

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

Form N-2

(Check Appropriate Box or Boxes)

- ☐ REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933
☐ Pre-Effective Amendment No.
☒ Post-Effective Amendment No. 2

HMS INCOME FUND, INC.
(Exact Name of Registrant as Specified in Charter)

**2800 Post Oak Boulevard, Suite 5000
Houston, Texas 77056-6118**
Address of Principal Executive Offices (Number, Street, City, State, Zip Code)

Registrant's Telephone Number, Including Area Code: **(888) 220-6121**

**Charles N. Hazen
HMS Income Fund, Inc.
2800 Post Oak Boulevard, Suite 5000
Houston, Texas 77056-6118**
Name and Address (Number, Street, City, State, Zip Code) of Agent For Service

COPIES TO:

**John A. Good, Esq.
Bass, Berry & Sims PLC
100 Peabody Place, Suite 900
Memphis, Tennessee 38103-3672
Tel: (901) 543-5901
Fax: (888) 543-4644**

Approximate Date of Proposed Public Offering: As soon as practicable after the effective date of this Registration Statement.

If any securities being registered on this form will be offered on a delayed or continuous basis in reliance on Rule 415 under the Securities Act of 1933, other than securities offered in connection with a distribution reinvestment plan, check the following box.
☒

It is proposed that this filing will become effective (check appropriate box):
☐ when declared effective pursuant to section 8(c).

EXPLANATORY NOTE

This Post-Effective Amendment No. 2 to the Registration Statement on Form N-2 (File No. 333-178548) of HMS Income Fund, Inc. (the "Registration Statement") is being filed pursuant to Rule 462(d) under the Securities Act of 1933, as amended (the "Securities Act"), solely for the purpose of filing an exhibit to the Registration Statement. Accordingly, this Post-Effective Amendment No. 2 consists only of a facing page, this explanatory note and Part C of the Registration Statement on Form N-2 setting forth the exhibits to the Registration Statement. This Post-Effective Amendment No. 2 does not change the final prospectus filed pursuant to Rule 497 under the Securities Act on June 11, 2012. Pursuant to Rule 462(d) under the Securities Act, this Post-Effective Amendment No. 2 shall become effective immediately upon filing with the Securities and Exchange Commission. The contents of the Registration Statement are hereby incorporated by reference.

PART C OTHER INFORMATION

Item 25. Financial Statements and Exhibits

(1) *Financial Statements*

The following financial statements of HMS Income Fund, Inc. (the “*Registrant*” or the “*Company*”) are included in Part A of this Registration Statement:

Unaudited Financial Statements as of March 31, 2012	Page
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Statement of Changes in Net Assets for the three months ended March 31, 2012	F-4
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Balance Sheet as of December 31, 2011	F-22
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Schedule of Investments as of December 31, 2011	F-26
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(2) *Exhibits*

(a)(1)	Articles of Incorporation of the Registrant ⁽¹⁾
(a)(2)	Articles of Amendment and Restatement ⁽³⁾
(b)	Bylaws of the Registrant ⁽³⁾
(c)	Not applicable
(d)	Form of Subscription Agreement (included in the Prospectus as Appendix A)
(e)	Distribution Reinvestment Plan
(f)	Not applicable
(g)(1)	Investment Advisory and Administrative Services Agreement by and between the Registrant and the Adviser ⁽³⁾
(g)(2)	Investment Sub-Advisory Agreement by and among the Registrant, the Adviser, the Sub-Adviser and Main Street Capital Corporation ⁽³⁾
(h)(1)	Dealer Manager Agreement with Hines Securities, Inc. ⁽³⁾
(h)(2)	Form of Selected Dealer Agreement ⁽²⁾
(i)	Not applicable
(j)	Custody Agreement ⁽³⁾
(k)(1)	Conditional Fee Waiver Agreement ⁽³⁾

- (k)(2) Loan and Security Agreement by and between HMS Income LLC and Main Street Capital Corporation⁽¹⁾
- (k)(3) Agreement and Plan of Merger⁽³⁾
- (k)(4) Credit Agreement with Capital One, National Association⁽³⁾
- (k)(5) Form of Indemnification Agreement by and between Registrant and each of its Affiliated Directors and Officers⁽³⁾
- (k)(6) Form of Indemnification Agreement by and between Registrant and each of its Independent Directors⁽³⁾
- (k)(7) Escrow Agreement⁽⁵⁾
- (l) Opinion of Venable LLP⁽⁴⁾
- (m) Not applicable
- (n)(1) Consent of Venable LLP (incorporated by reference to Exhibit I hereto)⁽⁴⁾
- (n)(2) Consent of Independent Registered Public Accounting Firm⁽³⁾
- (n)(3) Consent of John O. Niemann, Jr.⁽²⁾
- (n)(4) Consent of Peter Shaper⁽²⁾
- (n)(5) Consent of Phil D. Wedemeyer⁽²⁾
- (o) Not applicable
- (p) Not applicable
- (q) Not applicable
- (r)(1) Code of Ethics of the Registrant⁽³⁾
- (r)(2) Code of Ethics of HMS Adviser LP⁽³⁾
- (r)(3) Code of Ethics of Main Street Capital Corporation and Main Street Capital Partners, LLC⁽³⁾
- (r)(4) Code of Ethics of Hines Securities, Inc.⁽³⁾

⁽¹⁾Previously filed as part of the Registrant's Registration Statement on Form N-2, filed with the SEC on December 16, 2011.

⁽²⁾Previously filed as part of the Registrant's pre-effective Amendment No. 2 to the Registration Statement on Form N-2, filed with the SEC on April 30, 2012.

⁽³⁾Previously filed as part of the Registrant's pre-effective Amendment No. 3 to the Registration Statement on Form N-2, filed with the SEC on May 31, 2012.

⁽⁴⁾Previously filed as part of the Registrant's pre-effective Amendment No. 4 to the Registration Statement on Form N-2, filed with the SEC on June 4, 2012.

⁽⁵⁾Previously filed as part of the Registrant's post-effective Amendment No. 1 to the Registration Statement on Form N-2, filed with the SEC on June 25, 2012.

Item 26. Marketing Arrangements

The information contained under the heading “Plan of Distribution” in this Registration Statement is incorporated herein by reference.

Item 27. Other Expenses of Issuance and Distribution

SEC registration fee	\$	171,900
FINRA filing fee	\$	75,500
Printing and mailing expenses	\$	6,000,000
Blue sky filing fees and expenses	\$	500,000
Legal fees and expenses	\$	4,500,000
Accounting fees and expenses	\$	1,400,000
Transfer agent fees	\$	2,460,625
Advertising and sales literature	\$	3,000,000
Due diligence expenses	\$	3,750,000
Adviser Personnel Salaries	\$	391,975
Bank and other Administrative Expenses	\$	250,000
Total	\$	22,500,000

The amounts set forth above, except for the SEC and FINRA fees, will in each case be estimated and assumed that we sell all of the shares being registered by this registration statement. All of the expenses set forth above shall be borne by the Registrant.

Item 28. Persons Controlled by or Under Common Control

As of immediately prior to this offering, the Hines Investor owns 75% of our outstanding common stock and an unaffiliated investor owns 25% of our outstanding common stock. Following the completion of this offering, the share ownership position in us of the Hines Investor and such unaffiliated investor is expected to represent less than 1% of our outstanding common stock.

See “Management,” “Certain Relationships and Related Party Transactions” and “Control Persons and Principal Stockholders” in the prospectus contained herein.

Item 29. Number of Holders of Securities

The following table sets forth the number of record holders of the Registrant’s capital stock at September 24, 2012.

Title of Class	Number of Record Holders
Common stock, \$0.001 par value per share	4

Item 30. Indemnification

Maryland law permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from (a) actual receipt of an improper benefit or profit in money, property or services or (b) active and deliberate dishonesty established by a final judgment and which is material to the cause of action.

Maryland law requires a corporation (unless its charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful in the defense of any proceeding to which he or she is made or threatened to be made a party by reason of his or her service in that capacity. Maryland law permits a corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in those or other capacities unless it is established that (a) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (1) was committed in bad faith or (2) was the result of active and deliberate dishonesty, (b) the director or officer actually received an improper personal benefit in money, property or services or (c) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. However, under Maryland law, a Maryland corporation may not indemnify for an adverse judgment in a suit by or in the right of the corporation or for a judgment of liability on the basis that a personal benefit was improperly received, unless in either case a court orders indemnification, and then only for expenses. In addition, Maryland law permits a corporation to advance reasonable expenses to a director or officer upon the corporation's receipt of (a) a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation and (b) a written undertaking by him or her or on his or her behalf to repay the amount paid or reimbursed by the corporation if it is ultimately determined that the standard of conduct was not met.

Our charter contains a provision that limits the liability of our directors and officers to us and our stockholders for money damages and our charter requires us to indemnify and advance expenses (including reasonable attorneys' fees and amounts reasonably paid in settlement) to (i) any present or former director or officer, (ii) any individual who, while a director or officer and, at our request, serves or has served another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise as a director, officer, partner, member, manager or trustee and (iii) our Adviser and its directors, executive officers and controlling persons, and any other person or entity affiliated with it. However, in accordance with guidelines adopted by the North American Securities Administrators Association, our charter and the Investment Advisory Agreement provide that we may not indemnify an indemnitee for any liability or loss suffered by such indemnitee nor hold harmless such indemnitee for any loss or liability suffered by us unless (1) the indemnitee has determined, in good faith, that the course of conduct which caused the loss or liability was in the best interests of our Company, (2) the indemnitee was acting on behalf of or performing services for us, (3) the liability or loss suffered was not the result of negligence or misconduct by our Adviser, an affiliate of our Adviser, or an interested director of the Company, or was not the result of gross negligence or misconduct by an independent director of the Company and (4) the indemnification or agreement to hold harmless is only recoverable out of our net assets and not from our stockholders. In addition, we expect that our Sub-Adviser and Main Street will indemnify us for losses or damages arising out of their respective misfeasance, bad faith, gross negligence in the performance of their respective duties or by reason of the reckless disregard of their respective duties and obligations under the Sub-Advisory Agreement or the violation of applicable law or the breach of any representation in the Sub-Advisory Agreement. In accordance with the 1940 Act, we will not indemnify any person for any liability to which such person would be subject by reason of such person's misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his office. In addition, we will not provide indemnification to a person for any loss or liability arising from an alleged violation of federal or state securities laws unless one or more of the following conditions are met: (1) there has been a successful adjudication on the merits of each count involving alleged material securities law violations; (2) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction; or (3) a court of competent jurisdiction approves a settlement of the claims against the indemnitee and finds that indemnification of the settlement and the related costs should be made, and the court considering the request for indemnification has been advised of the position of the SEC and of the published position of any state securities regulatory authority in which the securities were offered or sold as to indemnification for violations of securities laws.

We may advance funds to an indemnitee for legal expenses and other costs incurred as a result of legal action for which indemnification is being sought only if all of the following conditions are met: (i) the legal action relates to acts or omissions with respect to the performance of duties or services on our behalf; (ii) the indemnitee has provided us with written affirmation of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification; (iii) the legal action is initiated by a third party who is not a stockholder or the legal action is initiated by a stockholder acting in his or her capacity as such and a court of competent jurisdiction specifically approves such advancement; and (iv) the indemnitee undertakes to repay the advanced funds to us, together with the applicable legal rate of interest thereon, in cases in which he or she is found not to be entitled to indemnification.

Item 31. Business and Other Connections of Investment Adviser

A description of any other business, profession, vocation, or employment of a substantial nature in which our Adviser, and each director or executive officer of our Adviser, is or has been during the past two fiscal years, engaged in for his or her own account or in the capacity of director, officer, employee, partner or trustee, is set forth in Part A of this Registration Statement in the sections entitled "Management" and "Investment Advisory and Administrative Services Agreement."

Item 32. Location of Accounts and Records

All accounts, books and other documents required to be maintained by Section 31(a) of the Investment Company Act of 1940, and the rules thereunder will be maintained at the offices of:

- (1) the Registrant, 2800 Post Oak Boulevard, Suite 5000, Houston, Texas 77056-6118;
- (2) the Transfer Agent, DST Systems Inc., 333 W. 11th St. Kansas City, MO 64105;
- (3) the Custodian, Amegy Bank National Association, 1221 McKinney Street, Houston, TX 77010; and
- (4) the Investment Adviser, 2800 Post Oak Boulevard, Suite 5000, Houston, Texas 77056-6118.

Item 33. Management Services

Not Applicable.

Item 34. Undertakings

We hereby undertake:

- (1) To suspend the offering of shares until the prospectus is amended if:
 - (i) subsequent to the effective date of this registration statement, our net asset value declines more than ten percent from our net asset value as of the effective date of this registration statement, or
 - (ii) our net asset value increases to an amount greater than our net proceeds as stated in the prospectus.
- (2) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (ii) to reflect in the prospectus any facts or events after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; and
 - (iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.
- (3) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of those securities at that time shall be deemed to be the initial bona fide offering thereof; and
- (4) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (5) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser, if the Registrant is subject to Rule 430C: Each prospectus filed pursuant to Rule 497(b), (c), (d) or (e) under the Securities Act of 1933 as part of a registration statement relating to an offering, other than prospectuses filed in reliance on Rule 430A under the Securities Act of 1933, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

- (6) That for the purpose of determining liability of the Registrant under the Securities Act of 1933 to any purchaser in the initial distribution of securities: the undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to the purchaser:
- (i) any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 497 under the Securities Act of 1933;
 - (ii) the portion of any advertisement pursuant to Rule 482 under the Securities Act of 1933 relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and
 - (iii) any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 and/or the Investment Company Act of 1940, the Registrant has duly caused this Post-Effective Amendment No. 2 to the Registration Statement on Form N-2 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, and State of Texas, on the 28th of September, 2012.

HMS INCOME FUND, INC.

By: /s/ Ryan T. Sims
Name: Ryan T. Sims
Title: Chief Financial Officer and Secretary

Pursuant to the requirements of the Securities Act of 1933, as amended, this Post-Effective Amendment No. 2 to the Registration Statement has been signed below by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
<u>* Charles N. Hazen</u>	Chairman and Chief Executive Officer (Principal Executive Officer)	September 28, 2012
<u>/s/ Ryan T. Sims Ryan T. Sims</u>	Chief Financial Officer and Secretary (Principal Financing and Accounting Officer)	September 28, 2012
<u>* Vincent D. Foster</u>	Director	September 28, 2012
<u>* Peter Shaper</u>	Director	September 28, 2012
<u>* Phil D. Wedemeyer</u>	Director	September 28, 2012
<u>* John O. Niemann, Jr.</u>	Director	September 28, 2012

*By: /s/ Ryan T. Sims
Ryan T. Sims, as Attorney-in-fact

HMS INCOME FUND, INC.
DISTRIBUTION REINVESTMENT PLAN

As amended September 28, 2012
Effective as of October 8, 2012

HMS Income Fund, Inc., a Maryland Corporation (the “Company”), has adopted the following Distribution Reinvestment Plan (the “DRP”). Capitalized terms shall have the same meaning as set forth in the Company’s Charter (the “Articles”) unless otherwise defined herein.

1. *Distribution Reinvestment.* As an agent for the stockholders of the Company (“*Stockholders*”) who purchase shares of the Company’s common stock (the “*Common Stock*”) in connection with the Company’s continuous offering (the “*Offering*”) pursuant to its registration statement on Form N-2 (file no. 333-178548) (the “*Registration Statement*”) or any future offering of Common Stock, and who elect to participate in the DRP (the “*Participants*”), the Company will apply all cash distributions, other than Designated Special Distributions (as defined below), (“*Distributions*”), including Distributions paid with respect to any full or fractional shares of Common Stock acquired under the DRP, to the purchase of the shares of Common Stock for such Participants directly, if permitted under state securities laws and, if not, through the Dealer Manager or Soliciting Dealers registered in the Participant’s state of residence. As used in the DRP, the term “Designated Special Distributions” shall mean those cash or other distributions designated as Designated Special Distributions by the Board.

2. *Authorization.* Subject to the Board’s discretion and applicable legal restrictions, the Company intends to authorize and declare distributions quarterly and pay distributions on a monthly basis or on such other date or dates as may be fixed from time to time by the Board to Stockholders of record at the close of business on the record date for the distribution involved. During the Offering, shares of Common Stock pertaining to the DRP will be issued on the same date that the Company holds the first closing of the month (“*First Monthly Closing*”) for the sale of shares of Common Stock in connection with the Offering. The number of shares of Common Stock to be issued to a Stockholder shall be determined by dividing the total dollar amount of the distribution payable to such Stockholder by the price, net of all sales load, that the shares of Common Stock are sold in the Offering on such closing date.

3. *Procedure for Participation.* Any Stockholder who owns Shares of Common Stock and who has received a prospectus, as contained in the Company’s Registration Statement filed with the Securities and Exchange Commission (the “*Commission*”), may elect to become a Participant by completing and executing a subscription agreement, an enrollment form or any other appropriate authorization form as may be available from the Company from time to time. If the Company receives a Stockholder’s properly completed subscription agreement or other appropriate authorization form within 10 days prior to the next Distribution date, the Stockholder’s participation in the DRP will begin with the next Distribution payable after receipt of a Participant’s subscription, enrollment or authorization. Otherwise, the Company reserves the right to commence the Stockholder’s participation in the DRP beginning with the following Distribution payable. Shares of Common Stock will be purchased under the DRP on the date that Distributions are paid by the Company.

Participation in the DRP shall continue until such participation is terminated in writing by the Participant pursuant to Section 8 below. If the DRP transaction involves shares of Common Stock that are registered with the Commission in a future registration or there is a change to the purchase price to be paid for shares of Common Stock issued pursuant to the DRP, the Company shall make available to all Participants the prospectus as contained in the Company's Registration Statement filed with the Commission with respect to such future registration or provide public notification to all Participants of such change in the purchase price of the shares of Common Stock issued pursuant to the DRP. If, after a price change, a Participant does not desire to continue to participate in the DRP, he should exercise his right to terminate his participation pursuant to the provisions of Section 8 below.

4. *Purchase of Shares of Common Stock.* Participants will acquire DRP shares of Common Stock from the Company at a price equal to the price at which shares of Common Stock are sold in the Offering on the First Monthly Closing date minus the sales load until the Offering terminates and the Company elects to deregister with the Commission or the Board of the Company decides to modify or terminate the DRP for any other reason. In the event that the Offering is suspended or terminated, the reinvestment purchase price will be the net asset value per share. Participants in the DRP may also purchase fractional shares of Common Stock so that 100% of the Distributions will be used to acquire shares of Common Stock. However, a Participant will not be able to acquire shares of Common Stock pursuant to the DRP to the extent that any such purchase would cause such Participant to violate any provision in the Articles.

5. *Stock Certificates.* The ownership of the shares of Common Stock purchased through the DRP will be in book-entry form only.

6. *Reports.* Within 90 days after the end of the Company's fiscal year, the Company shall provide each Stockholder with an individualized report on his or her investment, including the purchase date(s), purchase price and number of shares of Common Stock owned, as well as the dates of Distributions and amounts of Distributions paid during the prior fiscal year. In addition, the Company shall provide to each Participant a confirmation at least once every calendar quarter showing the number of shares of Common Stock owned by such Participant at the beginning of the covered period, the amount of the Distributions paid in the covered period and the number of shares of Common Stock owned at the end of the covered period.

7. *Commissions.* The Company will not pay any selling commissions or Dealer Manager fees in connection with shares of Common Stock sold pursuant to the DRP.

8. *Termination by Participant.* A Participant may terminate participation in the DRP at any time, upon 10 days' written notice, without penalty by delivering to the Company a written notice of such termination. If the Company receives a Stockholder's properly executed authorization within 10 days prior to the next Distribution date, the Stockholder's participation in the DRP will be discontinued. Otherwise, the Company reserves the right to discontinue the Stockholder's participation in the DRP beginning with the following Distribution payable. Participants may send their written notice to HMS Income Fund, Inc. at P.O. Box 219010, Kansas City, MO 64121-9010 (or 430 W. 7th St., Kansas City, MO 64105 for overnight delivery). Prior to listing of the shares of Common Stock on a national securities exchange, any transfer of shares of Common Stock by a Participant to a non-Participant will terminate participation in the DRP with respect to the transferred Common Stock. Upon termination of DRP participation, future Distributions, if any, will be distributed to the Stockholder in cash.

9. *Taxation of Distributions.* The reinvestment of Distributions in the DRP does not relieve Participants of any taxes which may be payable as a result of those Distributions and their reinvestment in shares of Common Stock pursuant to the terms of the DRP.

10. *Amendment or Termination of DRP by the Company.* The Board of the Company may by majority vote amend, suspend or terminate the DRP for any reason upon 10 days' notice to the Participants; provided, however, the Board may not amend the DRP to eliminate the right of a Participant to terminate participation in the DRP at least annually.

11. *Voting Rights.* Shares of Common Stock issued pursuant to the DRP will have the same voting rights as the shares of Common Stock issued pursuant to the Offering. Each Participant will receive any Corporation-related proxy solicitation materials and each Company report or other communication to Stockholders, and will vote any shares of Common Stock held by it under the DRP in accordance with the instructions set forth on proxies returned by Participants to the Company.

12. *Service Fee.* Any service fee or expenses incurred by the Company in connection with the administration of the DRP will be paid for by the Company.

13. *Liability of the Company.* The Company shall not be liable for any act done in good faith, or for any good faith omission to act, including, without limitation, any claims or liability: (a) arising out of failure to terminate a Participant's account upon such Participant's death prior to receipt of notice in writing of such death; and (b) with respect to the time and the prices at which shares of Common Stock are purchased or sold for Participant's account.

14. *Governing Law.* These terms and conditions shall be governed by the laws of the State of Texas.