New Jersey Municipal Bond Fund

BlackRock

Inst: **MANJX** A: **MENJX** C: **MFNJX** K: **MKNJX**

Commentary as of 06/30/26

- The fund posted returns of 2.83% (Institutional shares) and 2.77% (Investor A shares, without sales charge) for the second quarter of 2026.
- Performance was driven by strong results from tax-backed state issuers, education, and health care bonds. A rated securities and longer-maturity bonds also contributed positively. Transportation, tobacco, and other industry holdings added value, though to a lesser extent.
- The fund remained focused on A rated municipal bonds and longer-maturity securities. Significant exposure to tax-backed state and local issuers, education, and health care bonds helped to drive returns, while maintaining broad diversification across New Jersey municipal sectors.

Contributors	Detractors
Strong performance from tax-backed state issuers, education, and health care bonds contributed to returns. The fund also benefited from holdings in A rated securities and longer-maturity bonds, which generally outperformed. Bonds with coupons between 5.00% and 5.25% were also additive.	While most sectors generated positive returns, performance was held back by relatively weaker results from pre-refunded and escrowed bonds, utilities, cash holdings, and certain other industry sectors. Shorter-maturity bonds and higher-coupon securities also produced more modest returns than longer-maturity bonds and bonds with coupons between 5.00% and 5.25%.

Further insight

Municipal bonds generated positive returns as demand remained strong and interest rates were relatively stable. The fund maintained a focus on A rated bonds, longer-maturity securities, and a diversified mix of New Jersey issuers across the tax-backed, education, health care, transportation, and local government sectors. At quarter-end, the fund remained positioned to seek income while maintaining broad exposure across the state's municipal bond market.

★★★★ **Morningstar Overall™**

Institutional shares rated against 41 Us Fund Muni New Jersey Funds, as of 6/30/26, based on risk-adjusted total return. Ratings are determined monthly and subject to change. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics.††

Portfolio management

Phil Soccio, Christian Romaglino, Kristi Manidis

Top 10 holdings (%)

New Jersey Health Care Facs Fi 3 07/01/2051	3.07
New Jersey St Higher Ed Assist 5 12/01/2052	2.61
Tob 5.25 646067gy8 Njsedu 144a	2.57
New Jersey St Transn Tr Fd Auth 0 12/15/2032	2.53
Essex Cnty N J Impt Auth Rev 4 11/01/2044	2.42
New Jersey St Transn Tr Fd Aut 5.25 06/15/	2.25
New Jersey St Transn Tr Fd Aut 5.25 06/15/2050	2.18
New Jersey St Transn Tr Fd Aut 0 12/15/2035	2.00
New Jersey St Transn Tr Fd Aut 0 12/15/2038	1.94
Tobacco Settlement Fing Corp N 5 06/01/2046	1.78

Investment approach

Invests primarily in long-term investment grade New Jersey municipal bonds to seek income exempt from federal income tax and New Jersey personal income tax.

Average annual total returns (%) as of 6/30/26

	2Q26 (not annualized)	YTD (not annualized)	1 Year	3 Year	5 Years	10 Years
Institutional	2.83	2.77	7.90	3.99	1.05	2.29
Investor A (Without Sales Charge)	2.77	2.64	7.63	3.74	0.80	2.05
Investor A (With Sales Charge)	-1.60	-1.72	3.05	2.25	-0.07	1.60
BBG Municipal Bond Index Unadjusted (Risk Basis: MUNI)[1]	2.50	2.32	7.03	3.76	1.05	2.15
BBG Muni 90% IG New Jersey + 10% HY New Jersey Custom[2]	2.39	2.28	7.83	4.21	1.18	3.01

*Expenses for Institutional shares: Total **0.72%**; Net, Including Investment Related Expenses (dividend expense, interest expense, acquired fund fees and expenses and certain other fund expenses) **0.53%**. For Investor A shares: Total **0.92%**; Net, Including Investment Related Expenses **0.78%**. Institutional and Investor A shares have contractual waivers with an end date of 06/30/2027 terminable upon 90 days' notice. For certain share classes, BlackRock may voluntarily agree to waive certain fees and expenses in which the adviser may discontinue at any time without notice. Expenses stated as of the fund's most recent prospectus. Data represents past performance and is no guarantee of future results. Investment returns and principal values may fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. All returns assume reinvestment of dividends and capital gains. Current performance may be lower or higher than that shown. Refer to **blackrock.com** for most recent month-end performance. Investment returns reflect total fund operating expenses, net of all fees, waivers and/or expense reimbursements. Index performance is shown for illustrative purposes only. It is not possible to invest directly in an unmanaged index. Share classes have different sales charges, fees and other features. Returns with sales charge reflect deduction of current maximum initial sales charge of 4.25% for Investor A shares. Institutional shares have no front- or back-end load. Institutional shares have limited availability and may be purchased at various minimums. See prospectus for details. Net Expenses Excluding Investment Related Expenses for Institutional shares: **0.52%**; for Investor A shares: **0.77%**. Index returns are for illustrative purposes only. Index performance returns do not reflect any management fees or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.*

Important Risks: *The fund is actively managed and its characteristics will vary. Holdings shown should not be deemed as a recommendation to buy or sell securities. Bond values fluctuate in price so the value of your investment can go down depending on market conditions. Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. Non-investment-grade debt securities (high-yield/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated securities. The fund may use derivatives to hedge its investments or to seek to enhance returns. Derivatives entail risks relating to liquidity, leverage and credit that may reduce returns and increase volatility. There may be less information on the financial condition of municipal issuers than public corporations. The market for municipal bonds may be less liquid than taxable bonds. Some investors may be subject to Alternative Minimum Tax (AMT). Capital gains distributions are taxable. Concentrating in a single state is subject to greater risk of adverse economic conditions and regulatory changes.*

The opinions expressed are those of the fund's portfolio management team as of June 30, 2026, and may change as subsequent conditions vary. Information and opinions are derived from proprietary and nonproprietary sources deemed by BlackRock to be reliable, are not necessarily all-inclusive and are not guaranteed as to accuracy.

BlackRock provides compensation in connection with obtaining or using third-party ratings and rankings.

1 The BBG Municipal Bond Index measures U.S.municipal market performance of bonds issued by states or municipalities. All bonds in the index are exempt from U.S. federal income taxes or subject to the alternative minimum tax. **2** The BBG Custom New Jersey Municipal Bond Index measures the performance of municipal bonds issued in New Jersey.†† The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.The fund was rated against the following numbers of U.S.-domiciled Us Fund Muni New Jersey funds over the following time periods:41 in the last 3 years, 41 in the last 5 years and 34 in the last 10 years. With respect to these Us Fund Muni New Jersey funds, the fund received a Morningstar Rating of 4, 4 and 4 stars for the 3-, 5- and 10-year periods, respectively.Other classes may have different performance characteristics.

You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. The prospectus and, if available, the summary prospectus contain this and other information about the fund and are available, along with information on other BlackRock funds, by calling 800-882-0052 or from your financial professional. The prospectus should be read carefully before investing.

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