee) is aware of the real or potential conflict or material non-routine matter and if the Oversight Committee does not reasonably believe it is able to follow its general voting guidelines (or if the particular proxy matter is not addressed in the guidelines) and vote impartially, the Oversight Committee may retain an independent fiduciary to advise the Oversight Committee on how to vote or to cast votes on behalf of the Investment Adviser's clients. If the Investment Adviser determines not to retain an independent fiduciary, or does not desire to follow the advice of such independent fiduciary, the Oversight Committee shall determine how to vote the proxy after consulting with the Investment Adviser's Portfolio Management Group and/or the Investment Adviser's Legal and Compliance Department and concluding that the vote cast is in its client's best interest notwithstanding the conflict. A copy of the Fund's Proxy Voting Policy and Procedures are attached as Exhibit 99.PROXYPOL. Information on how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, (i) at www.blackrock.com and (ii) on the SEC's website at <http://www.sec.gov>.

Item 8 Portfolio Managers of Closed-End Management Investment Companies as of August 31, 2015.

(a)(1) The registrant is managed by a team of investment professionals comprised of Thomas Musmanno, Managing Director at BlackRock, and James E. Keenan, Managing Director at BlackRock. Messrs. Musmanno and Keenan are the Fund's co-portfolio managers and are responsible for the day-to-day management of the Fund's portfolio, which includes setting the Fund's overall investment strategy, overseeing the management of the Fund and/or selection of its investments. Mr. Musmanno has been a member of the Fund's portfolio management team since 2012. Mr. Keenan has been a member of the Fund's portfolio management team since 2007.

| Portfolio Manager | Biography |
|--------------------------|---|
| Thomas Musmanno | Managing Director of BlackRock since 2010; Director of BlackRock from 2006 to 2009. |
| James E. Keenan | Managing Director of BlackRock since 2008 and Head of the Leveraged Finance Portfolio team; Director of BlackRock from 2006 to 2007; Vice President of BlackRock from 2004 to 2005. |

(a)(2) As of August 31, 2015:

| (i) Name of Portfolio Manager | (ii) Number of Other Accounts Managed and Assets by Account Type | | | (iii) Number of Other Accounts and Assets for Which Advisory Fee is | | |
|--------------------------------------|---|--------------------------------|-----------------------|--|--|-----------------------|
| | Other Registered | Other Pooled Investment | Other Accounts | Other Registered | Performance-Based Other Pooled Investment | Other Accounts |
| | | | | | | |

| Investment | Vehicles | Investment | Vehicles |
|-------------------|-----------------|-------------------|-----------------|
| Companies | | Companies | |

| | | | | | | |
|-----------------|-----------------|-----------------|-----------------|-----|----------------|-----------------|
| Thomas Musmanno | 12 | 15 | 136 | 0 | 1 | 0 |
| | \$10.87 Billion | \$4.93 Billion | \$48.11 Billion | \$0 | \$1.50 Billion | 0 |
| James E. Keenan | 14 | 30 | 16 | 0 | 1 | 4 |
| | \$26.75 Billion | \$13.92 Billion | \$6.84 Billion | \$0 | \$0.32 Million | \$566.3 Million |

(iv) *Portfolio Manager Potential Material Conflicts of Interest*

BlackRock has built a professional working environment, firm-wide compliance culture and compliance procedures and systems designed to protect against potential incentives that may favor one account over another. BlackRock has adopted policies and procedures that address the allocation of investment opportunities, execution of portfolio transactions, personal trading by employees and other potential conflicts of interest that are designed to ensure that all client accounts are treated equitably over time. Nevertheless, BlackRock furnishes investment management and advisory services to numerous clients in addition to the Fund, and BlackRock may, consistent with applicable law, make investment recommendations to other clients or accounts (including accounts which are hedge funds or have performance or higher fees paid to BlackRock, or in which portfolio managers have a personal interest in the receipt of such fees), which may be the same as or different from those made to the Fund. In addition, BlackRock, Inc., its affiliates and significant shareholders and any officer, director, shareholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, Inc., or any of its affiliates or significant shareholders, or any officer, director, shareholder, employee or any member of their families may take different actions than those recommended to the Fund by BlackRock with respect to the same securities. Moreover, BlackRock may refrain from rendering any advice or services concerning securities of companies of which any of BlackRock, Inc.'s (or its affiliates or significant shareholders') officers, directors or employees are directors or officers, or companies as to which BlackRock, Inc. or any of its affiliates or significant shareholders or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Certain portfolio managers also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for a fund. It should also be noted that Messrs. Keenan and Musmanno may be managing hedge fund and/or long only accounts, or may be part of a team managing hedge fund and/or long only accounts, subject to incentive fees. Messrs. Keenan and Musmanno may therefore be entitled to receive a portion of any incentive fees earned on such accounts.

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

(a)(3) As of August 31, 2015:

Portfolio Manager Compensation Overview

The discussion below describes the portfolio managers' compensation as of August 31, 2015.

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

Base compensation. Generally, portfolio managers receive base compensation based on their position with the firm.

Discretionary Incentive Compensation. Discretionary incentive compensation is a function of several components: the performance of BlackRock, Inc., the performance of the portfolio manager's group within BlackRock, the investment performance, including risk-adjusted returns, of the firm's assets under management or supervision by that portfolio manager relative to predetermined benchmarks, and the individual's performance and contribution to the overall performance of these portfolios and BlackRock. In most cases, these benchmarks are the same as the benchmark or benchmarks against which the performance of the Funds or other accounts managed by the portfolio managers are measured. Among other things, BlackRock's Chief Investment Officers make a subjective determination with respect to each portfolio manager's compensation based on the performance of the Funds and other accounts managed by each portfolio manager relative to the various benchmarks. Performance of fixed income funds is measured on a pre-tax and/or after-tax basis over various time periods including 1-, 3- and 5- year periods, as applicable. With respect to these portfolio managers, such benchmarks for the Fund and other accounts are:

| Portfolio Manager | Benchmark |
|-------------------|---|
| James E. Keenan | A combination of market-based indices (e.g., The Barclays U.S. Corporate High Yield 2% Issuer Cap Index), certain customized indices and certain fund industry peer groups. |
| Thomas Musmanno | A combination of market-based indices (e.g., Bank of America Merrill Lynch U.S. Corporate & Government Index, 1-3 Years), certain customized indices and certain fund industry peer groups. |

Distribution of Discretionary Incentive Compensation. Discretionary incentive compensation is distributed to portfolio managers in a combination of cash and BlackRock, Inc. restricted stock units which vest ratably over a number of years. For some portfolio managers, discretionary incentive compensation is also distributed in deferred cash awards that notionally track the returns of select BlackRock investment products they manage and that vest ratably over a number of years. The BlackRock, Inc. restricted stock units, upon vesting, will be settled in BlackRock, Inc. common stock. Typically, the cash portion of the discretionary incentive compensation, when combined with base salary, represents more than 60% of total compensation for

the portfolio managers. Paying a portion of discretionary incentive compensation in BlackRock, Inc. stock puts compensation earned by a portfolio manager for a given year at risk based on BlackRock's ability to sustain and improve its performance over future periods. Providing a portion of discretionary incentive compensation in deferred cash awards that notionally track the BlackRock investment products they manage provides direct alignment with investment product results.

Long-Term Incentive Plan Awards From time to time long-term incentive equity awards are granted to certain key employees to aid in retention, align their interests with long-term shareholder interests and motivate performance. Equity awards are generally granted in the form of BlackRock, Inc. restricted stock units that, once vested, settle in BlackRock, Inc. common stock. The portfolio managers of this Fund have unvested long-term incentive awards.

Deferred Compensation Program A portion of the compensation paid to eligible United States-based BlackRock employees may be voluntarily deferred at their election for defined periods of time into an account that tracks the performance of certain of the firm's investment products. Any portfolio manager who is either a managing director or director at BlackRock with compensation above a specified threshold is eligible to participate in the deferred compensation program.

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

Incentive Savings Plans BlackRock, Inc. has created a variety of incentive savings plans in which BlackRock, Inc. employees are eligible to participate, including a 401(k) plan, the BlackRock Retirement Savings Plan (RSP), and the BlackRock Employee Stock Purchase Plan (ESPP). The employer contribution components of the RSP include a company match equal to 50% of the first 8% of eligible pay contributed to the plan capped at \$5,000 per year, and a company retirement contribution equal to 3-5% of eligible compensation up to the Internal Revenue Service limit (\$265,000 for 2015). The RSP offers a range of investment options, including registered investment companies and collective investment funds managed by the firm. BlackRock, Inc. contributions follow the investment direction set by participants for their own contributions or, absent participant investment direction, are invested into a target date fund that corresponds to, or is closest to, the year in which the participant attains age 65. The ESPP allows for investment in BlackRock, Inc. common stock at a 5% discount on the fair market value of the stock on the purchase date. Annual participation in the ESPP is limited to the purchase of 1,000 shares of common stock or a dollar value of \$25,000 based on its fair market value on the purchase date. All of the eligible portfolio managers are eligible to participate in these plans.

(a)(4) *Beneficial Ownership of Securities* As of August 31, 2015.

| Portfolio Manager | Dollar Range of Equity Securities of the Fund Beneficially Owned |
|--------------------------|---|
| Thomas Musmanno | None |
| James E. Keenan | None |

(b) Not Applicable

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

Item 10 Submission of Matters to a Vote of Security Holders There have been no material changes to these procedures.

Item 11 Controls and Procedures

(a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 12 Exhibits attached hereto

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

(a)(2) Certifications Attached hereto

(a)(3) Not Applicable

(b) Certifications Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock Core Bond Trust

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of

BlackRock Core Bond Trust

Date: November 3, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ John M. Perlowski
John M. Perlowski
Chief Executive Officer (principal executive officer) of

BlackRock Core Bond Trust

Date: November 3, 2015

By: /s/ Neal J. Andrews
Neal J. Andrews
Chief Financial Officer (principal financial officer) of

BlackRock Core Bond Trust

Date: November 3, 2015