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## Small Size \$500 and \$1,000 Notes "Beyond Type Collecting"

Just over a year ago, I wrote an article for the *Greensheet* on Small Size \$500 and \$1,000 Notes. Since then, the market for these Notes has changed considerably. More information has become available, and new collectors have entered the market. This time around, I want to do something a little different—no discussion on type or low grade generic Notes. Instead, I want to touch on some of the "better" high denoms, using recent sales as examples, followed by some of my own observations and conclusions.

Advanced collectors of high denoms are savvy and highly grade conscious. They methodically hand pick the best Notes they can find, slowly building on their holdings. They're after the "better items" or the high flyers within this already very specialized niche area. What are these "better items?" These "non-types" include the following: High denom Star Notes, high grade Series '28 Feds, high denom Gold Certificates, Series '34 light green seals, high denoms on better districts, consecutive runs, and high denoms with low or interesting serial numbers. These better items are bringing record prices. Here are some notable examples since my last writing:

- December 1998 Sotheby's. A huge run of "type" \$1,000 Feds (Series '34A Chicago District), some 80+ consecutive GEM Notes in all, come to the auction block. The long run is broken up into shorter runs — six lots in all. Several of these multiple Note lots bring over \$3,000 per Note. One lot closes at an amazing \$3,850 per Note!!
- March 1999 eBay. The online auction company sees the consignment of a GEM \$500 "L" District Star Note. A verified sale takes place and is confirmed at \$10,000. This is a record for any \$500 (or for that matter \$1,000) Fed Star, with the exception a serial #1 \$500 Replacement Note.
- September 1999 Currency Auctions of America. A high grade Series '28 Dallas District \$500 FR is being sold. Described as GEM CU, this "K" District Fed is rare in high grade, particularly for this earlier series. Two floor bidders battle it out until the hammer falls at a healthy \$5,250 plus the juice.
- February 2000 Long Beach Coin and Collectibles Expo. In a private sale, the finest known Series '28 \$500 Gold Certificate (graded CGA 65) changes hands at \$29,000, a record price for the type. Low grade and common district high denoms don't make this list. They are not rare and probably never will be. The above mentioned sales are for "better items," that is, better high denoms, rarely seen. In respect to such items, the reader may want to consider the following:

1.) The demand for high denom Gold Certificates has brought many new pieces to market. Formerly believed 50-60 pieces extant of each \$500 and \$1,000 denom, current population for the type is at least three times this estimate, many recent examples arriving from Western Europe. Almost all of the newly discovered examples are well circulated, many "enhanced" stateside, some even laminated. Low grade Gold Certificates are becoming more available. Demand will continue to outstrip supply, but these lower grades should not see much price pressure. Contrarily, population for original UNC Gold Certs, particularly GEM Notes, has been stagnant. These Notes are truly rare. They should continue to see record price increases.

2.) High denomination Star Notes are at minimum scarce and usually quite rare. For Series '28, there are a mere three Star Notes reported for the entire issue. Incredibly, this is a combined total for both the \$500 and \$1,000 Feds! They are decidedly rare. Putting together a high grade district set of Series '34 or '34A high denom Stars should also be considered a Herculean task. Several districts for Series '34 and '34A Replacement Notes are unavailable in XF or better. Even more daunting, some districts show as little as one or two Stars known in any grade at all!!!

3.) For Series '28 and '34, the "H" District \$500 and \$1,000 FRNs are almost equally as available as Chicago District high denoms. Once considered a "scarce district" (with only a fraction of the Chicago printing), the St. Louis Notes were hoarded in pack quantity and are available in grade. The St. Louis Notes are great for type, available in grade, but they are not rare. In fact, in light green seal variety, they are even more abundant than their Chicago type counterparts.

4.) Seal (color) varieties do exist in high denoms but not nearly as many variations as in the lower denomination Feds. Series '28 high denoms are light and dark green seal. 1934 high denom Feds are LGS and DGS with just one medium, or transitional seal. 1934A high denoms are just DGS.

5.) The earlier (and lesser printed) light green seal high denoms were not saved. Many were not circulated hard and hence turned in. Series '34 light green seal high denoms are elusive. In AU or better they are scarce (with the exception of the St. Louis District). Series 1928 light green seals should be considered rare and very rare in high grade. A \$500 or \$1,000 high grade district of light green seals (for either Series '28 or '34) is a serious collecting challenge.

More information on Small Size \$500 and \$1,000 Notes is becoming available. Formerly reserved for very few, collecting high denoms is becoming more mainstream. Collectors and dealers alike continue to share knowledge about these fascinating Notes. Any and all new data about these Notes is of great interest to the author.

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### GRADING

Gem Crisp Uncirculated	An almost perfect note. Better than average margins. No aging or fading.
Choice Crisp Uncirculated	A nice new note but not quite Gem. Centering may be a little off. May show some aging or light counting smudges or wrinkles.
Crisp Uncirculated	No trace of circulation. Can have centering problems, pin holes, counting smudges, wrinkles, close margins, or a corner tip fold (not into design).
Almost Uncirculated	(Almost new) These will be much the same as a "new" note except for a single fold or several corner folds.
Extra Fine	Circulated; may have some folds; still has some crispness.
Very Fine	Some circulation; may show several folds and will have lost some of its crispness and color.
Fine	Well-circulated with little crispness remaining; edges may be rough.
Very Good	Will be fairly well-soiled; may be significantly worn; might have roughness around the edges with only minute problems.

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