

Great Wolf Resorts, Inc.
Form 424B3
August 02, 2006

Filed Pursuant to Rule 424(b)(3) and Rule 424(c)
 Registration Statement No. 333-122208

**Prospectus Supplement
 Number 2**

14,032,896 Shares
Great Wolf Resorts, Inc.
 Common Stock

This prospectus supplement relates to the public offering of up to 14,032,896 shares of common stock by some of our existing shareholders, as described in the prospectus dated April 18, 2006, which we refer to as the prospectus. This prospectus supplement should be read in conjunction with the prospectus. This prospectus supplement is qualified by reference to the prospectus except to the extent that the information in this prospectus supplement updates and supersedes the information contained in the prospectus.

You should carefully consider the risk factors described beginning on page 12 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this prospectus supplement or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is August 2, 2006.

Recent Developments

On August 2, 2006, we announced our results of operations for the three and six months ended June 30, 2006. For the quarter ended June 30, 2006, we reported (amounts in thousands, except per share data):

Net income (loss)	\$ (1,402)
Net income (loss) per diluted share	\$ (0.05)
Revenues	\$35,827

Operating statistics for our portfolio of resorts were as follows:

	All Properties			Same Store Comparison^(a)	
				Increase (Decrease)	
	Q2 2006	Q2 2006	Q2 2005	\$	%
Occupancy	62.9%	64.9%	58.7%	N/A	10.6%
ADR	\$ 234.95	\$ 205.91	\$ 195.92	\$ 9.99	5.1%
RevPAR	\$ 147.67	\$ 133.71	\$ 115.05	\$ 18.66	16.2%
Total RevPOR	\$ 352.45	\$ 305.98	\$ 297.52	\$ 8.46	2.8%
Total RevPAR	\$ 221.52	\$ 198.70	\$ 174.72	\$ 23.98	13.7%

(a) Same store comparison includes only properties that were open for the entire period of Q2 2005 and Q2 2006 (that

is, the
Wisconsin
Dells,
Sandusky,
Kansas City,
Traverse City,
Sheboygan and
Williamsburg
resorts).

Key Financial Data

As of June 30, 2006, we had:

- Total cash, cash equivalents and restricted cash of \$61.5 million
- Total secured debt of \$129.5 million
- Total unsecured debt of \$51.5 million
- Weighted average costs of total debt of 7.8 percent
- Weighted average debt maturity of 12 years
- Total construction in progress for resorts currently under construction but not yet opened of approximately \$90.6 million