

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-2224

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
HMS Income Fund, Inc.		45-3999996	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Jeremy T. Davis	888-220-6121	HinesInvestorRelations@hines.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
2800 Post Oak Boulevard, Suite 5000		Houston, TX 77056	
8 Date of action	9 Classification and description		
September 14, 2012	A stock distribution of 2.2503 common shares for each 100 common shares		
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
40427D102			

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On September 13, 2012, the board of directors of HMS Income Fund, Inc. (the "Issuer") declared a special distribution of 2.2503 shares of the Issuer's common stock per 100 shares of common stock. The stock distribution was issued on September 14, 2012 to shareholders of record on September 13, 2012.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The tax basis of each common share of the Issuer held by a shareholder immediately before the special stock distribution is allocated pro rata between each original common share held and the new common shares distributed with respect to each such original common share.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The original tax basis per common share should be divided by 1.022503 to determine the new tax basis per common share for both the originally issued common shares and the shares received as a result of the special stock distribution. For example, if a shareholder held 100 common shares with \$9.00 tax basis per share (\$900 in total tax basis) prior to the special stock distribution, the shareholder would now have 102.2503 common shares with a tax basis of \$900, or \$8.80193 per common share.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

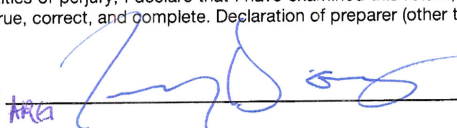
Internal Revenue Code Section 305(a) and Section 307(a)18 Can any resulting loss be recognized? ▶ **No**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

The common share distribution was declared on September 13, 2012 and issued on September 14, 2012, which is during the Issuer's reportable calendar year ending December 31, 2012 .**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶



Date ▶

10/26/2018Print your name ▶ **Jeremy T. Davis**Title ▶ **Senior Controller****Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name ▶

Firm's EIN ▶

Firm's address ▶

Phone no.