

EXHIBIT I

RECORDING REQUESTED BY:
PACKARD BELL ELECTRONICS, INC.

WHEN RECORDED RETURN TO:

Packard Bell Electronics, Inc.
8350 Fruitridge Road
Sacramento, CA 95826
Attention: Jeff Scheinrock

(
(
(
(
(
(
(
(
(
(
(
(
(
(
(

For Recorder's Use Only

**MEMORANDUM OF LEASE
AND
ABSTRACT OF OPTION**

THIS MEMORANDUM OF LEASE AND ABSTRACT OF OPTION ("Memorandum") is made effective as of the 15th day of December, 1994, by and between PACKARD BELL ELECTRONICS, INC., a Delaware corporation ("Tenant"), and the CITY OF SACRAMENTO, a municipal corporation ("Landlord").

1. Landlord leases to Tenant and Tenant leases from Landlord the real property described in Attachment 1, attached hereto and incorporated herein (the "Property"); on the terms and conditions set forth in that certain Industrial Development Lease and Option to Purchase (the "Lease") between the parties, dated December 15, 1994, which Lease is incorporated into this Memorandum by reference as though fully set forth herein. Unless otherwise defined herein, capitalized terms shall have the meaning ascribed to them in the Lease.

2. Tenant acknowledges that the Property is subject to, and Tenant agrees to comply with, the terms and conditions of that certain Department of the Army Lease, dated December 13, 1994, made by and between Landlord, as tenant, and the United States of America acting by

12/10/94
4\c:\wp51\citysac\memlease

- 1 -

City Agreement No. 94-194

and through the Secretary of the Army, as landlord.

3. The Term of the Lease shall commence on December 15, 1994, and, unless sooner terminated, shall end on December 14, 2049.

4. Landlord hereby grants to Tenant the exclusive right and option to purchase the Property at the price and under the terms and conditions set forth in the Lease. Unless sooner terminated, said option shall expire on December 14, 2004.

5. This Memorandum is prepared for the purposes of recordation and it in no way modifies the provisions of the Lease. The Lease is unrecorded.

Dated: 1/20/95

PACKARD BELL ELECTRONICS, INC.,
a Delaware corporation

By: Jeff Schmitt

By: N/A

CITY OF SACRAMENTO,
a municipal corporation

By: [Signature]
Deputy City Manager

ATTEST:

By: [Signature]
City Clerk

APPROVED AS TO FORM:

By: [Signature]
City Attorney

State of California }
County of Sacramento }

On _____ before me, _____, personally
appeared _____ personally known to me (or proved
to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed
to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California }
County of Sacramento }

On _____ before me, _____, personally
appeared _____ personally known to me (or proved
to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed
to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California }
County of Sacramento }

On _____ before me, _____, personally
appeared _____ personally known to me (or proved
to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed
to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California }
County of Sacramento }

On _____ before me, _____, personally appeared _____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____ (Seal)

State of California }
County of Sacramento }

On _____ before me, _____, personally appeared _____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

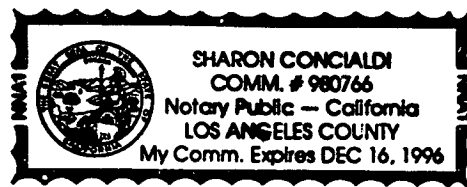
Signature _____ (Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5907

State of CaliforniaCounty of Los AngelesOn January 10, 1995 before me, Sharon Concialdi, Notary Public,
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"personally appeared Jeff Scheinrock,
NAME(S) OF SIGNER(S)

personally known to me - ~~OR~~ ~~proved to me on the basis of satisfactory evidence~~
to be the person(s) whose name(s) is/are
subscribed to the within instrument and ac-
knowledged to me that he/she/they executed
the same in his/her/their authorized
capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s),
or the entity upon behalf of which the
person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Sharon Concialdi
SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

INDIVIDUAL
 CORPORATE OFFICER
Vice Chairman
 TITLE(S)

PARTNER(S) LIMITED
 GENERAL

ATTORNEY-IN-FACT
 TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER: _____

SIGNER IS REPRESENTING:
 NAME OF PERSON(S) OR ENTITY(IES)
Packard Bell Electronics

DESCRIPTION OF ATTACHED DOCUMENT

Memorandum of Lease and
 Abstract of Option

TITLE OR TYPE OF DOCUMENT

3

NUMBER OF PAGES

January 10, 1995

DATE OF DOCUMENT

*City Manager, City Clerk,
 City Attorney - Sacramento*
 SIGNER(S) OTHER THAN NAMED ABOVE