

Jason Mitchell Group



Case Study: The
Business Generation
Model Fueling One of
the US's Fastest-
Growing Brokerages



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Business generation is an increasingly important strategy. This case study dives into the innovative approach employed by one of the nation's fastest-growing brokerages.

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Business Generation Overview

With shrinking profits, contracting commission rates and ongoing challenges in demonstrating value to agents, business generation is an increasingly important strategy for brokerages to employ.

Brokerages can leverage a variety of ways to generate business for themselves and their agents, including purchasing leads, leveraging ad-based lead generation systems and by using demand generation strategies. In the last two decades, firms have increasingly used these tactics, but customer acquisition costs continue to rise.

Meanwhile, portals have shifted their referral economics with new lead generation strategies, which give agents access to pre-screened buyers and sellers with no upfront costs. Yet, the referral fee, if the deal closes, can be as much as 40 percent. That means the take home is less.

Successful agents and real estate teams have also increasingly leveraged the power of business generation to develop profitable businesses, while many brokerages struggle to capture margins and demonstrate value to their agents.

Generating and owning the source of the business allows brokerages to capture more margin on each deal and more tightly control how their agents manage them. Requiring agents to follow certain processes can mean higher conversion rates, better integration into the brokerage brand and ancillary business and more.

The value of business generation will only increase for brokerages in years to come. This case study dives into the innovative business generation strategy employed by one of the nation's fastest-growing brokerages in Jason Mitchell Group.

About Jason Mitchell Group

The US's 45th largest brokerage, Jason Mitchell Group (thejasonmitchellgroup.com) leverages an innovative business-to-business brokerage business model in which it forms partnerships with mortgage companies and other institutional partners and serves as those partners' brokerage wing. Its model centers on providing high-quality leads to its roster of in-house agents from a growing bench of referral partners it keeps tied to the process.

About Jason Mitchell Group

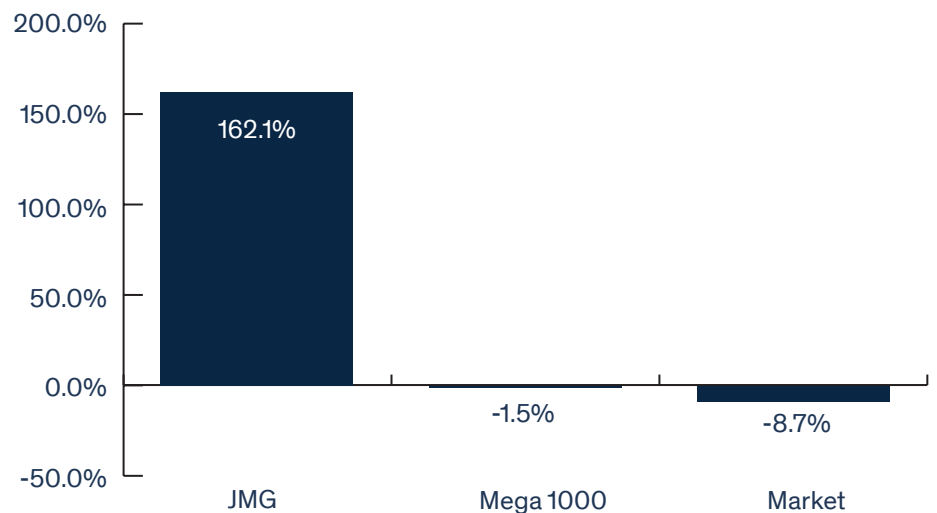


After founding Jason Mitchell Group (JMG) as a team in 2010, Jason Mitchell transitioned the team into a brokerage in 2019 with an innovative brokerage business model designed to turn referrals into clients for large institutional partners.

In 2023, the brokerage and its agents closed 8,537 transactions for \$4.2 billion in sales. This production made the firm, which has operations in 42 US states and over 140 metros areas, the nation’s 45th largest brokerage by sales volume, according to T3 Data.

From 2020 to 2023, the Scottsdale, Arizona-based firm grew its annual sales volume by 162.1 percent. This vastly outpaced the sales volume change of the US’s 1,000 largest brokerages (based on T3 Sixty’s Mega 1000 ranking) and the market (based on existing home sales data), which saw a decline of 1.5 percent and 8.7percent, respectively, over that period.

JMG Sales Volume Growth Compared to Mega 1000 and Market: 2020-2023



Source: T3 Data

The firm achieved this remarkable growth by operating an innovative lead conversion engine tied to deep partnerships with institutional organizations who funnel their real estate brokerage leads to the company. In many cases, these referral partners have a service ancillary to a real estate transaction – such as a purchase mortgage – that they have an interest in capturing.

JMG routes the thousands of leads it receives from its partners each year to in-house agents, who then work to convert the leads based on processes customized to those partners. The firm generates approximately 80 percent of the business its approximately 900 agents do from its institutional partnerships.

By pairing technology and a rigorous system of follow-up with relatively high-quality leads, the firm reports an average conversion rate of roughly 22 percent of the leads its partners send.

Jason Mitchell Group Overview

Key Details

- Founded by Jason Mitchell in 2019
- Based in Scottsdale, Arizona
- Operations in 42 states, 140+ MSAs
- US's 45th largest brokerage
- One of three business generation brokerages in top 100 of 2024 Mega 1000

2023 Production Basics

- \$4.2 billion in sales
- 8,537 transaction sides
- 704 agents
- Net profit margin: 16%

Source: JMG



History

Jason Mitchell was working as a young agent in Phoenix in the late 2000s when he had the opportunity to begin working referrals of prequalified buyers from Quicken Loans (now known as Rocket Mortgage). He set up processes to convert a high percentage of these referrals while also keeping Quicken Loans in the loop so they had an increased chance of capturing their mortgage business.

His system proved fruitful. He began building a team in and around Phoenix optimized to serve, convert and manage these leads. By mid-2010s, he had become one of Arizona's leading agents by annual sales volume.



Jason Mitchell
Founder and President
Jason Mitchell Group

At about that time, he saw other businesses had a similar audience of motivated buyers and could benefit from a brokerage partner that could efficiently convert them and pay a referral fee. With Quicken Loans, one of the nation's largest mortgage servicers on his resume, others gave him a shot. He expanded to Tucson, Arizona, and other markets continuing to hone his systems, reporting and distribution to match leads to agents.

In the process, he uncovered a successful brokerage business model. Recognizing mortgage companies and other types of businesses with a consumer-direct focus need partners they trust to turn high-value real estate leads into clients, he built the processes to capitalize on the opportunity.

By 2019, his real estate team was in seven states, and he launched the JMG brokerage.

Business Model

When JMG closes a transaction referred by an institutional partner, it pays 35 percent of the fee it collects to the partner. JMG then splits the remaining transaction amount with 50 percent going to the agent that managed the lead to transaction and 50 percent going to JMG.

The JMG business model centers on serving institutional partners as a key customer. Its systems keep partners informed about the status of referrals, including with frequent updates, while its processes coach agents to keep up with the systems supporting detailed partner communication. Partners can also customize the processes to a certain degree.

To incentivize consumers to use the mortgage services from the partner who refers them to JMG, the firm, where allowed, offers 1 percent of the purchase price as cash at the close when they transact with JMG and use the referral partner's services. See JMG's landing page for its Zillow partnership as an example of this messaging and offer (thejasonmitchellgroup.com/zillow-vip).

JMG's business model also leverages a revenue-sharing model to facilitate organic growth. For every new agent joining JMG, the recruiting agent earns 5 percent of the commissions that recruit does with the firm for as long as they are with the company. Other fast-growing brokerages, such as eXp Realty and The Real Brokerage, have leveraged this same approach to drive their organic growth.

Jason Mitchell Group Overview

Key Details

- Commissions (after split): \$35 million
- Ancillary (title, home security, home warranty, solar; JMG does not touch mortgage): \$3 million
- Dues and transaction fees: \$5 million
- Net Profit: \$18-20 million

Source: JMG



Processes

Processes are a key part of JMG's success.

JMG has what it calls a centralized “mission control team” of eight staff members who receive all referrals partners send to the brokerage. This team serves as the main point of partner contact, plays a key role in routing and managing the referrals, and quality controls how JMG agents serve and update the referral partner.

To begin the process and before sending a referral, the institutional partner asks consumers if they are working with an agent. If they answer no, they are asked about their interest in the JMG referral program, often mentioning a benefit of a rebate.

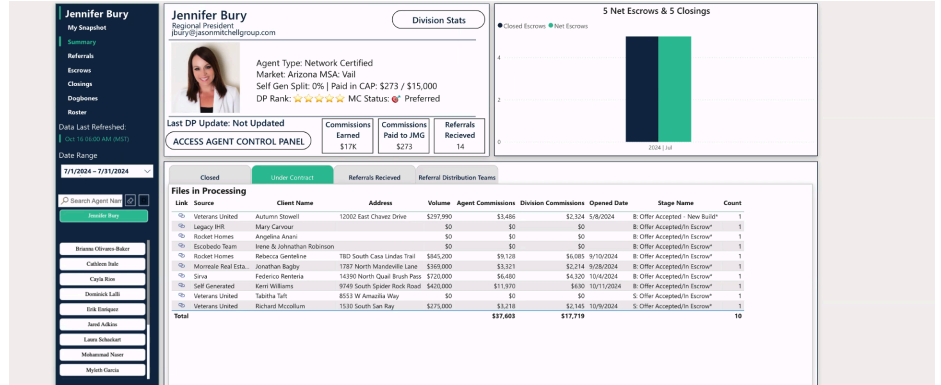
When customers express interest, the lending officer posts to the JMG system. Mission control receives the referral. Each partner can help shape the email and text flow their referrals receive within the JMG program. However, most let JMG route based on their own routing systems and agent identification (with a custom email and text flow for each partner).

At this point, mission control sends a communication to the agent, the consumer, and, if the partner wants it, to the loan officer. Mission control emails target the specific needs of each stakeholder. For example:

- **Agent:** This email includes a link to the manual for how that partner's referrals should be handled including how the partner likes to be updated.
- **Consumer:** Receives a custom AI-built video personalized to them with JMG and the specific agent's value proposition.
- **Partner:** Gets a status update that the lead has been assigned to a particular agent and a reminder of the next steps.

As the agent works with the consumer, they benefit from JMG's existing emails, instructional videos, transaction management tools, marketing and legal help and more all within a digital app that centralizes their work. Throughout, they also communicate with the institutional partner per the manual's instructions on cadence and preferred types of update.

Mission Control Visibility into JMG Agents



Source: JMG

Mission control also carefully monitors performance by market, agent and referral partner so it knows where to focus its energy and which areas of the business need improving or adjustment.

Technology

JMG is currently building out a proprietary enterprise resource planning platform to centralize its business activities including ingesting referrals, distributing leads and reporting to partners.

By consolidating all files along with customer relationship management, deal tracking, compliance, transaction management and more in one interface for the entire company – agents, brokers, leadership team and mission control – JMG aims to build more business value via process streamlining and automation.

The firm is investing millions of dollars into this system and also looking to foster customer-for-life engagements. Building out its technological platform to optimize consumer engagement increases chances of repeat users of JMG’s services while driving return business for its institutional partners (e.g., through refinancing or home equity loans).

Key Partners

In JMG’s business-to-business brokerage model, the firm essentially functions as the brokerage conversion arm for its institutional partners. This approach requires two key elements to work: institutional partners who provide the high-quality referrals and motivated, trained agents to convert these referrals at a high clip.

Institutional Partners

The primary institutional partner in JMG’s model offers consumer-direct purchase mortgages. These firms tend to market to consumers, some of whom reach out to get prequalified or preapproved for a mortgage.

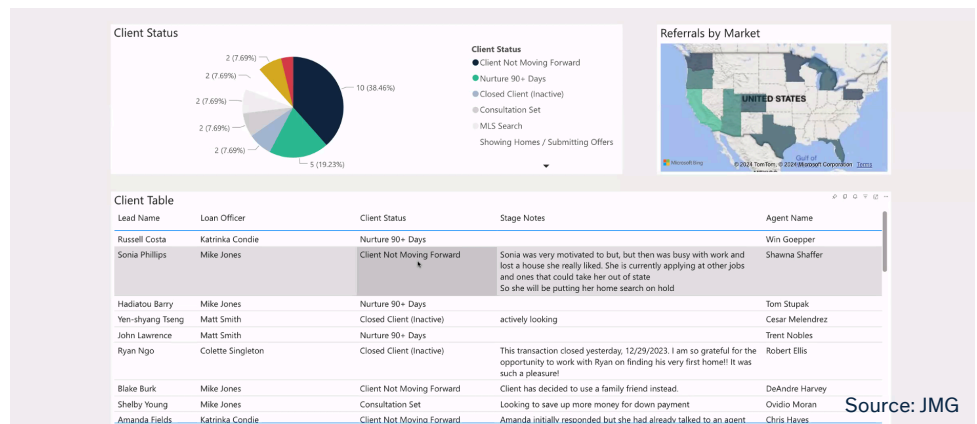
Approximately half of the institutional partner leads JMG receives each year come from lenders like Rocket Mortgage, Veterans United and Amerisave. The firm also partners with more than 100 credit unions.

These companies typically generate a high volume of referrals, yet many also have more than one referral partner. Ultimately, JMG’s partners do not just want to secure revenue from a brokerage referral fee. They also, more importantly, want to win the mortgage business of the lead.

JMG looks to stand out with its emphasis on partner service. Its value proposition includes:

- Increased conversion rates of referrals it passes to agents, an average of 22 percent.
- A broad network of agents, who handle leads in a standardized, systemized way.
- Transparency into the lead’s progress through the process.

Institutional Partner View from JMG Mission Control



JMG institutional partners also include search portals such as Movoto Pro Plus and Realtor.com. Through October 2024, JMG received over 43,000 referrals from 68 different referral partners. Of the 25 partners who provided referrals each of those months, 10 provided an average of more than 100 referrals per month.

Referral Partner*	Partner Type
Amerisave Realty	Lending
Freedom Mortgage	Lending
HomeStory	Lending
Movoto Pro Plus	Search
NAF Homes	Lending
Mr. Cooper	Lending
Realtor.com (via ReadyConnect Concierge)	Search
Rocket Homes	Lending
Veterans United Realty	Lending
Zillow Flex and Zillow Home Loans	Search and Lending

Source: JMG

*Partners who provided JMG an average of over 100 referrals each month in 2024 (through October).





Agents

Agents are the other critical component of the JMG business. The company aims to provide all its agents — each of whom is an independent contractor — with eight referrals each month. With this steady diet of high-quality referrals, agents can build their book of business.

While approximately 800 of the company’s roughly 900 agents receive leads from the company, agents need not rely on JMG referral leads alone. On deals JMG agents generate themselves, they earn 80 percent of the transaction compensation with 20 percent going to JMG.

To receive leads, agents get network-certified by going through rounds of vetting and three weeks of training and coaching. The company then stack-ranks them quarterly and carefully measures their performance.

JMG ranks agents by performance, including responsiveness, conversion rate and how close they follow the referral guidelines for partners. A top tier agent does 10 to 12 transactions per month; a second-tier agent would do 6 to 8 transactions per month. If they fall below par, they are taken off and put into a coaching program or given fewer leads.

JMG also charges agents fees under the following schedule:

- \$350 per transaction (consumers pay a separate \$395 fee)
- \$124 per month platform fee
- \$100 per quarter for errors and omissions insurance

When agents reach \$20 million or 50 transactions at JMG, they move to an 85 (agent)-15(JMG) split on deals they generate, with an annual cap of \$24,000.

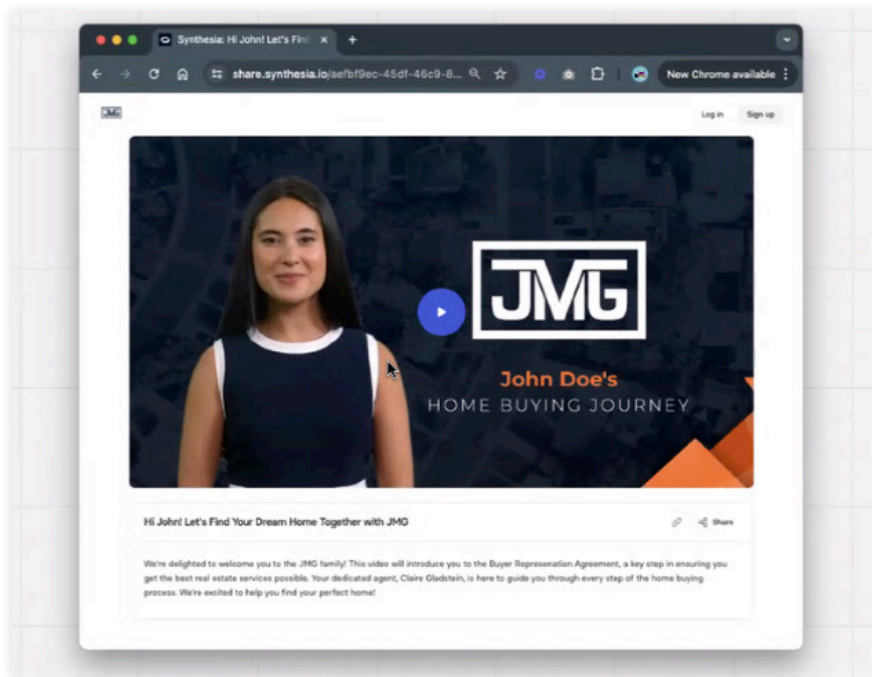


JMG hires new agents based on referral flow. It will only bring in new agents when it can reliably pass approximately eight referrals to each agent each month. New agents must meet certain requirements, including:

- At least 10 closings in past 12 months.
- Minimum experience of two years.
- Participate in a three-step interview starting with a junior recruiter, followed by an actual recruiter and then a regional vice president.

In 2023, JMG introduced JMG+, a revenue-sharing program to help amplify growth. In the program, agents can earn residual income from the recruit's lifetime earnings with the company, but without having to manage that individual. Other firms such as eXp Realty and The Real Brokerage have leveraged similar programs to achieve spectacular growth.

Custom AI-Built JMG Agent Video Delivered to Consumers



Growth

To facilitate more referrals and to own more of the lead-generation business, JMG's parent company JMG Holding Partners in 2022 acquired Home Advantage, a real estate company servicing more than 120 credit unions across the US. JMG used this to boost its connection to credit unions and for the underlying technology it is currently building upon.

The company has aggressive growth goals. It is looking at scaling by adding institutional partners and then adding markets and agents to service this increased lead flow.

The firm is also targeting teams of between five and 10 agents, who can serve as a unit that essentially open and run a market.



Key Partner Experience

To assess the JMG's growth and performance among key partners, T3 Sixty interviewed several to get a sense of their experience with the firm.

Institutional Partners

NAF Homes



Homes



Susie Wright
Senior vice president
NAF Homes

NAF Homes, the brokerage wing of a mortgage company that has a servicing portfolio of over 250,000 loans worth approximately \$70 billion in all 50 states, began working with JMG in 2017 while it was still a team and before it became a brokerage.

NAF Homes has several referral partners, but JMG receives approximately 70 percent of all its referrals, said Susie Wright, senior vice president of business operations at NAF Homes.

The company refers leads in all of JMG's 42 states. The majority of its approximately 300 referrals each month are first-time homebuyers preapproved for a loan, with JMG converting them into brokerage clients at a rate of approximately 40 percent, according to Wright.

JMG is the top referral partner across the NAF network in terms of volume of referrals sent and closings. Wright attributes that success to JMG's consistent, quality follow-up with the leads and with New American Funding loan officers.

Loan officers receive updates every 14 days on the referrals they sent to JMG. Upon receiving a lead, JMG checks in with the officer within 24 hours of receipt. NAF also receives detailed notes on the agent's follow-up.

"My loan officers love working with them," Wright says. "Agents are used to their own world...JMG has instilled customer service to partners in their agents."

Wright shared she would love for JMG to offer a deeper integration, via API, between JMG's platform and the one NAF Homes uses.



Ryan McCabe
*Senior vice president
AmeriSave Realty*

AmeriSave Realty

AmeriSave Realty, the real estate brokerage arm of AmeriSave Mortgage (amerisave.com), began working with JMG at the end of 2021. Ryan McCabe, who oversees that division as senior vice president, had worked with JMG during his tenure at Rocket Homes. When he moved to AmeriSave, he looked to develop a similar relationship.

AmeriSave Realty passes leads to a network of approximately 5,000 agents from 500 brokerages.

With a monthly average between 600 and 800 referrals, JMG receives approximately 30 percent of all those the firm sends out to brokerages, McCabe said.

Before this year, the bulk of the leads it sent were preapproved consumers, those who were fully underwritten for mortgage loans. In 2024, the company increased its lead flow by 75 percent by routing more prequalified leads.

JMG was closing approximately 9 percent of the referrals sent, but the percentage has fallen recently with the shift to more prequalified referrals. McCabe said other partners have higher conversion rates, but they handle nowhere near the scale of referrals JMG does.

The referrals communication JMG provides stands out, McCabe says. He likes that JMG updates his team at a regular cadence, such as when a lead makes an offer on a property. This allows his loan officers to remain connected, so they can increase the likelihood of earning the mortgage business.

McCabe also likes JMG's responsiveness to questions or concerns and says they take care of issues quickly. He trusts JMG's team; he can send Mitchell an email and get on a phone call with him before the end of that day.

Overall, McCabe says they have a good, productive working relationship. He just wants JMG to expand its agent coverage in more markets that AmeriSave serves.

Agents

Tiffany Drahonovsky

Drawn by the firm's technology and promise of referrals, Tiffany Drahonovsky joined JMG in May 2023 from eXp Realty. The ability to build her own brand was appealing, along with the professional branding and way JMG presents its agents to clients.

The former sales manager says she did not want to waste her time on buyers who were not as serious. JMG's model lets her serve clients, not do marketing or sales.

Through September in 2024, Drahonovsky had closed about 25 deals at \$7 million in volume. Approximately two-thirds of those transactions came from JMG-provided referrals, with the balance coming from her network.

Although she appreciates the company's referrals, she feels that her slice of the commission on deals is getting too thin to make it at scale.

This is particularly true since most of the referrals she receives are first-time homebuyers, who typically have lower price points. The overall commission is then relatively low – taking the partner referral fee and the JMG fee out leaves a smaller margin for her.

She says she also struggles with keeping partners updated in the various systems and in all the different ways they require. She expressed frustration that JMG has not yet finished its promised technology platform.

She also has noticed more referrals who are prequalified instead of preapproved, which means lower conversion rates as these are not the same high-quality lead.



Tiffany Drahonovsky
JMG agent

Tony Lorence

Tony Lorence joined JMG in January 2023 attracted by JMG's referral quality. Previously, he worked as an agent at HomeAdvantage, a provider of real estate services to credit unions that JMG Holding Partners acquired in December 2022.

In 2023, 70 percent of the 44 deals he closed came from JMG, the balance from his network.



Tony Lorence
*JMG regional vice
president, JMG agent*

JMG referrals provide experience and help jumpstart a lucrative book of business to provide a relatively steady income stream. "Referrals are as close to salary in real estate as you're going to get," Lorence says. "It levels out the ups and downs."

In addition to working as a JMG agent, Lorence serves as a regional vice president for the company, overseeing approximately 100 agents across Michigan, Indiana, Ohio and Illinois.

Lorence appreciates the growth opportunity at JMG, but said the technology platform has not been as stable as he would like.

He expressed interest in gaining increased visibility into his transaction history on JMG's platform, a request he gets from many of the agents he manages as well. He and agents in his region also wanted more visibility into their JMG+ revenue-sharing pipeline, and, overall, felt more transparency and communication from JMG leadership about when key updates would occur would improve their experience.



Takeaway

With high-converting referrals allowing its agents and teams to build their business books, JMG has pioneered an innovative business-to-business brokerage model that gives the firm a unique position in the market and a profitable business, two key competitive advantages an increasing number of brokerages are hunting in 2025.

Among JMG's institutional partners, the feedback is positive with those providing referrals happy with the levels of communication and conversion. One of the key challenges they experience is that JMG does not yet have the agents in all the markets its partners are doing business.

As it grows, however, it will need to balance an increased volume of leads with maintaining a quality of lead that keeps conversion rates high, a key factor for both their partners, and their agents, who need high-quality leads to maintain the volume required to thrive at thin splits.

Meanwhile, agents spoke of being drawn to the company by its promise of high-quality referrals and new technological innovation. However, a move from preapproved to prequalified referrals has diluted the lead pool and the millions JMG says it has invested into its new ERP have not yet paid off.

The firm appears poised for further growth, which its revamped tech platform should bolster when it rolls out. Some of the pains uncovered in this case study exemplify the unavoidable challenges that come with rapid, foundational growth as JMG has experienced in recent years and which it will more than likely sustain in years to come.

About T3 Sixty

T3 Sixty serves as a key consulting and intelligence partner to residential real estate brokerage industry leaders and their organizations. The company provides services tailored to real estate brokerages, franchisors, MLSs, Realtor associations and technology providers, and includes full-service events and talent support and operations. Real estate leaders rely on T3 Sixty for its unbiased, experienced approach, whether they are looking to grow their market share, optimize their profitability or enter new markets. Visit t360.com to learn more.

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