The book is narrated by two half-brothers, Jory and Bart Sheffield. Their mother, Cathy, is married to Christopher Sheffield. The elder brother, Jory, is a handsome, talented young man who wants to follow his mother in her career in the ballet, while the younger Bart is clumsy, ugly, and feels misunderstood by his parents and outshone by Jory. Lonely, Bart befriends an elderly neighbor, who invites him over for cookies and encourages him to call her "Grandmother". The old woman and Bart soon develop an affectionate friendship, and the woman does her best to give Bart whatever he wants, provided that Bart promises to keep her gifts--and their relationship--a secret from his mother.

Her husband, John Amos, also seems to befriend Bart, but soon John Amos begins to fill Bart's mind with stories about the sinful nature of women, especially women who, like Bart's mother Cathy, flaunt their bodies on the stage. John Amos reveals that the old woman is truly Bart's grandmother. He also gives Bart a journal belonging to Bart's biological great-grandfather, claiming that this journal will help Bart become as powerful and successful as that man. Bart is enveloped by the journal and begins to pretend that he is great-grandfather, who hated women and was obsessed with their degradation.

Cathy, Chris, and Jory soon notice the change in Bart, but only Jory suspects that the changes are due to the mysterious woman next door. At the same time, Cathy is injured in a ballet accident and is told that she will never dance again. While confined to a wheelchair, Cathy begins to write out the story of her life. Bart filches his mother's manuscript pages and is enraged to learn the truth about his parents: Cathy and Chris are brother and sister, and his beloved "grandmother" locked them in an attic for years, feeding them poison to gain an inheritance.

Cathy has also discovered the truth about the woman next door and goes to confront her. The old woman, who is indeed the mother of Cathy and Chris, expresses remorse for her crimes against them and begs them to forgive and love her again. Working on John Amos' orders, Bart, who now believes he is a vessel for his great-grandfather's vengeful spirit, helps to lock Cathy and her mother into the cellar of the house next door, where John Amos plans to starve them to death. In the course of this, Bart realizes how much he loves his mother and grandmother, despite their sins, and tells Chris where the women are. But before they can be reached, the house next door catches fire. Cathy is saved, but her mother dies of smoke inhalation, along with John Amos.

The epilogue, resumed with Cathy as narrator, describes Cathy's emotional forgiveness of her mother at the woman's funeral. Cathy and Chris, for the sake of their sons and adopted daughter, realize that they must never allow their secret relationship to be revealed. Bart seems to have recovered from the worst of his madness, but still dwells on the power wielded by his great-grandfather, whose millions he now stands to inherit.