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BLACKROCK CORPORATE HIGH YIELD FUND III INC  
 Form N-Q  
 April 29, 2008

UNITED STATES  
 SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
 MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-08497

Name of Fund: BlackRock Corporate High Yield Fund III, Inc. (CYE)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, Chief Executive  
 Officer, BlackRock Corporate High Yield Fund III, Inc., 800 Scudders Mill  
 Road, Plainsboro, NJ 08536. Mailing address: P.O. Box 9011, Princeton,  
 NJ 08543-9011

Registrant's telephone number, including area code: (800) 882-0052, Option 4

Date of fiscal year end: 05/31/2008

Date of reporting period: 12/01/2007 - 02/29/2008

Item 1 - Schedule of Investments

BlackRock Corporate High Yield Fund III, Inc.  
 Schedule of Investments as of February 29, 2008 (Unaudited)  
 (Percentages shown are based on Net Assets)

Industry	Par (000)	Corporate Bonds
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Aerospace & Defense - 4.8%	\$ 1,947	Alliant Techsystems, Inc., 2.75% due 9/15/2011 (a) (b)
	1,425	DRS Technologies, Inc., 6.875% due 11/01/2013
	975	Esterline Technologies Corp., 7.75% due 6/15/2013
	615	Hawker Beechcraft Acquisitions Co. LLC, 8.875% due 4/15/2013
	1,425	L-3 Communications Corp., 7.625% due 6/15/2012
	1,625	L-3 Communications Corp., 5.875% due 1/15/2015
	1,380	L-3 Communications Corp., 3% due 8/01/2035 (a) (b)
	1,375	L-3 Communications Corp. Series B, 6.375% due 10/15/2015
	470	TransDigm, Inc., 7.75% due 7/15/2014
	1,410	Vought Aircraft Industries, Inc., 8% due 7/15/2011
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Airlines - 0.4%	873	Continental Airlines, Inc. Series 1997-4-B, 6.90% due 7/02/2018 (d)
	36	Continental Airlines, Inc. Series 1998-1-C, 6.541% due 9/15/2009 (d)
	344	Continental Airlines, Inc. Series 2001-1-C, 7.033%

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due 12/15/2012 (d)

Auto Components - 1.5%	300	Allison Transmission, 11% due 11/01/2015 (a)
	2,120	Allison Transmission, 11.25% due 11/01/2015 (a)(c)
	290	The Goodyear Tire & Rubber Co., 7.857% due 8/15/2011
	692	The Goodyear Tire & Rubber Co., 8.625% due 12/01/2011
	1,285	Lear Corp., 8.75% due 12/01/2016
Automobiles - 0.5%	785	Ford Capital BV, 9.50% due 6/01/2010
	700	Ford Motor Co., 8.90% due 1/15/2032
Biotechnology - 0.4%	1,390	Angiotech Pharmaceuticals, Inc., 6.826% due 12/01/2010
Building Products - 0.7%	500	Masonite International Corp., 11% due 4/06/2015
	1,970	Momentive Performance Materials, Inc., 11.50% due 12/01/2010
Capital Markets - 1.1%	1,520	E*Trade Financial Corp., 12.50% due 11/30/2017 (a)
	1,073	Marsico Parent Co., LLC, 10.625% due 1/15/2016 (a)
	368	Marsico Parent Holdco, LLC, 12.50% due 7/15/2016 (a)
	245	Marsico Parent Superholdco, LLC, 14.50% due 1/15/2016
Chemicals - 2.3%	880	American Pacific Corp., 9% due 2/01/2015
	625	Hexion U.S. Finance Corp., 7.565% due 11/15/2014 (e)
	525	Hexion U.S. Finance Corp., 9.75% due 11/15/2014
	440	Ineos Group Holdings Plc, 8.50% due 2/15/2016 (a)
	825	Innophos, Inc., 8.875% due 8/15/2014
	455	Key Plastics LLC, 11.75% due 3/15/2013 (a)
	1,700	MacDermid, Inc., 9.50% due 4/15/2017 (a)
	480	NOVA Chemicals Corp., 7.863% due 11/15/2013 (e)
	724	Nalco Finance Holdings, Inc., 10.065% due 2/01/2014
	280	Terra Capital, Inc. Series B, 7% due 2/01/2017
Commercial Services & Supplies - 4.8%	615	ARAMARK Corp., 8.50% due 2/01/2015
	485	Ashtead Capital, Inc., 9% due 8/15/2016 (a)
	3,000	Corrections Corp. of America, 7.50% due 5/01/2011
	363	DI Finance Series B, 9.50% due 2/15/2013

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Industry Par  
 (000) Corporate Bonds

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	\$ 1,385	PNA Intermediate Holding Corp., 10.065% due 2/15/201
	210	Sally Holdings LLC, 9.25% due 11/15/2014
	769	Sally Holdings LLC, 10.50% due 11/15/2016
	700	US Investigations Services, Inc., 10.50% due 11/01/2
	3,000	Waste Services, Inc., 9.50% due 4/15/2014
	750	West Corp., 9.50% due 10/15/2014
	2,850	West Corp., 11% due 10/15/2016
	345	The Yankee Candle Company, Inc., 9.75% due 2/15/2017
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Communications Equipment	1,750	Dycom Industries, Inc., 8.125% due 10/15/2015
- 1.4%	2,585	Nortel Networks Ltd., 8.508% due 7/15/2011 (e)
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Computers & Peripherals	750	Viasystems, Inc., 10.50% due 1/15/2011
- 0.3%		
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Construction Materials	1,000	Texas Industries, Inc., 7.25% due 7/15/2013
- 0.4%		
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Containers & Packaging	1,915	Berry Plastics Holding Corp., 6.675% due 9/15/2014 (
- 4.4%	1,370	Berry Plastics Holding Corp., 8.875% due 9/15/2014
	1,050	Graphic Packaging International Corp., 8.50% due 8/1
	640	Graphic Packaging International Corp., 9.50% due 8/1
	420	Impress Holdings BV, 7.383% due 9/15/2013 (a) (e)
	1,000	Owens-Brockway Glass Container, Inc., 8.25% due 5/15
	1,355	Packaging Dynamics Finance Corp., 10% due 5/01/2016
	1,200	Pregis Corp., 12.375% due 10/15/2013
	2,000	Rock-Tenn Co., 8.20% due 8/15/2011
	2,375	Smurfit-Stone Container Enterprises, Inc., 8% due 3/
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Diversified Consumer Services - 1.1%	3,000	Service Corp. International, 7% due 6/15/2017
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Diversified Financial Services - 1.4%	435	Ford Motor Credit Co. LLC, 7.127% due 1/13/2012 (e)
	200	Ford Motor Credit Co. LLC, 7.80% due 6/01/2012
	600	GMAC LLC, 7.25% due 3/02/2011
	980	GMAC LLC, 6.75% due 12/01/2014
	1,050	GMAC LLC, 8% due 11/01/2031
	1,325	Leucadia National Corp., 8.125% due 9/15/2015
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Diversified Telecommunication Services - 2.7%	2,370	Qwest Communications International, Inc., 7.50% due
	1,550	Qwest Corp., 6.05% due 6/15/2013 (e)
	525	Qwest Corp., 7.625% due 6/15/2015
	3,000	Windstream Corp., 8.125% due 8/01/2013
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Electric Utilities - 1.6%	1,875	Edison Mission Energy, 7.50% due 6/15/2013
	420	NSG Holdings LLC, 7.75% due 12/15/2025 (a) (d)
	1,987	Tenaska Alabama Partners LP, 7% due 6/30/2021 (a) (d)
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Electrical Equipment - 0.4%	1,025	Coleman Cable, Inc., 9.875% due 10/01/2012
	206	UCAR Finance, Inc., 10.25% due 2/15/2012

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Electronic Equipment & Instruments - 0.9%	1,315	NXP BV, 7.008% due 10/15/2013 (e)
	170	Sanmina-SCI Corp., 6.75% due 3/01/2013
	1,395	Sanmina-SCI Corp., 8.125% due 3/01/2016

Energy Equipment & Services - 2.1%	215	Compagnie Generale de Geophysique-Veritas, 7.50% due 5/15/2015
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Industry	Par (000)	Corporate Bonds
	\$ 320	Compagnie Generale de Geophysique-Veritas, 7.75% due 5/15/2017
	720	North American Energy Partners, Inc., 8.75% due 12/0
	2,000	Ocean RIG ASA, 8.681% due 4/04/2011 (e)
	2,690	SemGroup LP, 8.75% due 11/15/2015 (a)
Food & Staples Retailing - 1.5%	800	AmeriQual Group LLC, 9.50% due 4/01/2012 (a)
	2,000	National Beef Packing Co. LLC, 10.50% due 8/01/2011
	2,055	Rite Aid Corp., 7.50% due 3/01/2017
Food Products - 1.1%	3,024	Del Monte Corp., 8.625% due 12/15/2012
Gas Utilities - 0.5%	1,320	El Paso Performance-Linked Trust, 7.75% due 7/15/201
Health Care Equipment & Supplies - 1.8%	5,300	ReAble Therapeutics Finance LLC, 10.875% due 11/15/2
Health Care Providers & Services - 4.7%	1,020	Accellent, Inc., 10.50% due 12/01/2013
	425	Community Health Systems, Inc. Series WI, 8.875% due 7/15/2015
	725	Omnicare, Inc., 6.75% due 12/15/2013
	800	Omnicare, Inc. Series OCR, 3.25% due 12/15/2035 (b)
	4,215	Tenet Healthcare Corp., 6.50% due 6/01/2012
	3,000	US Oncology, Inc., 9% due 8/15/2012
	1,550	United Surgical Partners International, Inc., 8.875%
	310	Universal Hospital Services, Inc., 8.288% due 6/01/2
	330	Universal Hospital Services, Inc., 8.50% due 6/01/20
	2,000	Vanguard Health Holding Co. II, LLC, 9% due 10/01/20
Hotels, Restaurants & Leisure - 8.1%	1,450	American Real Estate Partners LP, 7.125% due 2/15/20
	1,350	Caesars Entertainment, Inc., 7.875% due 3/15/2010

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785	French Lick Resorts & Casino LLC, 10.75% due 4/15/20
300	Galaxy Entertainment Finance Co. Ltd., 9.829% due 12/15/2010 (a) (e)
550	Galaxy Entertainment Finance Co. Ltd., 9.875% due 12
2,000	Great Canadian Gaming Corp., 7.25% due 2/15/2015 (a)
595	Greektown Holdings, LLC, 10.75% due 12/01/2013 (a)
3,250	Harrah's Operating Co., Inc., 10.75% due 2/01/2018 (
1,550	Inn of the Mountain Gods Resort & Casino, 12% due 11
245	Landry's Restaurants, Inc., 9.50% due 12/15/2014
1,290	Little Traverse Bay Bands of Odawa Indians, 10.25% due 2/15/2014 (a)
2,025	Penn National Gaming, Inc., 6.875% due 12/01/2011
1,340	Pinnacle Entertainment, Inc., 7.50% due 6/15/2015 (a)
975	San Pasqual Casino, 8% due 9/15/2013 (a)
360	Shingle Springs Tribal Gaming Authority, 9.375% due 6/15/2015 (a)
495	Station Casinos, Inc., 6.50% due 2/01/2014
1,625	Station Casinos, Inc., 7.75% due 8/15/2016
110	Station Casinos, Inc., 6.625% due 3/15/2018
370	Travelport LLC, 7.701% due 9/01/2014 (e)
1,255	Tropicana Entertainment LLC Series WI, 9.625% due 12
1,660	Universal City Florida Holding Co. I, 7.989% due 5/0
810	Virgin River Casino Corp., 9% due 1/15/2012
1,200	Wynn Las Vegas LLC, 6.625% due 12/01/2014

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Industry	Par (000)	Corporate Bonds
Household Durables - 0.9%	\$ 1,575 1,015	American Greetings Corp., 7.375% due 6/01/2016 Jarden Corp., 7.50% due 5/01/2017
IT Services - 1.8%	2,490 2,380 480	First Data Corp., 9.875% due 9/24/2015 (a) SunGard Data Systems, Inc., 9.125% due 8/15/2013 SunGard Data Systems, Inc., 10.25% due 8/15/2015
Independent Power Producers & Energy Traders - 3.4%	1,309 3,000 1,625 1,475 1,130 960	The AES Corp., 8.75% due 5/15/2013 (a) Energy Future Holding Corp., 11.25% due 11/01/2017 (a) NRG Energy, Inc., 7.25% due 2/01/2014 NRG Energy, Inc., 7.375% due 2/01/2016 Texas Competitive Electric Holdings Co. LLC, 10.25% due 11/01/2015 (a) Texas Competitive Electric Holdings Co. LLC, 10.50% due 11/01/2016 (a) (c)

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Insurance - 0.7%	1,700	Alliant Holdings I, Inc., 11% due 5/01/2015 (a)
	680	USI Holdings Corp., 6.94% due 11/15/2014 (a) (e)
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Leisure Equipment & Products - 0.5%	1,750	Quiksilver, Inc., 6.875% due 4/15/2015
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Machinery - 1.6%	1,280	AGY Holding Corp., 11% due 11/15/2014 (a)
	555	Accuride Corp., 8.50% due 2/01/2015
	560	RBS Global, Inc., 8.875% due 9/01/2016
	2,230	Terex Corp., 8% due 11/15/2017
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Marine - 1.1%	582	Navios Maritime Holdings, Inc., 9.50% due 12/15/2014
	2,325	Teekay Shipping Corp., 8.875% due 7/15/2011
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Media - 16.3%	1,340	Affinion Group, Inc., 11.50% due 10/15/2015
	1,850	Allbritton Communications Co., 7.75% due 12/15/2012
	225	American Media Operations, Inc. Series B, 10.25% due
	8	American Media Operations, Inc. Series B, 10.25% due 5/01/2009 (a)
	1,125	Barrington Broadcasting Group LLC, 10.50% due 8/15/2014
	510	Bonten Media Acquisition Co., 9% due 6/01/2015 (a) (c)
	2,000	CMP Susquehanna Corp., 9.875% due 5/15/2014
	2,275	CSC Holdings, Inc. Series B, 7.625% due 4/01/2011
	520	Cablevision Systems Corp. Series B, 9.644% due 4/01/2012
	475	Cablevision Systems Corp. Series B, 8% due 4/15/2012
	1,600	Cadmus Communications Corp., 8.375% due 6/15/2014
	5,495	Charter Communications Holdings I, LLC, 11% due 10/01/2013
	2,320	Charter Communications Holdings II, LLC, 10.25% due 10/01/2013
	1,367	Dex Media West LLC, 9.875% due 8/15/2013
	1,225	Echostar DBS Corp., 7.125% due 2/01/2016
	350	Harland Clarke Holdings Corp., 7.815% due 5/15/2015
	420	Harland Clarke Holdings Corp., 9.50% due 5/15/2015
2,010	Idearc, Inc., 8% due 11/15/2016	
1,125	Intelsat Corp., 9% due 6/15/2016	
1,955	Intelsat Subsidiary Holding Co. Ltd., 8.625% due 1/15/2013	
1,113	Liberty Media Corp., 0.75% due 3/30/2023 (b)	
2,425	Mediacom LLC, 9.50% due 1/15/2013	

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Industry	Par (000)	Corporate Bonds
	\$ 30	Network Communications, Inc., 10.75% due 12/01/2013
	3,000	Nielsen Finance LLC, 10% due 8/01/2014
	1,134	PanAmSat Corp., 9% due 8/15/2014
	2,975	Paxson Communications Corp., 7.508% due 1/15/2012 (a)

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	809	ProtoStar I Ltd., 12.50% due 10/15/2012 (a) (b) (e)
	800	R.H. Donnelley Corp., 8.875% due 10/15/2017 (a)
	1,400	R.H. Donnelley Corp. Series A-2, 6.875% due 1/15/201
	735	R.H. Donnelley Corp. Series A-3, 8.875% due 1/15/201
	1,232	Rainbow National Services LLC, 10.375% due 9/01/2014
	2,475	Salem Communications Corp., 7.75% due 12/15/2010
	500	Sirius Satellite Radio, Inc., 9.625% due 8/01/2013
	3,970	TL Acquisitions, Inc., 10.50% due 1/15/2015 (a)
	748	Windstream Regatta Holdings, Inc., 11% due 12/01/201
	880	Young Broadcasting, Inc., 10% due 3/01/2011
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Metals & Mining - 5.5%	2,485	Aleris International, Inc., 9% due 12/15/2014 (c)
	200	Blaze Recycling & Metals LLC, 10.875% due 7/15/2012
	535	FMG Finance Property Ltd., 10% due 9/01/2013 (a)
	1,295	FMG Finance Property Ltd., 10.625% due 9/01/2016 (a)
	1,975	Foundation PA Coal Co., 7.25% due 8/01/2014
	2,425	Freeport-McMoRan Copper & Gold, Inc., 8.394% due 4/01/2015 (e)
	2,590	Freeport-McMoRan Copper & Gold, Inc., 8.375% due 4/0
	1,018	Indalex Holding Corp. Series B, 11.50% due 2/01/2014
	1,975	Novelis, Inc., 7.25% due 2/15/2015
	400	Ryerson, Inc., 10.614% due 11/01/2014 (a) (e)
	670	Ryerson, Inc., 12% due 11/01/2015 (a)
	520	Steel Dynamics, Inc., 7.375% due 11/01/2012 (a)
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Multi-Utilities - 0.6%	1,327	CenterPoint Energy, Inc. Series B, 3.75% due 5/15/20
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Multiline Retail - 0.5%	1,475	Neiman Marcus Group, Inc., 9% due 10/15/2015 (c)
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Oil, Gas & Consumable Fuels - 5.6%	540	Atlas Energy Resources LLC, 10.75% due 2/01/2018 (a)
	510	Berry Petroleum Co., 8.25% due 11/01/2016
	1,550	Chaparral Energy, Inc., 8.50% due 12/01/2015
	1,610	Compton Petroleum Finance Corp., 7.625% due 12/01/20
	695	Copano Energy LLC, 8.125% due 3/01/2016
	2,517	Corral Finans AB, 5.758% due 4/15/2010 (a) (c)
	2,800	EXCO Resources, Inc., 7.25% due 1/15/2011
	2,000	Encore Acquisition Co., 6.25% due 4/15/2014
	1,220	Forest Oil Corp., 7.25% due 6/15/2019 (a)
	380	KCS Energy, Inc., 7.125% due 4/01/2012
	1,725	OPTI Canada, Inc., 8.25% due 12/15/2014 (a)
	780	Sabine Pass LNG LP, 7.50% due 11/30/2016
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Paper & Forest Products - 5.1%	2,000	Abitibi-Consolidated, Inc., 6.30% due 6/15/2011 (e)
	515	Abitibi-Consolidated, Inc., 6% due 6/20/2013
	195	Abitibi-Consolidated, Inc., 8.85% due 8/01/2030
	1,470	Ainsworth Lumber Co. Ltd., 8.58% due 10/01/2010 (e)
	770	Ainsworth Lumber Co. Ltd., 8.83% due 4/01/2013 (e)
	840	Bowater Canada Finance Corp., 7.95% due 11/15/2011
	2,825	Bowater, Inc., 5.80% due 3/15/2010 (e)
	2,750	Domtar Corp., 7.125% due 8/15/2015

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Industry	Par (000)	Corporate Bonds
	\$ 2,310	NewPage Corp., 10% due 5/01/2012 (a)
	1,180	NewPage Corp., 12% due 5/01/2013
	885	Norske Skog Canada Ltd. Series D, 8.625% due 6/15/2012
	1,820	Verso Paper Holdings LLC Series B, 9.125% due 8/01/2012
Personal Products - 0.5%	1,400	Chattem, Inc., 7% due 3/01/2014
Pharmaceuticals - 0.9%	2,000	Elan Finance Plc, 7.065% due 11/15/2011 (e)
	930	PTS Acquisition Corp., 9.50% due 4/15/2015 (a) (c)
Real Estate Investment Trusts (REITs) - 0.4%	1,175	FelCor Lodging LP, 8.50% due 6/01/2011
Real Estate Management & Development - 2.3%	3,025	Forest City Enterprises, Inc., 7.625% due 6/01/2015
	1,510	Realogy Corp., 10.50% due 4/15/2014
	2,390	Realogy Corp., 11% due 4/15/2014 (c)
	1,610	Realogy Corp., 12.375% due 4/15/2015
Road & Rail - 1.0%	2,800	Avis Budget Car Rental LLC, 5.565% due 5/15/2014 (e)
	600	Avis Budget Car Rental LLC, 7.625% due 5/15/2014
Semiconductors & Semiconductor Equipment - 1.4%	280	Amkor Technology, Inc., 7.75% due 5/15/2013
	1,260	Amkor Technology, Inc., 9.25% due 6/01/2016
	1,950	Freescal Semiconductor, Inc., 6.675% due 12/15/2014
	1,215	Spansion, Inc., 6.201% due 6/01/2013 (a) (e)
Software - 0.2%	677	BMS Holdings, Inc., 12.40% due 2/15/2012 (a) (c) (e)
Specialty Retail - 3.7%	350	Asbury Automotive Group, Inc., 7.625% due 3/15/2017
	2,875	AutoNation, Inc., 6.258% due 4/15/2013 (e)
	775	AutoNation, Inc., 7% due 4/15/2014
	310	Beverages & More, Inc., 9.25% due 3/01/2012 (a)
	575	Buffets, Inc., 12.50% due 11/01/2014 (g)
	1,760	General Nutrition Centers, Inc., 7.199% due 3/15/2012
	1,420	General Nutrition Centers, Inc., 10.75% due 3/15/2012
	900	Group 1 Automotive, Inc., 2.25% due 6/15/2036 (b) (h)
	1,700	Michaels Stores, Inc., 10% due 11/01/2014
	1,205	Michaels Stores, Inc., 11.375% due 11/01/2016
	1,110	United Auto Group, Inc., 7.75% due 12/15/2016
Textiles, Apparel & Luxury Goods - 0.7%	2,000	Levi Strauss & Co., 8.875% due 4/01/2016



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Wireless Telecommunication Services - 5.6%	1,650	Centennial Cellular Operating Co. LLC, 10.125% due 6/1/2014
	1,370	Centennial Communications Corp., 10.479% due 1/01/2014
	1,285	Cricket Communications, Inc., 9.375% due 11/01/2014
	850	Digicel Group Ltd., 8.875% due 1/15/2015 (a)
	1,983	Digicel Group Ltd., 9.125% due 1/15/2015 (a)(c)
	600	FiberTower Corp., 9% due 11/15/2012 (b)
	620	iPCS, Inc., 5.364% due 5/01/2013 (e)
	2,990	MetroPCS Wireless, Inc., 9.25% due 11/01/2014
	2,400	Nordic Telephone Co. Holdings ApS, 8.875% due 5/01/2014
	275	Orascom Telecom Finance SCA, 7.875% due 2/08/2014 (a)
	2,600	Rural Cellular Corp., 8.25% due 3/15/2012

Total Corporate Bonds (Cost - \$338,185,273) - 111.2%

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Industry	Par (000)	Floating Rate Loan Interests (i)
Auto Components - 0.1%	\$ 250	Allison Transmission Term Loan B, 5.75% due 8/07/2014
Capital Markets - 0.2%	500	Marsico Parent Company, LLC Term Loan B, 3.813% - 7.813% due 11/14/2014
Chemicals - 0.3%	2,830	Wellman, Inc. Second Lien Term Loan, 9.989% due 2/10/2014
Containers & Packaging - 0.2%	897	Berry Plastics Corp. Term Loan B, 11.646% due 6/15/2014
Health Care Providers & Services - 0.5%	1,582	Rotech Healthcare, Inc. Term Loan B, 10.832% due 9/2/2014
Hotels, Restaurants & Leisure - 0.7%	2,683	Travelport, Inc. Term Loan, 10.095% due 3/22/2012
Household Products - 0.2%	25	Spectrum Brands, Inc. Letter of Credit, 2.994% due 4/15/2013
	497	Spectrum Brands, Inc. Term Loan B-1, 7.065% - 8.620% due 4/15/2013
IT Services - 0.7%	2,000	Alliance Data Systems Term Loan, 8.058% due 12/15/2013
Independent Power Producers & Energy Traders - 1.3%	499	TXU Corp. Term Loan B-2, 6.478% - 6.596% due 10/14/2013
	3,491	TXU Corp. Term Loan B-3, 6.478% - 6.596% due 10/10/2013
Machinery - 0.1%	385	Rexnord Corp. Payment In Kind Term Loan, 12.131% due 3/02/2013

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Media - 4.4%	400	Affinion Group, Inc. Term Loan, 9.267% due 3/01/2012
	2,700	Catalina Marketing Group Term Loan, 8.479% due 10/09
	364	Education Media and Publishing First Lien Term Loan, due 5/15/2009
	2,636	Education Media and Publishing First Lien Term Loan due 11/14/2014
	6,000	Education Media and Publishing Second Lien Term Loan due 11/14/2014
	1,500	New Vision First Lien Term Loan, 11.630% due 10/26/2

Oil, Gas & Consumable Fuels - 0.4%	1,000	SandRidge Energy, Inc. Term Loan, 8.625% due 3/01/20
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Paper & Forest Products - 0.8%	500	NewPage Corp. Tem Loan B, 8.688% due 12/07/2014
	1,960	Verso Paper Holdings LLC Term Loan B, 9.489% due 2/0

Total Floating Rate Loan Interests  
(Cost - \$31,716,128) - 9.9%

Shares Common Stocks

Capital Markets - 0.1%	73,574	E*Trade Financial Corp.
Communications Equipment - 0.7%	82,907	Loral Space & Communications Ltd. (j)
Electrical Equipment - 0.3%	70,784	Medis Technologies Ltd. (j)
Paper & Forest Products - 0.1%	203,785	Western Forest Products, Inc. (j)
Semiconductors & Semiconductor Equipment - 0.7%	85,295	Cypress Semiconductor Corp. (j)

Total Common Stocks (Cost - \$8,330,815) - 1.9%

Preferred Stocks

Capital Markets - 0.0%	72	Marsico Parent Superholdco, LLC, 16.75% (a)
Diversified Financial Services - 0.3%	17,000	Citigroup, Inc. Series T, 6.50% (b)
Oil, Gas & Consumable Fuels - 0.9%	43	EXCO Resources, Inc., 7% (b)
	175	EXCO Resources, Inc., 11%

Total Preferred Stocks (Cost - \$3,097,886) - 1.2%

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BlackRock Corporate High Yield Fund III, Inc.  
 Schedule of Investments as of February 29, 2008 (Unaudited)  
 (Percentages shown are based on Net Assets)

Industry	Shares	Warrants (k)
Health Care Providers & Services - 0.0%	32,042	HealthSouth Corp. (expires 1/16/2014)
Paper & Forest Products - 0.0%	700	MDP Acquisitions Plc (expires 10/01/2013)
Wireless Telecommunication Services - 0.2%	825	American Tower Corp. (expires 8/01/2008)
		Total Warrants (Cost - \$53,675) - 0.2%
	Beneficial Interest (000)	Other Interests (1)
Media - 0.0%	\$ 750 941	Adelphia Escrow Adelphia Recovery Trust
		Total Other Interests (Cost - \$3,075) - 0.0%
Short-Term Securities		
	1,744	BlackRock Liquidity Series, LLC Cash Sweep Series, 3.76% (m) (n)
		Total Short-Term Securities (Cost - \$1,744,011) - 0.0%
	Contracts	Options Purchased
Call Options Purchased - 0.0%	19	Marsico Parent Superholdco LLC, expiring December 2008 at USD 942.86 (o)
		Total Options Purchased (Premiums Paid - \$18,578) - 0.0%
		Total Investments (Cost - \$383,149,441*) - 125.0%
		Liabilities in Excess of Other Assets - (25.0%)
		Net Assets - 100.0%

\* The cost and unrealized appreciation (depreciation) of investments as of

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February 29, 2008, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 383,552,896
	=====
Gross unrealized appreciation	\$ 2,706,105
Gross unrealized depreciation	(42,414,564)
	-----
Net unrealized depreciation	\$ (39,708,459)
	=====

- (a) The security may be offered and sold to "qualified institutional buyers" under Rule 144A of the Securities Act of 1933.
- (b) Convertible security.
- (c) Represents a pay-in-kind security which may pay interest/dividends in additional face/shares.
- (d) Subject to principal paydowns.
- (e) Floating rate security.
- (f) Represents a step bond; the interest rate shown reflects the effective yield at the time of purchase.
- (g) Non-income producing security; issuer filed for bankruptcy or is in default of interest payments.
- (h) Represents a step bond.
- (i) Floating rate loan interests in which the Fund invests 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 (i) the lending rate offered by one or more major European banks, such as LIBOR (London InterBank Offered Rate), (ii) the prime rate offered by one or more major U.S. banks or (iii) the certificate of deposit rate.
- (j) Non-income producing security.
- (k) Warrants entitle the Fund 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.
- (l) Other interests represent beneficial interest in liquidation trusts and other reorganization entities and are non-income producing.
- (m) Represents the current yield as of February 29, 2008.

BlackRock Corporate High Yield Fund III, Inc.

Schedule of Investments as of February 29, 2008 (Unaudited)

(Percentages shown are based on Net Assets)

- (n) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Net Activity (000)	Interest Income
BlackRock Liquidity Series, LLC Cash Sweep Series	\$ 174	\$133,086

- (o) Illiquid security.
- o For Fund compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report which may combine industry sub-classifications for reporting

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ease.

- o Swaps outstanding as of February 29, 2008 were as follows:

	Notional Amount (000)
Sold credit default protection on Ford Motor Company and receive 3.80% Broker, JPMorgan Chase Expires March 2010	\$ 3,000
Sold credit default protection on Ford Motor Company and receive 3.80% Broker, UBS Warburg Expires March 2010	\$ 1,000
Sold credit default protection on Ford Motor Company and receive 5.00% Broker, Goldman Sachs Expires June 2010	\$ 4,000
Total	

Item 2 - Controls and Procedures

- 2(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.
- 2(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 registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 - Exhibits

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 Corporate High Yield Fund III, Inc.

By: /s/ Donald C. Burke

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 Donald C. Burke  
 Chief Executive Officer of  
 BlackRock Corporate High Yield Fund III, Inc.

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Date: April 23, 2008

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/ Donald C. Burke

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Donald C. Burke  
Chief Executive Officer (principal executive officer) of  
BlackRock Corporate High Yield Fund III, Inc.

Date: April 23, 2008

By: /s/ Neal J. Andrews

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Neal J. Andrews  
Chief Financial Officer (principal financial officer) of  
BlackRock Corporate High Yield Fund III, Inc.

Date: April 23, 2008