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Backed by Microsoft, 135 affordable units debut in Bellevue

By [BRIAN MILLER](#)
Real Estate Editor

When a two-building apartment and hotel complex stalled during construction five years ago, just west of the freeway in Bellevue, the situation wasn't pretty. On the east side of the site, the concrete foundations for the half-built Phase I hotel were an eyesore to drivers along 118th Avenue Southeast. Construction had begun there under Puget Sound Hospitality in 2019 ... just in time for the pandemic. The planned Phase II west apartments, closer to Mercer Slough, hadn't even begun. It wasn't then clear if they ever would.

But SRM Development swooped in to rescue the project at the very end of 2021. With support from Washington State Housing Finance Commission and Microsoft's Affordable Housing Initiative, the land was secured for about \$32 million. The entire project then toggled to affordable housing.

Now the 135 apartments of Phase I have opened at [991 118th Ave. S.E.](#) The old name has stuck: Nuovo.

Also retained from the original effort were Baldwin General Contracting, of Oregon, and Dale Sweeney Architects. They completed the mostly six-story building under SRM's guidance. Baldwin rates the project at 146,000 square feet. Construction was Type II-B wood over Type I-A concrete. The builder says the budget was \$36 million. Washington Trust Bank was the construction lender, supplying \$38 million to the effort.

Nuovo's apartments are now being offered with up to six weeks of free rent, per the leasing website. Units range from one- to two-bedrooms, and monthly rents are affordable to households earning in a range from 80% to 100% of area median income.

Examples include a one-bed with 546 square feet, starting at \$2,158 per month. A two-bed with 775 square feet can be had for \$2,581 monthly.

Amenities include air conditioning in all units, a playground, bike storage,



Photo by Brian Miller [\[enlarge\]](#)

Nuovo's apartments are affordable to households earning in a range from 80% to 100% of AMI. (Note the hotel foundation at right.)



Rendering by Urbal Architecture [\[enlarge\]](#)

lounge and recreation area, gym, and barbecue/picnic lounge.

Still in design, the Altaire would have 46 apartments atop a new home for the KidsQuest children's museum.

Nuovo has about 170 surface and structured parking stalls. The entire site, spanning about 4.5 acres, is a short walk north to the Wilburton Park & Ride. The longer walk north to East Main Station is a manageable 16 minutes or so — time enough to listen to a short podcast.

Then, as to the east former hotel site at 995 118th, Phase II, those concrete foundations will be removed to make way for what's currently dubbed Altaire. Urbal Architecture is designing that six-story project, to have 46 large and affordable apartments — suited to families — atop a new home for the KidsQuest children's museum, which is now based in downtown Bellevue.

Phase II is still in design review with the city. SRM has said that it will sell the west Phase I building to a nonprofit operator. That sale, and a sale of KidsQuest's very valuable downtown property, will likely precede a Phase II groundbreaking. SRM will likely act as its own general contractor there.

Brian Miller can be reached by email at brian.miller@dj.com or by phone at (206) 219-6517.

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